SHAILY
Engineering Plastics Ltd

CIN # L51900GJ1980PLC065554

Regd. Office & Rania Plants : Survey No. 363, 364 & 366, At & Po. Rania 391780, Ta-Savli, Dist. Vadodara, Gujarat, India. Phone : +91-75748 05122 Phone : + 91-75748 05181 E-Mail : rania.plant@shaily.com

Halol Plant : 706,707,708 GIDC, Halol - 389 350. Dist. Panchmahals, Gujarat, India. Phone : +91-2676-222913/14 E-Mail : halol.plant@shaily.com

Correspondence Address : 8, J. P. Nagar, Old Padra Road Vadodara - 390 007, Gujarat, India. Phone : +91-265-2332706 E-Mail : sales@shaily.com Visit us at : www.shaily.com

SEPL/SE/Aug/24-25
31st August 2024

The General Manager,
Corporate Relations/Listing Department
BSE Limited
Floor 25, P.J. Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 501423

The Manager,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051
Scrip Code: SHAILY

Sub: Corrigendum to Annual Report for the Financial Year 2023-24

Ref: (i) Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) Submission of Annual Report for the Financial Year 2023-24 of the Company vide letter dated 28th August 2024

We refer to the Annual Report for the Financial Year 2023-24 of Shaily Engineering Plastics Limited ("the Company") filed with BSE Limited and National Stock Exchange of India Limited on 28th August 2024 and dispatched to the Shareholders, whose email IDs were registered, on 28th August 2024.

A Corrigendum to the Annual Report for the financial year 2023-24 of the Company is hereby issued, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on account of following typographical corrections in the Corporate Overview (non-stat) part of the above referred Annual Report;

1. Page No. 17 under point Profitable Growth → increase in consolidated EBIDTA is 28.04% instead of 3.8%;
2. Page No. 17 in the table under point Profitable Growth → Consolidated EBIDTA Growth % for FY 24 is 28.04% instead of 28.40%;
3. Page No. 19 in the table under point Accrual management → Accruals as a % of Business reinvestment for FY 22 is 51.2% instead of 5.1%;
4. Page No. 24 under point Customer Value (in the pyramid) → Revenues for FY 2022-23 is ₹ 607.07 Cr instead of ₹ 599.71 Cr.

Except for the specific changes as mentioned above, all other contents of the above referred Annual Report of the Company shall remain unchanged.

Further, the Annual Report 2023-24 after typographical corrections is uploaded on the Company's website i.e. www.shaily.com and the same is also enclosed herewith.

Kindly take the same on record.

Thanking You.

For **Shaily Engineering Plastics Limited**

DIMPLE ASHWINBHAI MEHTA

Digitally signed by DIMPLE ASHWINBHAI MEHTA
DN: c=IN, o=PERSONAL, title=8748, pseudonym=28dd610549b34b4aadfc7aa64744d799, 2.5.4.20=1d1ed0723db621091a253decb769954c330209284ee0d9f45202148baf7a44fb, postalCode=390012, st=Gujarat, serialNumber=be901a7b4cfd5ff4b6e3310581e678582e8fcab3536586c4a365ba53eccbf1a6, cn=DIMPLE ASHWINBHAI MEHTA
Date: 2024.08.31 15:00:53 +05'30'

Dimple Mehta
Company Secretary & Compliance Officer
ICSI M. No. F 13184

Encl: Annual Report after typographical corrections for the Financial Year 2023-24

Shaily Engineering Plastics Ltd.

44th Annual Report 2023-24

Creating sustainable growth platforms

Contents

Online Annual report
www.shaily.com

5 over-arching messages of the annual report

1

There were green shoots of an extended recovery in margins and surplus from the third quarter of FY 2023-24.

2

This improvement was achieved in the face of multiple geo-political conflicts.

3

The Company is prepared for the future through business restructuring around three platforms.

4

The Company invested deeper in the healthcare segment, a space marked by extensive potential.

5

The Company's investing cycle of the last few years appeared to be nearing its end, indicating better days ahead.

Corporate snapshot

Shaily Engineering Plastics Limited.

India's largest exporter of engineering plastic components.

A globally respected supplier for high-precision molded plastic products / assemblies with a focus on quality and compliances across the healthcare, consumer and industrial sectors.

Since 1987, the Company has nurtured an exclusive clientele of global brands that are leaders in their respective sectors.

Our vision and mission

To provide end-to-end solutions in plastics. Deliver superior quality to our customers; higher profitability and value to our shareholders; and sustainability for future generations.

Our values

- Deliver customer delight through excellence in performance
- Never bypass systems and processes
- Always follow through on targets and commitments
- Be passionate, determined, proactive and ready to take on challenges
- Build a positive team and family spirit – One Shaily
- Treat everyone with courtesy and respect
- Doing it right the first time

Our background

Founded by Mr. Mahendra (Mike) Sanghvi in 1987, Shaily Engineering Private Limited is India's largest exporter of engineered plastic components, catering to a clientele of internationally respected global brands. The Company is headed by Mr. Amit Sanghvi, Managing Director, who is guided by a Board of Directors that comprises respected professionals distinguished in their respective fields of expertise.

Presence

The Company is headquartered near Baroda, facilitating convenient resource and transit for suppliers and customers. This advantageous location streamlines the smooth shipment of products across more than 40 countries.

Capacities

At the end of FY 2023-24, the Company's manufacturing capacity covered over 200 molding machines across its six plants manufacturing facilities, equipped with high-speed automation and robotic technologies, in Halol and Rania in Gujarat. The Company has one facility for the manufacture of stamped metal products that is located in Halol, Gujarat.

Quality standards and accreditations

The Company enforces rigourous standards in quality, manufacturing and social practices by leveraging cutting-edge technologies and employing skilled workers to ensure the production of high-quality products. The Company's comprehensive quality management system, implemented across the organisation, fosters a commitment to continuous improvement. The Company is certified with some of the highest global quality standards, such as:

Quality	EHS	Security
ISO 9001: 2015	SA 8000	SCAN
IATF 16949: 2016	ISO 14001:2015	AEO
ISO 13485: 2016	RBA (Responsible Business Alliance)	
ISO 15378: 2015		
MDSAP		

Services

The Company excels in the production of high-precision plastic products, utilising advanced engineering polymers like PA6/66/12, PES, PPS, PBT, LCP, PC, Torlon and PEEK, complemented by molding and assembly capabilities. Extending beyond primary manufacturing, the Company demonstrates proficiency in secondary operations such as pad printing, hot stamping, painting, screen printing, ultrasonic welding, laser marking, and vacuum metallising. The Company specialises in the development of innovative manual, semi-automated, and fully-automated assembly processes that optimise costs while upholding superior quality standards. In FY 2023-24, the Company set up a state-of-the-art tool room with the latest CNC machines for the manufacture of molds for high precision components. The Company augmented its metrology facilities by adding a CT scanner for comprehensive metrology.

R&D capabilities

Shaily UK, the Company's innovation center and Shaily India collaborate to create cutting-edge technologies and intellectual property for self-use drug delivery systems, spanning the development and regulatory cycle. The Company provides a range of services, including industrial design, engineering design, tolerance analysis, prototyping, testing, design for manufacture (DFM), design for assembly (DFA), mold design and manufacturing expertise. Through these services, the Company assists customers in new product development, ensuring optimal manufacturing, assembly processes and secondary operations while maintaining uncompromising quality.

Awards and recognition

- Won the PLEX CONCIL Award for the Top Exporter of Engineering Components in 2022-23 for the 19th consecutive year
- Awarded 'GHKC-GreEnv Competition 2022-23' for Good Housekeeping contest (GHKC) with GreEnv (Green Environment)
- Stood second runner-up in GEO Excellence Awards-2024 in CSR category
- Won the Top Exporter Award at Concor Awards, 2022
- Won the Piramal All India Kaizen Competition 2017-18 for the automation of kaizen initiatives
- Won a gold medal for Outstanding Export of Finished Plastic Goods by Plastindia Foundation
- Recognised by the Government of India for our R&D capability
- Shared the Good Design Award with Sanofi, for the industrialistion of the pen injector
- Awarded 100% Quality Award for supplying Shellpak with 100% product quality for two years

Products

The Company manufactures value-added products from ultra-high-performance engineering plastics that find application in sectors such as:

- Consumer – Home furnishings
- Medical devices
- Toys
- FMCG
- Pharma packaging
- Automotive
- Appliances
- Engineering
- Consumer electronics

Prominent clients

The Company's clientele comprises prestigious brands like Gillette, P&G, Unilever, GE Appliances and Dr. Reddy's among others.

Consumer segment	Industrial segment	Healthcare segment
Gillette	GE Appliances	Dr. Reddy's
P&G	Garrett Advancing Motion	Sun Pharma
Hindustan Unilever (HUL)	MABE	Aurobindo Pharma
IKEA	Phoenix Mechano	Sanofi
Corvi	Amvian	Wockhardt
	Schaeffler	Alembic
		Zydus
		Alvogen

Employees

As on 31st March, 2024, the number of employees at Shaily were 815 (536 permanent and 279 non-permanent employees, excluding contract workers), possessing a range of competencies across engineering design, fabrication, quality control, finance, sales, service and compliance, among others. The average team age was 34.2 years old.

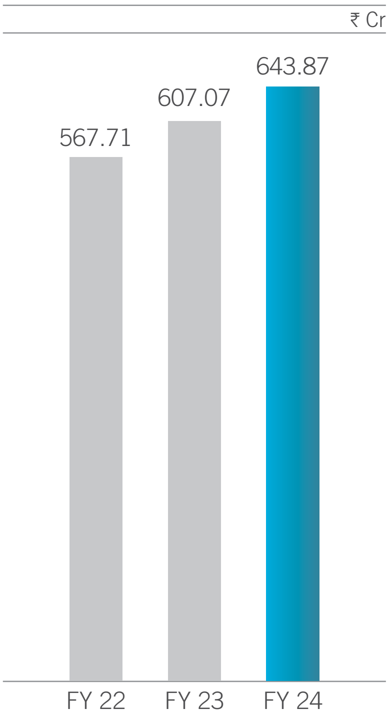
Credit rating

The Company sustained its CARE A rating with a Stable outlook for long-term loans and CARE A1 for short-term loans. These ratings underscore the robustness of its business model, financial stability, promoter credibility, product quality and relationships with stakeholders.

Listing

The Company's equity shares are traded on the Bombay Stock Exchange and National Stock Exchange. The Company's market capitalisation was ₹2,430 on BSE and NSE as on 31st March, 2024.

How we have grown through the years



Consolidated revenues

Definition

Growth in sales net of taxes.

Why this is measured

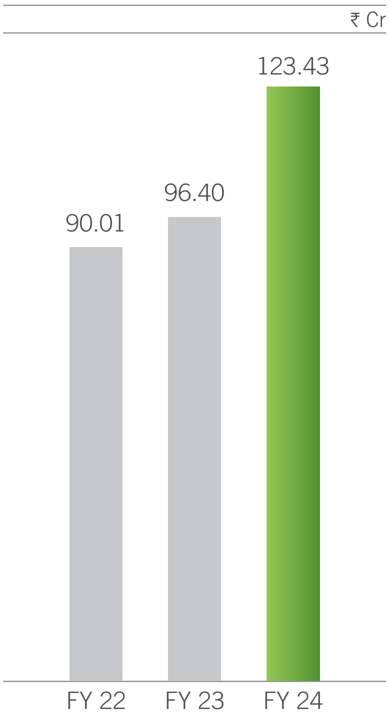
It is an index that showcases the Company's ability to maximise revenues, which provided a basis against which the Company's success can be compared with sectoral peers.

What this means

The growth in revenues provides the Company with the critical mass to amortise fixed costs, service customers with on-time and in-full deliveries that enhance profitability.

Value impact

The Company reported a 6.06% growth in sales revenue of ₹36.8 Cr mainly on account of revenue growth in the healthcare and industrial segments.



Consolidated EBIDTA

Definition

Earnings before the deduction of fixed expenses and provisions (interest, depreciation, extraordinary items and tax).

Why this is measured

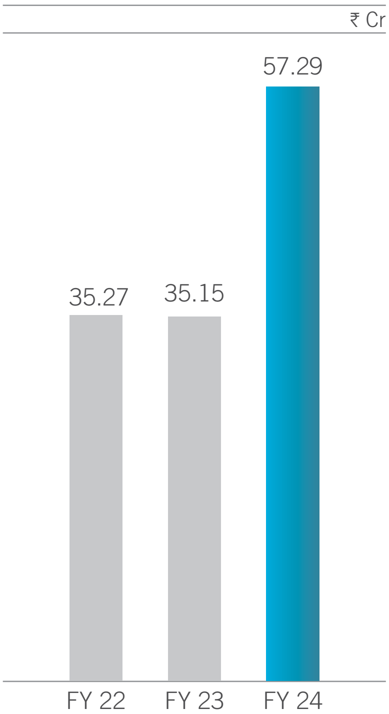
It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means

Helps create a robust surplus-generating growth engine that enhances reinvestment.

Value impact

The Company reported an EBIDTA growth of 28.04% in FY 2023-24 due to a high contribution in revenue from the pharma segment where margins are higher.



Consolidated Net profit

Definition

Profit earned during the year after deducting all expenses and provisions.

Why this is measured

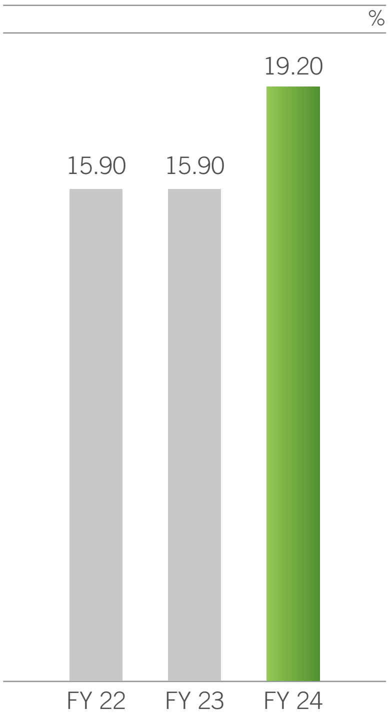
It highlights the strength of the business model in enhancing value for shareholders.

What this means

This ensures that adequate cash is available for reinvestment, strengthening the virtuous cycle of business sustainability.

Value impact

The Company reported a growth of 63% in Net Profit on account of a higher contribution of revenue from pharma business and reduction in costs.



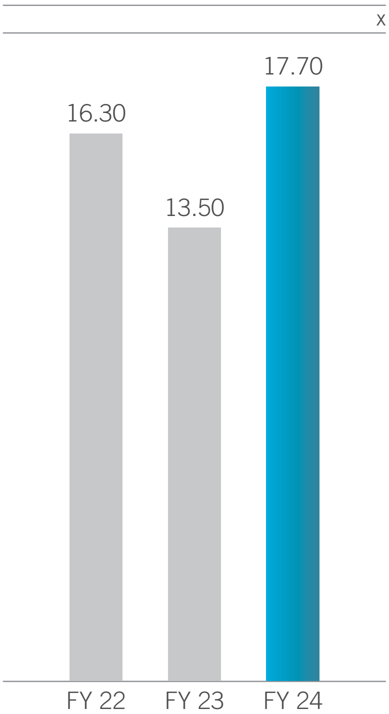
Consolidated EBIDTA margin

Definition
EBIDTA margin is a profitability measure to ascertain a company's operating efficiency.

Why this is measured
The EBIDTA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This ensures that adequate cash is available for reinvestment, strengthening the virtuous cycle of business sustainability.

Value impact
The EBIDTA margin witnessed a growth of 330 bps due to higher margins and an efficient use of capital.



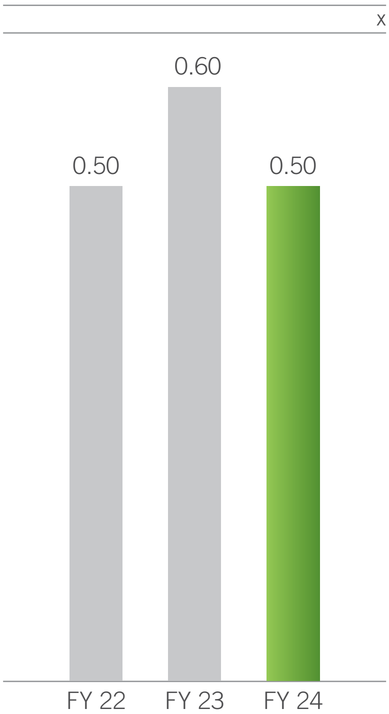
Consolidated ROCE

Definition
This is a financial ratio that measures efficiency with which capital is employed in the Company's business.

Why this is measured
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

What this means
Enhanced ROCE can potentially drive valuations and market perception.

Value impact
The ROCE increased by 420 bps mainly on account of a higher contribution from the healthcare segment, better utilisation of the carbon steel business and an improved product mix.



Consolidated gearing ratio

Definition
This is the ratio of debt to net worth.

Why this is measured
This is one of the defining measures of a company's financial health. This indicates the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better).

What this means
This indicates whether the Company enhances shareholder value by keeping the equity side constant while moderating debt.

Value impact
The company's gearing improved marginally in the last year in spite of an increase in borrowings due to a higher profit and an efficient use of capital.

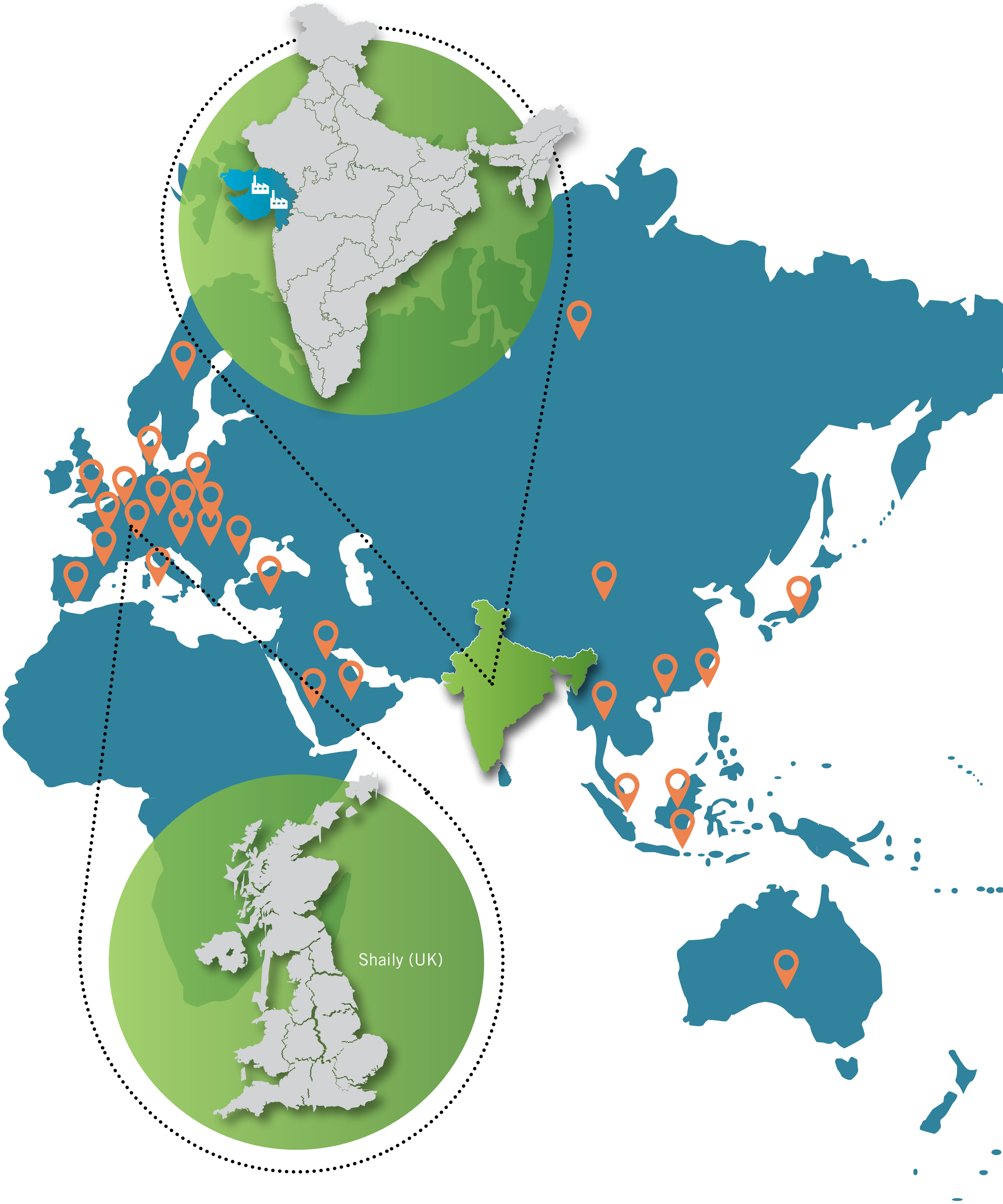
Our global footprint

The Company generated 75.02% of its revenues from sales outside India

International revenues grew 2.54% in FY 2023-24

The Company's international sales were generated from 40+ countries

The Company addresses the volume and complex needs of marquee global companies


Shaily (UK)

The first word

Inflection in the global material sciences sector...

How this is positioned to create a new world in terms of innovation, influence and impact

Overview

The technological progress of the world is at an inflection point, marked by the emergence of unprecedented technologies with unthinkable outcomes.

Dramatic breakthroughs in the field of material sciences lie at the centre of the technology revolution, promising the introduction of next generation products.

A transforming material sciences environment warrants the unprecedented convergence of technology advancements, counter-climate change initiatives and digital transformation, among others.

In turn, this is placing a premium on material science companies to develop innovative product outcomes with unique properties, create new markets, deepen process sustainability, enhance digitalisation and engage in cross-sectorial collaboration.

The result has been a greater democratisation of tomorrow's products - nanotechnology – following collaborations between scientists and manufacturers the world over. This is evident in the numbers: in 1801 it took an average 150 hours of manual labour to produce a hectare of wheat; today, following technology intervention, it takes less than 2 hours (coupled with enhanced per hectare yield). A century ago, it took 230 hours of human labour to produce a ton of copper; today it takes about 18.

Just as plastics empowered twentieth-century chemists to design innovative materials that liberated humankind from an excessive and enduring reliance on molecular and sub-terrestrial sub-stances, this century is expected to see a new generation of substances conceived by scientists and delivered – in quality, quantity and consistency – by future-facing manufacturers.

This new generation of substances is expected to warrant specialised players who can transform complex concepts into safe, dependable, affordable and life-enriching products. Besides, there will be a premium on these companies to replace metal with polymer equivalents, introduce futuristic materials, moderate the carbon footprint and enhance product cum process responsibility. These manufacturers will be required to deliver design compactness, miniaturisation, safety, extreme weather operability, repeatability, tightening tolerance standards and sustained uptime.

Our positioning

Shaily has developed ultra-high precision capability to address demanding customer needs

This is making the Company a go-to partner for some of the most demanding customers the world over

Overview

At Shaily, we are positioned as a future-facing company with an established competence in the ultra-high precision manufacture of components and products.

The Company belongs to a global niche comprising select players with long-standing capabilities. This under-crowded space specialises in complex design and engineering capabilities whose competence has been sustained across market cycles, enhanced by cutting-edge product development that has been tested across downstream sectors.

The Company's distinctive competence in ultra-high precision capability has been applied across different sectors. These sectors comprise consumer electronics, automotive, pharmaceuticals, aerospace, defence and semiconductors. This distinctive specialisation - process complexity, production consistency, technology absorption and cost competitiveness - is present only in a select group of companies the world over.

Shaily took this competence ahead during the last financial year when it commissioned a tool room to produce quality molds. This backward integration has enhanced the Company's commitment to control quality, moderate costs and shrink the product turnaround time, strengthening the customer's value proposition.

The Company invested in cutting-edge equipment in its tool room and quality laboratory for comprehensive metrology, deepening its commitment to complex design and engineering competence. The Company's complement of commissioned capacities and capabilities remained unmatched among product manufacturers in this part of the world.

The Company's business-strengthening strategy will comprise the following responses:

One, to emerge as a part of the supply chain of more global customers, enhancing respect and revenue predictability.

Two, to invest proactively in capacities and capabilities timed with the growing product appetite of customers.

Three, to align its quality culture with that of its principals, so that the Company is positioned as extension of their premises.

Four, to seek the transformation of one-off customer engagements into multi-year relationships, strengthening annuity revenues.

Five, to deepen a presence in growing sectors with a large addressable appetite for complex enhanced technologies.

Six, create a multi-year non-dilutive funding programme through a combination of net worth and moderated debt.

Seven, grow the business around stringent EHS standards, validating the Company's positioning around responsible citizenship.

Eight, to work with an extensively under-leveraged Balance Sheet that possesses ready resources to reinvest in the business.

In doing so, the Company expects to deepen its brand as a dependable long-term partner, collaborating with future-facing institutions to commercialise and manufacture complex products that empower them to enhance market share, status and respect.

Our growth strategy

Customer supply chain	Capacity expansion timing	Cultural alignment	Enduring relationships
Right sectorial presence	Non-dilutive growth	EHS commitment	Low leverage

Overview

"We anticipate that our medical devices business will comprise about 25% of our revenues over the next three years, enhancing organisational value."

Overview

Plastics are essential to modern life, playing a critical role in lifesaving advancements in medicine, insulation, heating applications and transportation. Their ability to replace natural materials without compromising a high strength-to-weight ratio has made several products cheaper, lighter, safer and stronger. By doing so, plastics have emerged as critical to humankind.

The engineering plastic molding industry is vast and expanding globally, with specialists in the packaging, consumer goods, automotive, white goods, electronics, and healthcare sectors. I am pleased to communicate that Shaily is one of those specialists; the Company has strengthened its position in the global consumer goods and healthcare segments.

Over the years, Shaily has deepened its effectiveness within the global plastic molding space. The Company proactively restructured its business around specific verticals—Healthcare, Consumer, and Specialty—based on shared processes and material similarities. The Company invested in adequate processing capacity, demonstrating its readiness to engage in long-term partnerships with customers. Shaily has chosen to operate in technology niches characterised by relatively low competition. The Company has strengthened its Balance Sheet, empowering it to invest proactively in capacity building.

Shaily has progressively enhanced its intellectual property within its areas of focus, emerging as a go-to value-enhancing partner. By the end of the last financial year, the Company had established seven patent platforms through its UK subsidiary; it plans to extend this capacity and knowledge to other verticals. This commitment is likely to empower the Company to transition from one-off transactions to multi-year engagements with the same customers, enhancing revenue visibility.

Shaily's specialist positioning is its principal asset. The Company is expected to attract a broader range of global customers. Its IP-led approach is anticipated to deepen business credentials, especially in the pharmaceuticals sector, where drug registrations require a stable combination of drug and safe device manufacturing. This is expected to enhance Shaily's reputation as a research-led solutions provider.

Shaily has progressively enhanced its intellectual property within its areas of focus, emerging as a go-to value-enhancing partner. By the end of the last financial year, the company had established seven patent platforms through its UK subsidiary; it plans to extend this capacity and knowledge to other verticals. This commitment is likely to empower the company to transition from one-off transactions to multi-year engagements with the same customers, enhancing revenue visibility.

Shaily has invested in segments with enduring potential that are likely to generate long-term value. The Company is focused on creating intellectual property for specialised medical devices that include medical devices for weight loss combination drugs, a niche area. This visibility has facilitated discussions with large global generic companies regarding solution development. The medical device business has continued to demonstrate a resilience to economic changes, marked by a growing global need for therapies and blockbuster drugs.

Shaily is attractively positioned to capitalise on high-precision engineering capabilities. Looking ahead, the Company expects that pharmaceuticals will comprise about 25% of its revenues over three years

Shaily is proactively prepared to drive business sustainability. The Company has made timely and significant investments in a state-of-the-art tool room comprising advanced technologies; this has deepened our capability to produce high-precision tools and molds. These advancements will accelerate product development, improve manufacturing precision and enhance product customisation.

An important part of our business investment includes a commitment to align with evolving environmental, social, and governance (ESG) standards. The Company has demonstrated its commitment to environment responsibility by implementing energy-efficient processes and increasing the use of recycled materials. Its social commitment is manifested in fair labour practices and community contributions. Governance has been showcased through the highest standards of ethical conduct, recruitment of experienced professionals, deepening of research, enhanced operational efficiency, and maintaining the highest quality standards.

I am confident that these strategic priorities have reinforced Shaily's preparedness to seize opportunities in a transforming world and strengthen its business sustainability.

Mahendra (Mike) Sanghvi
Executive Chairman

Overview

“We did well to navigate the global slowdown through a presence in a consumption-driven Indian market and growth in medical devices.”

Overview

The big message that I wish to communicate is the growing importance of plastics in modern life. At a time when the word 'plastic' generates a negative association, it would be pertinent to emphasise that most products that we use in everyday lives would either not have been possible without the specialised application of plastic or would have been considerably more expensive.

In view of this, plastics is integral to life and life quality, whether used in the life-saving advances of modern medicine, insulation, heating applications, transportation, storage, automotive and appliances. By the virtue of its capacity to replace natural materials around a high strength-to-weight ratio, plastic has made a range of modern products cheaper, lighter, safer, and stronger. The result is that the total energy consumption for production, transport and disposal impact makes plastics superior to competing materials.

At Shaily, we have invested in our business of molded plastic products and components with precisely this perspective: that this represents the material of the future, that this can be recycled and generate a lower environment load, that the material is versatile and can be applied across a range of products and that the product generates a win-win advantage for makers and users.

Big message

I am pleased to communicate that our investing cycle of the last few years – ₹410.52 Cr in the four years ending FY 2023-24 – appeared to be nearing its end and there were signs of a recovery in our margins and surplus from the start of the third quarter during the year under review. While it would not be fair to estimate, plan and measure our business growth on the basis of our quarterly performance on account of a chunkiness in volumes that could be shifted from one quarter to another, it would be reasonable to indicate that we are beginning to see the emergence of a new growth phase at our Company. The trickle-down impact of this was that during the year under review, your Company reported relatively flat earnings at around ₹650.36 Cr (6.34% improvement over the previous financial year) corresponded by a 3.11% increase in profit after tax, 330 bps increase in EBIDTA margin and a 420 bps rise in capital efficiency (Return on Capital Employed).

The improvement represents the beginning of our journey to graduate to the next phase of our existence. It represents the culmination of the last few years of strategic deepening and clarity; it represents the closure of our multi-year investments to create a platform transforming into customer approvals (products, processes and plants), orders and deliveries. I wish to communicate that this retrospective business development cycle appeared to be coming to an end and the Company is attractively placed to build from this point onwards.

What is creditable is that the improvement transpired at a time when global economies realities appeared to be challenged. The Ukraine-Russia war increased the cost of a range of products, affected consumer sentiment in various global pockets and translated into lower orders for our sector. Besides, the Red Sea disturbance made it imperative for exporting or importing companies to use a longer route that increased logistics costs on the one hand and inventory holdings costs on the other. The fact that the Company reported growth – however marginal from a topline perspective – in this challenged environment indicates a strategic maturing in being able to pick the right spaces.

The company has invested in adequate capacity across the last few years, sending out a message to existing and prospective customers that it is prepared to address their growing needs. What we have created is a scalable platform; during the year under review, our aggregate molded products capacity utilisation was 40-45%; on the one hand and utilising the non-capex surplus available with us to invest deeper in business development or repay long-term debt.

Strategic direction

The Company's strategic direction was defined by the following priorities.

One, the Company restructured its business around three verticals – Healthcare, Consumer and industrial business

Two, the Company deepened investments with the objective to enhance Intellectual Property in the areas of its presence. This graduated the Company beyond commodity, widened the competitive moat, enhanced its respect as a specialist, generated superior realisations and empowered it to recruit better. The Company possessed seven pen platforms by the close of the last financial year (through its UK subsidiary) and we expect to extend this capability to other verticals. When implemented, we believe that one-off transactions will graduate into multi-year engagements where the Company generates a larger proportion of revenues from the same customers. We also believe that our positioning as a specialist will translate into wider references that make it possible to attract a larger cohort of brand-enhancing global customers.

Three, the Company invested deeper in the Healthcare segment, where its intellectual property was directed towards the design and manufacture of specialised devices addressing weight loss combination drugs, a niche of growing importance. The Company leveraged its growing visibility in this space to enter into solutions development discussions with large global generic companies. In view of this, we expect to enhance the Healthcare proportion of our revenues from 16.72% in FY 2023-24 to a projected over 25% across the next three years. When this segment matures, the Company will have shifted the organisational needle deeper towards complex products and generated sizable revenues at attractive margins, lifting the corporate profitability average.

Four, the Company invested in adequate capacity across the last few years, sending out a message to existing and prospective customers that it is prepared to address their growing needs. What we have created is a scalable platform; during the year under review, our aggregate molded products capacity utilisation was 40-45%; our objective across the foreseeable future is to raise this to peak utilisation, enhancing our capital efficiency and utilising the non-capex surplus available with us to invest deeper in business development or repay long-term debt.

Five, the Company invested in holistic organisation building. The Company deepened investments in a hitech toolroom, ESG priorities and more professionals in key positions. In doing so, we have emerged growth-ready and positioned to capitalise on the opportunities thrown up by a transforming world. At Shaily Engineering, the market environment is rapidly transforming towards values that it has championed and lived.

The India story

I must add to this overview with a reference to the growing India story. During the last financial year, India generated 24.98% of our revenues; our India revenues grew 17.84% in FY 2023-24. At Shaily, we are attractively positioned by the virtue of being a prominent global player in molded plastics manufacture located in India. The Company can utilise its sizeable India presence to enhance economies of procurement, terrain experience and customer relationships that empower it to build bigger and faster. Besides, this Indian cost advantage can be leveraged to deepen Shaily's position as a dependable global supplier of products from within India.

We believe that the time is right to graduate our presence to the next orbit for good reasons. The Indian economy has retained its position as the fastest growing major economy; long-term policies announced by the government have enhanced confidence among global industrial investors in India; these global investors are not just keen to supply products to the large Indian market but intend to use India as a long-term manufacturing base for onward global supply; the Make in India proposition of the Indian government has translated into a range of supporting policies and incentives (production-linked incentive being one) likely to grow the base of existing products on the one hand and seed the manufacture of a range of products for the first time in India.

A part of the India optimism is also derived from the maturing of the Indian consumer, who has graduated from 'I will buy the cheapest' to 'I want the best price-value product'. The consumer is willing to buy on credit, desires a wide choice, analyses products before purchase and is more open to experimentation with new products than ever.

At Shaily, we see this transforming phenomenon translate into a growing order book. Your Company possesses a clarity of revenue growth for the current financial year that is higher than the industry average growth. The increase comprises a larger proportion of Healthcare orders, marked by superior margins. Besides, a sizeable part of our order book comprises orders from global companies to manufacture in India for onward sales across the world, validating India's manufacturing competitiveness.

Conclusion

Summing up, I believe that we have done well to navigate the global slowdown Our presence in a consumption-driven Indian market and infrastructure-driven global markets made it possible for us to remain profitable at a time of unforeseen change. We believe that this reality, coupled with a range of business-strengthening initiatives, should enhance profitability, responsibility and sustainability, enhancing value for all those associated with our Company.

Amit Sanghvi
Managing Director

Our competitive advantages

Experience: A deep technology experience in the integration of fabrication, metallurgical and electronics capabilities in complex product development

Verticals: A presence across three verticals – Health care, Consumer products and Speciality - has enhanced our focus, brand and specialisation

Respect: Respected for being a specialist, embracing complex products marked by machining precision

Governance: An enhanced focus on processes, practices safety, compliances, certifications, digitalisation, professionalisation and operating hygiene.

Revenue visibility: An order book visibility; the Company generated 89.96% of its revenues in FY 2023-24 from customers of three years or more.

Revenue broad-basing: Revenues broad-based across markets; 24.98% of revenues were derived from India; 75.02% revenues were generated from 40+ countries.

Review of our fundamentals

How we strengthened the quality of our business in FY 2023-24

A review of our financial foundation expected to graduate our Company into the next orbit

Big picture: The Company's business investment programme neared its end during the last financial year. In face of a pick-up in orders and a change in the portfolio, the result was improved margins and EBIDTA. The result is that even as revenues were relatively around the same levels, profitability and surplus generation improved. This positive divergence – best described as 'profitable growth' – holds attractive prospects for the foreseeable future.

Rating: Your Company protected its credit rating of A/Stable for long-term borrowings as appraised by CARE. This rating is a validation of the Company's business model, products strength, competitiveness, customer relationships, promoter commitment and prospects. The complement of these initiatives is expected to protect the Company's competitiveness across market cycles: weather a sectorial downtrend with moderate impairment and capitalise on sectorial rebounds with vigour and sustainability.

Year	FY 23	FY 24
Credit rating	CARE A/Stable	CARE A/Stable

Profitable growth: During the year under review, the Company reported profitable growth: 6.06% revenue growth (compared with an Indian GDP growth of 8.2%) and 28.04% increase in consolidated EBIDTA.

Year	FY 22	FY 23	FY 24
Consolidated revenue growth %	0.33	6.93	6.06
Consolidated EBIDTA growth %	23.49	7.10	28.04

Revenues: Your Company reported 6.06% revenue growth during the year under review (following 6.93% revenue growth in FY 2022-23). At first glance this revenue sluggishness could be attributed to a slowdown in some the largest markets addressed by the Company (USA and Europe) in view of major-economic challenges, global armed conflicts, hesitant consumer sentiment and disrupted global maritime networks.

Your performed creditably to protect its revenues during this challenging phase. This was on account of a change in the product mix towards select verticals (Healthcare), complex IP-protected products, competitive manufacture and its longstanding position of being a responsible global manufacturing base located out of India.

The Company enhanced volumes across most verticals: the healthcare segment grew 7.2%, the consumer segment down by 8.2% and the industrial segment grew 0.9% during the year under review. The Company focused on enhancing the Healthcare segment exposure – from 3.9% of the Company's overall revenues in FY 2018-19 to 16.72% in FY 2023-24. The growth was catalysed by the Company's development of IP-protected equipment solutions addressing some of the fastest growing niches within the global health care sector. Besides, the Company engaged in the collaborative design and manufacture of medical devices for large multinational pharmaceutical companies that were considered core to the launch of block buster drugs.

The upturn was also the result of the Company's commitment to broadbase the portfolio, a decision that should translate into new product revenues across the foreseeable future. It would be relevant to indicate that the Company generated 5-7% revenues from products launched in the two years ending FY 2023-24; this proportion is expected to grow as the Company deepens business investments, customer relationships and product customisation.

During the year under review, the Company focused on enhancing revenues by expanding its customer portfolio. Revenues from longstanding customers (three years or more) reduced from 95.21% of revenues to 89.96% in FY 2023-24, introducing new customer accretion. The Company deepened its position as a repeat critical supplier to large customers, enhancing the mission-critical nature of its engagement.

The growth of revenues from the Health care segment was catalysed by a deep understanding of customer needs, research spending in the area of medical device design in the United Kingdom, access to a global engineers pool and effective manufacturing within India (enhanced factory area from 45,000 sq ft to 170,000 sq ft, corresponded by a doubling of equipment funded through accruals in FY 2022-23).

Year	FY 22	FY 23	FY 24
% of revenues derived from the Health care segment	9.36	9.48	16.72

Year	FY 22	FY 23	FY 24
% of revenues from customers of three years or more	92.11	95.21	89.96

Margins: During the last financial year, EBIDTA margin improved following a change in the portfolio mix. The Company increased revenues from the remunerative Healthcare segment. The Company capitalised on its volume- and value-driven approach and activity-based costing.

Year	FY 22	FY 23	FY 24
EBIDTA margin %	15.86	15.90	19.20

Year	FY 22	FY 23	FY 24
Raw materials as a % of revenues	62.01	63.20	56.91

Liquidity: The Company enhanced the use of accruals in its business. Working capital as a proportion of the total employed capital was 32.93% and 33.08% in the last two years; the proportion of inventory in the working capital outlay was 34.71% and 33.99% respectively in the same period. Working capital tenure marginally increased from 84 days of turnover equivalent in FY 2022-23 to 85 days in FY 2023-24. The Company drew only 70% of its sanctioned short-term loans from banks (on average). The Company protected its working capital hygiene: the receivables cycle was maintained at 62 days (54 days of turnover equivalent, FY 2022-23) through equitable terms of trade with primary customers (trade partners), sales backed by Letters of Credit, quick moving products and product value-addition. This enhanced liquidity was reflected in adequate cash in hand, attractive interest cover, low gearing and low Net debt/EBIDTA. The Company repaid ₹43.13 Cr during the last financial year even after making ₹95.06 Cr of investments.

Year	FY 22	FY 23	FY 24
Working capital as % of total capital employed	42.27	33.08	32.93
Net debt / EBIDTA	1.19	0.63	0.58
Interest cover	1.83	1.47	1.65

As on 31st March	FY 22	FY 23	FY 24
Cash and cash equivalents (₹ Cr)	35.15	19.14	22.22

Capital efficiency: There was increased capital efficiency during the year under review following a change in the portfolio mix, increased revenues from the value-added Healthcare vertical and disciplined working capital management. EBIDTA margin strengthened 330 bps to 19.2% despite no appreciable increase in the Company's revenues. Return on Capital Employed increased 420 bps to 17.7%; RoE strengthened from 9.1% to 13.3% as capital investments made in the past translated into enhanced earnings. The Company protected its Balance Sheet during the year. The average cost of gross debt was 8% while the Company generated an average 13.3% Return on Equity, validating the business model.

Exports: The Company retained its position as a prominent molded products exporter to customers across 40+ countries. Nearly 75.02% of the Company's revenue was derived from international sales in FY 2023-24. Sales to the Healthcare segment accounted for 7.17% of the Company's exports.

Year	FY 22	FY 23	FY 24
Exports as a % of revenues	75.22	77.31	75.02

Debt management: The Company's debt increased from ₹185.78 Cr to ₹208.35 Cr; net worth strengthened from ₹395.63 Cr to ₹431.48 Cr; gearing was stronger from 0.6 in FY 2022-23 to 0.5 in FY 2023-24 as the Company grew net worth and repaid long-term debt. The cost of debt on the Company's books was stable and stood at 8% during the year under review (8.1% in the previous year). The cost of short-term loans available to the Company increased during the year under review on account of an increase in interest rates the world over (even as the Company mobilised this at rates equivalent to the increase in repo rates or lower). The Company is optimistic of debt repayment in two years based on its business momentum.

Year	FY 22	FY 23	FY 24
Debt repaid (₹ Cr)	38.87	38.17	43.13
Total debt (₹ Cr)	173.80	185.78	208.35
Average debt cost %	8.00	8.10	8.00
Debt-equity ratio	0.47	0.47	0.48

Accruals management: The Company generated ₹93 Cr in cash profit during the year under review. Some 4.94% was returned to shareholders as dividend. Of what was left, the Company invested ₹95.07 Cr (95.06% of cash profit) in the business.

Year	FY 22	FY 23	FY 24
Business reinvestment (₹ Cr)	61.80	68.50	88.41
Accruals as a % of business reinvestment	51.20	61.40	93.00

Outlook: The Company's net worth stood at ₹459.17 Cr as on 31st March, 2024; ₹69.8 Cr was in long-term debt and ₹138.52 Cr in short-term debt. The Company's net worth was the outcome of surplus accumulation, which provides an effective hedge in a volatile world.

The Company expects automotive product development to generate higher revenue following enhanced competence in the manufacture of carbon steel.

The Company's IP-led approach is expected to strengthen business quality as drug registrations warrant a stable combination of drug and device (manufacturing) on grounds of safety, deepening the Company's respect as a research-led solutions provider.

The medical device business is independent of economy changes, marked by a growing need for therapies and blockbuster drugs. The Company is attractively positioned to capitalise on high precision engineering capabilities, strengthening overall competitiveness.

Sanjay Shah
Chief Strategy Officer

8 reasons engineered plastics are becoming increasingly popular

1

Superior mechanical properties

Engineered plastics offer excellent strength, stiffness and impact resistance. They can be designed to have properties that match or exceed those of traditional materials like metals, making them ideal for robust and durable components.

2

Light-weight

They are significantly lighter than metals, which reduces the weight of the product. This is particularly beneficial in industries like automotive and aerospace, where weight reduction leads to improved fuel efficiency and performance.

3

Durability and longevity

Engineered plastics are resistant to wear, fatigue, and corrosion. They have a longer lifespan compared to many traditional materials, which reduces maintenance costs and downtime.

4

Design flexibility

Engineered plastics can be molded into complex shapes with precise tolerances. This allows for greater design flexibility and the ability to create intricate parts that would be difficult or impossible to achieve with metals.

5

Cost-effective production

The manufacturing processes for engineered plastics, such as injection molding, are highly efficient and cost-effective. This is particularly advantageous for high-volume production runs.

6

Electrical insulation

Many engineered plastics have excellent electrical insulating properties, making them ideal for use in electronic and electrical applications where insulation is critical.

7

Surface finish and aesthetics

Engineered plastics can be produced with a variety of surface finishes and can be easily colored or textured. This enhances the aesthetic appeal of the final product without the need for additional finishing processes.

8

Sustainability

Advances in recycling technology have made it easier to recycle and reuse engineered plastics, reducing their environmental impact and contributing to manufacturing sustainability.

Big picture

India: An increasingly attractive global growth story

Overview

India is emerging as one of the most compelling long-term growth stories, driven by its social, aspirational, and economic transformation, which is creating unprecedented demand for products that enhance convenience and enrich lifestyles. As India's economic momentum continues, the nation is poised for a golden age of consumption-driven growth, fuelled by long-term economic policies, substantial investments in renewable energy, production-linked incentives for various manufacturing sectors, sweeping digitalisation and historic infrastructure investments. Consumer behaviour is evolving, shifting from price sensitivity to a 'buy now, live better' mindset, facilitated by increased consumer financing and informed purchase decisions. In 2023, India's consumption grew faster compared to China, USA and Germany. By 2026, the Indian consumption market is expected to become the world's third largest.

The per capita income in India has more than doubled over the past decade and was ₹2.12 Lac (US$ 2,500) in FY 2023-24. In the past decade, the size of the Indian economy increased from being tenth to the fifth largest in the world, after the US, China, Germany, and Japan. It overtook the UK in 2022. Currently, India's GDP is estimated to be around US$ 3.6-3.7 trillion. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings.

India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass US$ 4 trillion in FY 2024-25.

While urban India continues to sustain the consumption of a range of consumer products, nearly two-thirds of the Indian population (rural and semi-urban) is emerging as a potent consumer base. This is globally significant as India accounts for the largest rural population cluster in the world.

Western countries are relocating their manufacturing operations away from China due to trade tensions and rising labour costs, with India emerging as a promising alternative due to its global-quality standards, competitive manufacturing costs, and cultural transparency.

At Shaily Engineering, we are ideally positioned to capitalise on this unprecedented India opportunity, focusing on growth in the healthcare, personal care, consumer products, and lighting-appliances-automotive sectors. These lifestyle-driven products are expected to see growing demand, empowering the Company to leverage a transforming economy.

India: The emerging global manufacturing destination

Large workforce: India has the second largest workforce in the world.

Cost effective labour: India is 55th among 60 countries in terms of labour costs compared to China at 39.

Manufacturing strength: With the fifth largest GDP globally, India contributed 17% of its GDP through the manufacturing sector in FY 2023-24.

Shifting supply chains: A number of global supply chains are shifting their manufacturing base from China to India, owing to favourable regulatory norms and, a large skilled workforce.

Urbanisation: India is urbanising rapidly. By 2036, its towns and cities will be home to 600 million people, or 40% of the population, up from 31% in 2011, with urban areas contributing almost 70% to GDP.

Growing middle class income: The average personal monthly income in 2024 is expected to stand at ₹35,000 for metros and ₹32,000 for tier-1 and tier-2 cities, showing an increase from ₹33,000 (metros), ₹30,000 (tier-1) and ₹27,000 (tier-2) in 2023.

Infrastructure push: The Union Budget allocated ₹11,11,111 Cr for capital expenditure, which was 3.4% of the GDP, signifying a robust infrastructure project pipeline.

Outlook

India is on track to become the world's third-largest economy by 2030, overtaking Japan and Germany. By 2030, India expects its exports to reach US$ 2 trillion, up from the US$ 775 billion in 2023, as it establishes itself as a major global manufacturing hub. The manufacturing sector, which employs over 27.3 million workers, will play a crucial role in the Indian economy. To strengthen this sector, the Indian government implemented various policies, aiming for manufacturing to account for 25% of the economy in the foreseeable future. The per capita income in India is expected to be ₹14.9 Lac by 2047, as the government expects to emerge as a developed country in its 100th year of independence.

The per capita income in India has more than doubled over the past decade and was ₹

2.12 Lac

(US$ 2,500) in FY 2023-24.

(Source: CEOworld, tradingeconomics, Times of India, Economic Times, India Briefing, The Hindu Businessline, DDnews.gov.in, Livemint, Invest India, PIB)

Value-creation

Enhancing stakeholder value at Shaily

Our report on how we have institutionalised our value-creation process

THE SCORECARD

Employee value

78.33
₹ Cr, salaries, FY 2023-24
(₹ 62.83 Cr, FY 2022-23)

Customer value

643.87
₹ Cr, revenues, FY 2023-24
(₹607.07 Cr, FY 2022-23)

Vendor value

378.62
₹ Cr, purchases, FY 2023-24
(₹465.89 Cr, FY 2022-23)

Shareholder value

2,430
₹ Cr, market valuation, FY 2023-24
(₹942.81 Cr, FY 2022-23)

Community value

77.56
₹ Lac, CSR obligation for FY 2023-24
(₹71.33 Lac, FY 2022-23)

Governance

Risk mitigation at Shaily

Overview

At Shaily, risk management is an ongoing process aimed at proactively identifying potential risks, assessing their impact on the business and implementing corrective actions. The ability to identify, evaluate and mitigate risks that could threaten objectives is a crucial aspect of the Company's governance.

Shaily's risk management and controls align with the Company's business strategy, addressing various risk categories, including non-financial risks associated with operations, partnerships, products, and services.

The risk management framework at Shaily is designed to minimise the likelihood of failing to achieve business goals. This structure identifies significant risks, enabling a thorough evaluation of the current risk mitigation level and determining the necessary steps to reduce or eliminate those risks.

Key elements of Shaily's risk management process

- Risk assessment
- Risk management
- Risk monitoring

Risk management committee

Shaily's Risk Management Committee, composed of four members, conducts thorough reviews of risk management operations to ensure they align with the dynamic economic environment. This proactive approach allows for necessary adjustments to existing functions, ensuring adaptability to evolving circumstances.

To reinforce the risk management framework, the management has established an internal subcommittee with representatives from various departments, including Finance, Secretarial, HR, Compliance, Manufacturing and Quality, among others.

Supported by a diverse group of professionals, this subcommittee identifies various business risks and develops comprehensive risk mitigation strategies, enhancing the Company's capability to navigate uncertainties and challenges effectively.

Our principal risks and mitigation measures

Business operations risk

It pertains to the Company's management, encompassing planning, monitoring, and reporting systems in daily business activities. The Company operates within a well-defined organisational framework, where a structured information flow prevents conflicts and communication lapses across departments. To ensure operational continuity, secondary positions are established within each department, allowing for a seamless workflow even in the absence of functional heads. Strategic measures are also undertaken to reduce production costs.

Liquidity risk

It arises from the potential difficulty in maintaining sufficient liquid assets to meet both financial obligations and operational demands due to poor financial management. The Company employs rigorous financial planning procedures, including the preparation of annual and quarterly budgets, along with meticulous variance analyses to improve precision in financial forecasting.

The Company creates daily and monthly cash flow reports, ensuring a real-time understanding of its liquidity position. To optimise cash management, the Company leverages specialised banking services, strategically minimising the risk of interest loss on collections. To manage exposure to foreign exchange transactions, the Company prudently utilises Letters of Credit (LCs), supported by a well-defined hedging policy. This comprehensive strategy ensures the Company's financial stability and resilience.

Credit risk

It involves clients failing to settle dues and the inability to service debt. The Company has established systems to assess the creditworthiness of customers, incorporate provisions for bad and doubtful debts into its budgeting to accurately reflect its position, and employs effective recovery management and follow-up procedures.

Logistic risk

It encompasses disruptions within the supply chain and distribution network, leading to production schedule interruptions, increased costs, customer dissatisfaction due to delayed deliveries, and overall operational setbacks. The Company sources dependable service providers to ensure smooth operations and maintains comprehensive transit risk insurance coverage for all incoming and outgoing goods.

Market risk

It arises from demand and supply mismatches caused by factors such as interruptions in the supply of raw materials. The Company adopts a comprehensive approach to raw material management, procuring from diverse sources to ensure competitive prices and establishing alternative sources to guarantee a continuous supply. While external factors such as demand and supply fluctuations are beyond the Company's control, strategic production and sales planning, informed by past experiences, help mitigate potential impacts. The Company strives to minimise the gap between demand and supply for optimal operational harmony, supported by robust inventory control systems that balance adequate stock levels and avoid excess inventory.

Legal risk

It involves factors exposing the Company to legal action, such as contractual liability, fraud, and patent, design, and copyright infringement risks. The Company enlists professionals and advisors to diligently assess contractual risks, define responsibilities within the legal framework, limit contractual liabilities, and mitigate associated risks. This ensures adherence to both general and specific contractual stipulations. Insights and recommendations from professional agencies, industrial bodies, and chambers of commerce are meticulously examined and incorporated when relevant. The Company also has a compliance management system overseen by the Company Secretary, requiring functional heads to submit quarterly compliance reports to the Board, complemented by periodic Secretarial Audit Reports prepared by practicing company secretaries.

Our competitive advantages

Legacy: The Company is a leading name in the engineered plastics sector, comprising a 41-year legacy of producing quality products for global brands.

Esteemed clientele: The Company has maintained multi-decade relationships with prestigious global brands such as P&G, Garrett Motion, General Electric, IKEA.

Quality commitment: The Company's dedication to quality is demonstrated through a compliance with numerous domestic and international certifications, making it a preferred partner. Key certifications include IATF 16949: 2016, ISO 9001: 2015, and MDSAP.

Value addition: The Company leverages its research and development team to provide customised solutions, fostering stronger customer relationships.

Technology investment: The Company has invested in cutting-edge manufacturing technologies to reduce operational expenses and maximise capacity utilisation.

Research and development: The Company boasts a robust research and development team focused on creating innovative, sustainable products.

Prudent capex approach: The Company aims to optimise capacity utilisation to at least 75% before expanding further, ensuring Balance Sheet integrity and improved asset efficiency.

Who we create value for

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (polymer procurement, manufacturing, business development, sales, quality, finance etc.). We provide an energised workplace, growing employment and enhanced talent productivity.

Our shareholders provided capital when we went into business. Our focus is to generate re-investable free cash or commission projects around shortening paybacks, enhancing RoCE and, in doing so, increase the value of shareholder holdings.

Our customers consistently buy our products, generating the financial resources to grow. Our focus is to sell to more customers and retaining them, enhancing our revenue visibility.

Our communities provide us with social capital (education, culture, security, safety etc.) and, in turn, we support these communities through consistent engagement.

Our governments (State and Centre) provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen At Shaily, the prudent interplay of the value generated by each stakeholder ensures business sustainability and enhanced stakeholder value.

The resources of value creation

Natural capital

We derive all our resources – polymer, water, fossil fuels and the world's carbon sinks — from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation needs to do to operate within environment limits.

Social and relationship capital

This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise licenses or dependence on the supply chain.

Intellectual capital

This includes resources like patents, copyrights, intellectual property and organisational systems, procedures and protocols.

Human capital

This refers to organisational skills and know-how, marked by talent retention and training leading to outperformance.

Financial capital

This comprises funds obtained through lenders or earnings - the funds pool available to manufacture goods

Manufactured capital

This comprises physical infrastructure like buildings, equipment and tools that enhance organisational productivity

Our value creation strategy

Strategic focus	Key enablers	Material issues addressed	Capitals impacted
Innovation and excellence	The Company achieves excellence through higher capacity utilisation, superior process yield, and increased end-product throughput.	Best-in-line technology resulting in production efficiency and high quality	Manufactured, Intellectual, Financial
Cost leadership	Enhancing operational efficiency leads to cost leadership and higher margins across market cycles. The Company utilises approximately 37.06% of polymer that is recycled. A cost leadership is the result of scale, resource proximity {and virtually no long-term debt}.	Creating a foundation for long-term viability through an any market competitiveness	Financial, Intellectual, Natural, Social and Relationship
Preferred supplier	Building adequate capacity, sustaining timely product delivery and superior product quality. Equipped to service customers in India and globally, fully complying with their quality requirements.	Increasing revenue visibility through product criticality, long-lasting customer relationships and adherence to global preference	Intellectual, Manufactured, Social and Relationship
Robust people practices	Managing over 2,474 resources (full-time and contractual) across its factory, corporate, and research functions. Its people engagement is characterised by delegation, accountability, and empowerment. The Company fosters an invigorating workplace through training, engagement, fair appraisals, and attractive rewards.	Fostering a people-driven culture marked by professionalism, authority, responsibility and accountability	Intellectual, Human
Responsible corporate citizen	Focusing on responsible corporate citizenship, the Company is involved in community development activities around its manufacturing facility. In FY 2023-24, the Company spent ₹25.13 Lac on CSR activities.	Enhancing community engagements through programmes that boost community prosperity	Social and Relationship, Natural
Value-creation	Dedicated to enhanced value for all stakeholders The Company manufactures products in an environmentally responsible manner. It adheres to prescribed safety norms operations.	Addressing the value-enhancing needs of stakeholders	Intellectual, Manufactured, Social and Relationship

Outcomes

The Company is a leading vendor to prestigious national and international brands, enjoying long-term customer relationships that reflect its commitment to service excellence.

It boasts a robust Balance Sheet with a high net worth of ₹459.2 Cr and a low long-term gearing of 0.5x as of 31st March, 2024.

The Company's prospects are based on its product excellence, resulting in a strong order book and existing margins that drive increased value, paving the way for revenue, margin, and surplus growth.

The Company is committed to delivering responsible stakeholder value by aligning its plants, processes, and practices with global, national, and local health, safety, and environmental standards, ensuring responsible citizenship.

Shaily and shareholder value creation

Enhancing value

2,430
₹ Cr market capitalisation, 31st March, 2024

942.81
₹ Cr market capitalisation, 31st March, 2023

1,995.37
₹ Cr market capitalisation, 31st March, 2022

Capital efficiency

1.21
X, capital employed ratio, 31st March, 2024

1.30
X, capital employed ratio, 31st March, 2023

1.21
X, capital employed ratio, 31st March, 2022

Working capital cycle

7.57
Days, 31st March, 2024

5.21
Days, 31st March, 2023

4.79
Days, 31st March, 2022

Net worth

459.20
₹ Cr, net worth, 31st March, 2024

401.40
₹ Cr, net worth, 31st March, 2023

366.99
₹ Cr, net worth, 31st March, 2022

Reducing Balance Sheet size

0.53
Average debt/EBIDTA, FY 2023-24

0.85
Average debt/EBIDTA, FY 2022-23

1.27
Average debt/EBIDTA, FY 2021-22

Debt-equity ratio

0.48
X, gearing, FY 2023-24

0.47
X, gearing, FY 2022-23

0.47
X, gearing, FY 2021-22

How Shaily has deepened its ESG commitment

Overview

Environmental, social and governance (ESG) has become crucial, as governments advocate renewable energy, establish long-term carbon emission goals, and enforce stringent environment regulations. Markets are patronising companies that emphasise governance and clean technology with higher valuations, better credit rating, and favorable debt terms.

Shaily became an early adopter of ESG practices in 2006, long before these issues gained widespread importance, becoming a part of the Company's DNA, enhancing trust and confidence among our stakeholders. Our dedication towards observing ESG standards is at the forefront of our operations, processes and product development, prioritising the interests and well-being of our employees, society and various stakeholders. Our Company has established a comprehensive sustainability, environment, safety, people and social accountability policy, reflecting our commitment to responsible business practices and our proactive approach to ESG responsibilities.

Shaily's ESG commitment is central to its strategy to achieve long-term sustainability, aligned with the eight United Nations' sustainability development goals.

Key ESG policies

At Shaily, our business is driven by an institutionalised approach to environment responsibility.

Sustainability policy: This directs all operations and decision-making, aimed at enhancing long-term stakeholder value while minimising environment impact.

Environmental policy: This forms the basis of our Environmental Management System (EMS) aims to prevent, mitigate, and control environmental damage caused by our operations or those within our value chain. The EMS includes contingency plans and processes to manage environmental deviations.

Industrial Policy: This propagates sustainable and resource-efficient manufacturing processes and technologies. This includes designing products that minimise waste and promote sustainability throughout production.

Technology Development Policy: This reviews new technology development, deployment and commercialisation. Social, ethical and environmental considerations are incorporated into decision-making.

#1 Our environment commitment

At Shaily, we are cognizant of the fact that the engineered plastic industry significantly impacts the environment, being carbon-, water-, and energy-intensive. If not properly managed, these operations can lead to substantial pollution, making the integration of stringent environment principles essential.

We view responsible environmental management as an essential business-strengthening strategy due to the following reasons:

One, it can reduce costs by minimising waste and optimising resource use, such as water and energy.

Two, effective environmental management can enhance our corporate reputation and improve relationships with stakeholders, including customers, investors and regulatory agencies.

Three, it ensures long-term sustainability by mitigating negative environmental impacts and boosting business continuity.

Measures

- Adhere to all regulatory norms related to power, water and waste, as per GPCB norms
- Practice zero groundwater discharge, aiming towards becoming water-positive across our plants.
- Use post-consumer recycled material for manufacturing; 36.06% raw material used was derived from post-industrial recycled polymer
- Purchase renewable energy; 18.45% of the power used in our operations was derived from renewable energy. 100% renewable electricity supplied through power purchase agreement and international renewable energy certification.
- Employ Lean Sigma, which forms a key part of our sustainability goal to reduce waste and improve performance
- Achieved zero liquid discharge for three year consecutively
- Implemented 100% green electricity in Rania unit in last two years.
- Monitor CO_2 emission with respect of power and fuel consumption

Highlights, FY 2023-24

- Invested ₹6 Cr in rainwater harvesting pit for water positive charge
- Used sewage treatment plant-treated water in gardens, washrooms etc.
- Reduced ground water withdrawal by ground water reuse, by using RO reject water in washroom
- Reused effluent treatment plant-treated water in manufacturing processes in close loop
- Re-introduced plastic waste back into manufacturing process

Outlook

In the next 3-5 years, the Company intends to adopt 100% solar power (roof top and third party) in Halol 2 and 3.

- **Solid:** ETP slug (CS plant), solid waste (packing material etc.)
- **Liquid:** Hydraulic oil (injection molding machine), ink (printing machine) etc.
- **Air:** DG set (Rania and CS plant), burner (CS plant) etc.
- **Noise:** Shop floor (injection molding machine, power press (CS plant))

#2 Our social commitment

Overview

The 'S' in the ESG term stands for 'social', encapsulating the Company's relationships with employees, customers, vendors and communities. The role of 'S' cannot be overemphasised: it underlines the role of harmonious stakeholder relations, their growth, diversity, inclusion and welfare as the basis of business sustainability. The stability and strength of these relationships contribute to making our business stable. We attribute our outperformance to the dedication and passion of both experienced and young employees. Our efficiency and throughput are enhanced by the commitment of dedicated vendors.

Our Social goals

- Enhance people retention and knowledge
- Protect the supply chain; stable vendor engagement
- Orient the business around superior customer service
- Enhance community confidence in our operations

Our Social components

Employees: We prioritise the well-being and development of our employees, fostering a diverse and inclusive workplace culture. Our gender diversity stable at 18% in FY 2023-24. At Shaily, we invested in an operating culture benchmarked around the standards of excellence prevailing in our industry. These standards comprise better people productivity, skills and capability, the right person for the right job, training and skill renewal, talent safety and retention. Employee engagement reflects the degree to which employees are emotionally connected and committed to their organisation and their role, and to which they will exert discretionary effort for the betterment of the organisation. We take pride in our inclusive strategy, ensuring that every employee receives training on diverse ESG criteria. Our workforce has actively participated and gained from these initiatives, embracing these practices both in the workplace and in their personal lives.

Customers and vendors: Shaily worked with a stable ecosystem of vendors, including those supplying capital equipment, spare parts and resources, through ongoing partnerships. Similarly, the Company fostered long-standing relationships with primary customers, resulting in a significant portion of costs and revenues originating from a stable ecosystem that spanned a decade or more, enhancing systematic predictability.

Community: The Company engaged with the community around its manufacturing locations, widening its circle of prosperity in line with the United Nations' Sustainable Development Goals. At Shaily, responsibility is derived from safe, clean and hygienic workplaces. Such an environment enhances talent productivity and morale. Besides, a company with a credible EHS record enhances its reputation and credit-rating, translating into enhanced competitiveness.

Measures

We prioritise the safety of our employees by ensuring safe working conditions and promoting diversity and inclusion within our workforce. We also invest in training through our comprehensive annual training plan.

We conduct annual medical checks for all employees and maintain a 24/7 occupational health center to address health concerns. We partnered hospitals for medical treatment and offer an employee insurance policy that covers all applicable health risks. We promote the health and well-being of our employees through targeted awareness programs.

At the community level, we support education and innovation among young people by partnering with local schools, including those for orphans and the disabled. We also contribute to animal care through our collaboration with NGOs.

We have a robust rewards and recognition programme in place to motivate and acknowledge the achievements of our employees and workers.

Highlights, FY 2023-24

- We strengthened our EHS (Environmental, Health, and Safety) and compliance team to create a safer workplace, ensuring an adherence to statutory and customer requirements while fostering a behavior-based safety culture.
- We appointed a visiting doctor with the necessary statutory qualifications, improved periodic health check-ups by partnering with one of Vadodara's top hospitals, upgraded equipment in our occupational health center (OHC), and initiated monthly health talks with experts.
- We introduced the '*Shabbash*' platform for instant recognition, welcomed family member visits, added flexibility to working hours, improved the bus and transportation facilities, launched a cafeteria, enhanced the existing canteen, and organised employee picnics.
- We maintain 18% female employment rate across all levels and is committed to increasing this number through targeted initiatives, including sessions on women's empowerment.
- We established an incubation center in partnership with Sigma Institute to support students' innovative solutions by assisting with their research. We sponsored a TATA Ace Gold Diesel Vehicle for the Vadodara Society for the prevention of cruelty to animals to aid in the transportation and care of animals in need. We allocated resources to the Primary Health Centre in Bhadarva Village, Vadodara, for essential medical items, provided an ECG machine to Bhadarwa Arogya Kendra for community health check-ups, and donated educational materials to the Vikas Jyoti Trust orphanage.

2,214

Days, accident-free and still running

#3 Our governance commitment

Overview

In an increasingly sensitive world, effective governance has become invaluable. This is particularly true in our industry, where our technologically complex products require the protection of our customers' design-based intellectual property, must be integrated into their launch or sales plans and need to ensure safety for end consumers. We are committed to customer-facing governance that enhances stakeholder trust and positions Shaily Engineering in India as an extension of our customers' enterprises, whether global or local.

Over the years, the Company has established a set of priorities that have strengthened reliability and fostered long-term relationships. These priorities have been consistently invested in, resulting in a robust framework focused on understanding customer needs, readiness, planning and growth.

The elements of the Company's governance framework include the ability to act as an extension of the customer, provide valuable resources for segments of their business, collaborate on new product development, empower customers to compete successfully, ensure a significant return flow of orders, and price responsibly to enhance mutual benefits. This approach builds a virtuous cycle of growth and profitability for the Company and customers.

Governance drivers

Over the last decade, the Company enhanced customer value through several key initiatives:

Holistic value: Major companies now look beyond price when selecting vendors. We offer comprehensive value, moving beyond price-based bidding to deliver a compelling value proposition through diverse competencies.

Long-term commitment: In today's world, vendors that can plan and prepare for the long term are valued. At Shaily Engineering, we have reinforced our long-term commitment through initiatives in recruitment, investment in advanced technologies, long-term investment strategies, and team training.

Delivery consistency: With shifting supply chains, there is a growing need for alternatives to Chinese suppliers. Shaily Engineering is positioned to benefit, having been a global supplier for 28 years, with 75.03% of revenues in FY 2023-24 being derived from 40+ countries.

Readiness: In a world marked by sudden changes, being perpetually prepared is crucial. Shaily Engineering has made forward-looking investments that, while initially moderating capital efficiency, will yield significant returns.

Investment commitment: Continuous investment across market cycles is essential to capitalise on opportunities. Shaily Engineering has invested ₹472.96 Cr over the five years ending FY 2023-24, including ₹95.07 Cr in FY 2023-24, with 15.89% of our gross block stemming from recent investments.

Infrastructure: In a competitive, globalised environment, world-class manufacturing facilities are fundamental to growth. Shaily Engineering invested in a state-of-the-art 17-acre facility in Vadodara, benchmarked with the best in the developed world.

Processes: Assurance in global business relationships comes from world-class processes and certifications. Shaily Engineering's operations are certified with ISO 9001:2015, IATF 16949:2016, ISO 13485:2016, ISO 15378:2015, and MDSAP standards, ensuring high-quality, consistent production.

Equipment: Consistent output requires quality equipment from reputable vendors. Shaily has invested in advanced machinery, including all-electric injection molding machines, five Axis CNC milling machines and Zeiss metrotom CT scanners, enabling manufacturing excellence.

Capacities: Sustaining customer relationships depends on timely and precise delivery. Shaily Engineering invests in manufacturing capacities based on customer needs, maintaining a steady order inflow and proactive capacity expansion.

Sophistication: Retaining demanding customers and ensuring profitability involves producing technologically complex products with stringent quality standards. Shaily Engineering focuses on these high-standard areas, enhancing margins and business sustainability.

Expertise: Responsiveness to customer needs and control over production processes are critical. Our expert team at Shaily Engineering excels in product co-development, managing the complete product lifecycle, and enhancing production consistency.

Specialisation: Business trends favour specialists who enhance customer competitiveness. Shaily Engineering focuses on key verticals—Healthcare, Personal Care, Consumer and Automotive Lighting—building competence and recognition as a specialist in these areas.

Business driver

Our quality excellence

Shaily's Quality Policy

"Shaily is committed to manufacturing products adhering to the highest standards of quality and applicable regulatory compliances in an efficient and productive manufacturing environment, that promotes continuous improvement and enhances the effectiveness of our quality management system in an endeavour to provide competitive plastics solutions."

Mahendra (Mike) Sanghvi, Chairman

Overview

At Shaily, our most significant intangible asset developed over the years is the reputation that "If it's Shaily, it must be world-class." This recognition stems from our unwavering commitment to operating discipline, which enhances customer confidence by ensuring that our standards are an extension of their own.

In the manufacturing of molded products, there has been a steady shift towards the highest quality standards, encompassing product functionality, environmental responsibility, and durability. Shaily is dedicated to upholding these global quality standards, reinforcing stakeholder confidence and assuring customers that Shaily truly serves as an extension of their enterprise.

Our commitment to quality—across products, batches, and time—is maintained through a comprehensive Quality Management System (QMS) that defines our approach to processes and practices, ensuring benchmarked quality.

The QMS employs a risk-based strategy for procedures, integrating proven traditional methods with cutting-edge technologies. This approach has enabled us to meet the highest standards of quality and efficiency, transforming one-time transactions into multi-year partnerships and solidifying the belief that "If it's Shaily, it can be completely trusted." As of 31st March, 2024, Shaily's quality team comprised 110 members.

Quality measures

Over the years, Shaily has ingrained quality into its work culture at every functional level. The Company has documented detailed standard operating procedures (SOPs) for each process, benchmarked against international standards and updated periodically. This approach has allowed Shaily to stay relevant in a rapidly changing market, reinforcing its reputation as a customer-centric organisation dedicated to advancing customer interests.

At Shaily, maintaining ongoing relevance involves a continuous training discipline, leading to a high internal quality benchmark across products and consistent delivery. This quality culture is supported by various certifications, ensuring predictability in processes and delivery outcomes across batches, resources, and time.

The Company's commitment to periodic quality checks throughout the product lifecycle has fostered a deep understanding of efficiency and effectiveness at specific points, strengthening the process chain.

Quality processes

To ensure that finished products meet the highest quality standards—either as specified by customers or benchmarked against the best in the industry—the Company established a comprehensive set of formalised and institutionalised quality processes, moving away from arbitrary and occasional interventions.

- Coordinate measuring machine(CMM) and custom fixtures for in-process quality control
- Six Sigma for quality improvement
- Statistical process control for process capability monitoring
- Root cause analysis and corrective and preventive analysis(CAPA)
- Design failure mode and effects analysis (DFMEA)
- Process failure mode and effects analysis (PFMEA)

Quality certifications

At Shaily, a combination of demanding certifications validates Shaily's compliance culture leading to enhance customer confidence.

IATF 16949: 2016: The international standard for automotive quality management system based on ISO 9001 and customer-specific requirements.

ISO 9001: 2015: The international standard for creating a quality management system for products and services.

ISO 13485: 2016: The international standard for quality management system for medical devices.

ISO 15378: 2017: The international standard for quality management system for primary materials used for packing medicinal products.

Medical device single audit programme: Used to audit medical device manufacturers for compliance with the standard and regulatory requirements of up to five different medical device markets (Australia, Brazil, Canada, Japan and the United States).

FDA 21 CFR 820 quality system regulation cGMP: Part of the current good manufacturing practice (cGMP) regulations that ensures that all medical devices created and developed in USA follow safe and satisfactory quality processes at all developmental stages.

MDD 93/42 EEC Medical Device Directive: Concerns medical devices intended to harmonise laws relating to medical devices within the European Union.

VDA 6.3 qualified: Process audit used to identify, assess and manage risk across the product life cycle. The Company achieved 98% of compliance and was awarded 'A' certification.

Shaily's quality leading to enduring relationships

Garrett Advancing Motion

Relationship with Shaily: +10 years

Customer complaint history: Zero customer complaints over the last five years

External parts per million: Manufacturing product with zero PPM since the beginning of engagement

Cost of poor quality: Product running with zero COPQ since engagement commencement

Number of parts dispatched in three years ending FY 2023-24: 31,29,527

SCHAEFFLER

Relationship with Shaily: 9 years

Certification: Maruti Suzuki India Limited VSA (vendor's system audit)-qualified

Cost of poor quality: Product running with zero COPQ since the beginning of the engagement

Number of parts dispatched in three years ending FY 2023-24: 19,87,450

GE Appliances

Relationship with Shaily: 25 years

External PPM: Manufacturing product with zero PPM since the beginning of the engagement

Cost of poor quality: Product running with zero COPQ since the beginning of engagement

Number of parts dispatched in the three years ending FY 2023-24: 1,39,45,864

Hindustan Unilever Limited

Relationship with Shaily: 20 years

External PPM: Manufacturing products with zero PPM since the beginning of the engagement

Cost of poor quality: Product running with zero COPQ since the beginning of the engagement

Number of parts dispatched in the three years ending FY 2023-24: 2,32,06,234

Business driver

How we nurture and grow talent at Shaily

Overview

At Shaily, talent management is essential to sustainability. The more complementary our capabilities, the more competitive we become. We recognise that talent management is a dynamic goalpost, requiring continuous adaptation to evolving standards. At Shaily, our approach to talent management spans the entire employee lifecycle, rather than focusing solely on recruitment and on-the-job learning.

Shaily's robust talent platform includes initiatives for inclusion, diversity, gender equality, workplace safety, career advancement, skill enhancement, and the protection of employee interests. Our commitment to employees is demonstrated through timely recruitment, ongoing training, well-being initiatives, competitive compensation, rewards and recognition, and effective performance management.

Challenges and counter-initiatives

There was a need to build a strong talent pipeline for senior positions to address attrition and support Shaily's growth plan in an expanding market.

The Company ensured that all critical positions were plugged with expert professionals.

Employee measures

At Shaily, we strengthened our employee engagement and skill building through various initiatives:

- All critical positions have been filled with professionals who bring diverse work experiences.
- Employees are given opportunities to take on new challenges, are empowered to make decisions, and are provided with the necessary resources and training.
- Various engagement activities are part of our culture, fostering a positive work atmosphere.
- We uphold a culture of meritocracy, offering opportunities for individuals with high aspirations to learn and grow.
- We partner with institutions related to our manufacturing process to ensure a continuous supply of skilled talent.
- A robust annual training plan addresses other general training needs.

A well-defined performance management system supports annual goal setting and drives a performance-oriented culture.

Outlook

During FY 2024-25, the Company will develop a robust talent pipeline, enhancing competence development, and improving employee engagement.

Talent outcomes

- Among the highest per person productivity rates
- Absence of a trade union
- High talent retention

19

%, attrition rate; lower than the industry average.

Employee cost

Year		FY20	FY21	FY 22	FY 23	FY 24
Employee costs (₹ in Cr)	On roll	35,15,77,885	61,22,31,960	78,16,26,946	72,17,97,985	45,02,04,885
	C	15,78,48,290	13,48,90,803	23,15,58,007	13,80,94,750	34,13,71,470
Total		**50,94,26,175**	**74,71,22,763**	**1,01,31,84,953**	**85,98,92,735**	**79,15,76,355**

Employees

Year		FY20	FY21	FY 22	FY 23	FY 24
Employees	On roll	736	1,375	1,341	1,203	1,240
	CW	865	891	1,398	861	1,234
Total		**1,601**	**2,266**	**2,739**	**2,064**	**2,474**

Training hours

Year		FY20	FY21	FY 22	FY 23	FY 24
Aggregate person training hours	On roll & CW	3.91	4.26	4.38	4.14	4.35

Average age

Year		FY20	FY21	FY 22	FY 23	FY 24
Average age (years)	On roll & CW	37	33	33	33	34.2

Women employees as % of total employees

Year		FY20	FY21	FY 22	FY 23	FY 24
Women employees as % of total employees	On roll	5.02	16.72	14.83	10.88	7.98
	CW	23.12	20.02	32.18	29.60	27.63

Employee productivity

Year		FY20	FY21	FY 22	FY 23	FY 24
Revenue per employee (₹)	On roll & CW	1,85,236	1,61,864	1,73,424	2,20,849	2,34,295

People cost

Year		FY20	FY21	FY 22	FY 23	FY 24
People cost as % of revenues	On roll & CW	15	21	18	14	12

Business driver

Shaily's marketing excellence

Overview

At Shaily, our comprehensive marketing strategy is integrated into a deep understanding of products, customer needs and industry standards. Our marketing strengths and product strengths are designed to establish and enhance our brand's reputation, reliability, and market leadership. We design our offerings to meet specific customer requirements, addressing unmet needs with a flexible approach. This adaptability allows us to cater to customer developmental needs. Our strong and robust product pipeline is a result of continuous innovation and development, ensuring we are well-positioned to meet future market demands and maintain our competitive edge.

Customer-centricity resides at the core of Shaily's business strategy. By validating our presence across various product segments, we enhance the customer experience and reduce dependency on any single product category. Our comprehensive portfolio serves wide customer preferences and industry demands, ensuring resilience and growth. We aim to establish our brand as synonymous with precision, operational efficiency, quality, timely delivery, and environmental responsibility. This approach deepens stakeholder trust and reinforces our market leadership.

Marketing strengths

Domain expertise: Our expertise spans the design, technical, regulatory, and manufacturing aspects of Drug Delivery Combination Products (DDCPs). We stay updated with the latest Quality Management Systems (QMS) that meet global standards and requirements. This ensures that we can navigate complex regulatory environments effectively and deliver compliant products.

Cost competitiveness: We provide high-quality products at competitive prices, making us an attractive option for a diverse range of customers. Our cost-efficiency does not compromise the quality and reliability of our products.

Customer relationships: Building and maintaining strong, long-term relationships with our customers is a cornerstone of our marketing approach. We prioritise understanding and fulfilling our customers' needs, leading to high customer satisfaction.

Fortune 500 clientele: Our ability to supply to Fortune 500 companies significantly enhances our brand. It demonstrates our capacity to address the rigorous demands of the world's leading corporations, reinforcing our market position.

Environment friendly practices: We are committed to sustainability, using environment-friendly resins and packaging materials. This aligns with global environmental standards and meets the increasing demand for eco-friendly products from our customers.

Zero defect quality assurance: Our commitment to delivering defect-free products ensures that our customers receive the highest quality, enhancing their trust and satisfaction with our brands

Marketing initiatives

- Participated in CPhI in Europe (Convention on Pharmaceutical Ingredients Worldwide) and PharmaPack EU
- Attended CPhI India to promote Shaily's capabilities
- Utilised online platforms to promote corporate awareness
- Periodic visits to customers for increase in monthly sales
- Added new products to meet up the sales requirements
- Deepened relationships with existing customers through a higher wallet share

Challenges and counterinitiatives

Difficulty in adhering to project timelines and aligning with customer quality management systems and Good Manufacturing Practices gaps due to customer's lack of awareness about Shaily's product portfolio

We co-ordinated with plant teams and interacted with customers CFT to enable a better understanding among customers of our product portfolio

The fluctuation in market realities affected supplier prices, impacting product costs

We strengthened our inventory management, resulting in superior cashflows

Outlook

We will scale activities initiated during FY 2024-25 and reach more customers; we will evaluate our capex platforms and testing capabilities. In the non-pharma segments, we plan to increase our volume share of existing customers and add large customers.

Business driver

Shaily's innovation excellence

Overview

An efficient research and development ecosystem empowers Shaily to create unique products and enhance productivity, strengthening its market position. Shaily, through its subsidiary Shaily UK, catalyses research and development efforts, enabling the Company to periodically introduce new products addressing the international markets. The Company's team of designers, simulation experts, tooling experts and process experts drives development. The R&D team consists of 13 dedicated professionals, with plans to add resources in vendor development and packaging development, strengthening capabilities.

Product development stages

Understanding user needs, design inputs and project planning

- Customer inputs/market driven approach
- Competitor landscape
- IP landscaping
- Feasibility review
- Design and development planning

Design and development

- Concepts and industrial design
- Mechanical and electronics engineering
- Prototyping and testing

Detailed engineering

- Tolerance analysis of component interaction and impact on functionality
- Design for manufacturing
- Design of assembly
- Mold design and manufacturing

Product verification validation

- Installation qualification, operational qualification and performance qualification
- Defining protocols
- Testing and verification
- Validation and shipment

Highlights, FY 2023-24

- Undertook in-house mold building for a Swedish furnishing major and General Electric.
- Invested in a new UV coating automated line
- Introduced PVD process with DC sputtering
- Induced metrology equipment for the manufacture of high end engineering parts (metal to plastic conversion).
- Added high-end engineering EV automotive part development with leading automotive brands
- Addressed GE Appliances needs by venturing into a decorative product line

Outlook

Technology upgradation in processes, equipment and applications is crucial for the next few years to maintain Shaily's competitive edge and align with our future product line. Incorporating new technologies in tooling, simulation, and design, along with advanced techniques in process stability, will significantly impact future customer expectations. We are exploring innovative areas such as reflectors production and LED lights, as well as adopting new technologies like sandwich molding and structural foam molding. Our exploration extends beyond molding, encompassing processes like PVD coating on plastics and metal. We aim to achieve high dimensional capability requirements and create a mirroring effect with PVD on various lighting products. Through these advancements, we are committed to meeting evolving market demands and maintaining our leadership in the industry.

Case study: Undertaking PVD chrome coating

The Company was engaged by General Electric Appliances to produce stove and appliance knobs, the first time PVD chrome coating was applied to plastics. Despite initial challenges, the Company supplied quality parts. Inspired by this success, the Company introduced magnetron sputtering (MF Sputtering. The client to check name) to coat titanium using the PVD process. This innovation expanded its capabilities, enabling it to offer advanced coatings and address stringent client requirements.

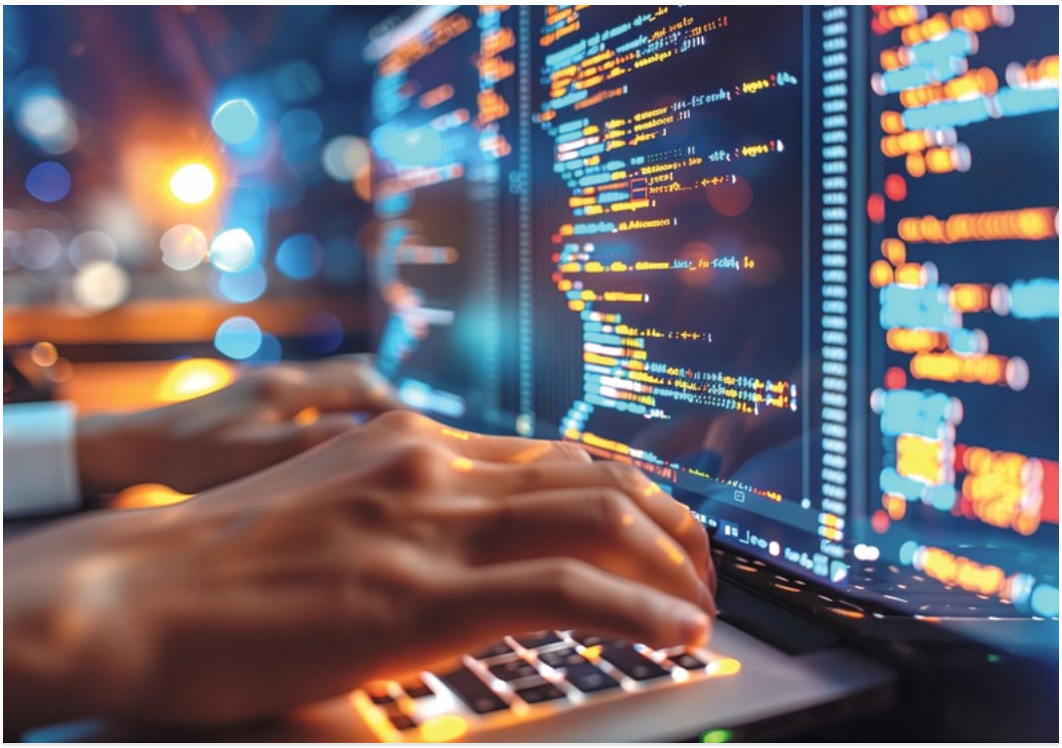
~7

(Industrial Patents under License)

The Company filed patent applications for these under multiple countries.

Business driver

How we transformed our IT function



Overview

In today's environment, robust information technology is crucial, from end-user applications to real-time machine integration. A strong IT system safeguards against security breaches and data theft, while also enabling innovative processes that boost productivity and improve customer experience.

At Shaily, digitalisation serves as a pivotal growth driver, leading to streamlined processes, enhanced operational efficiency, and greater responsiveness to unexpected changes. In the past few years, Shaily harnessed digital technology to transform operations and customer engagement. By implementing advanced digital tools, the Company reduced time-consuming and resource-intensive processes, accelerating business management, production, and service delivery.

Initiatives

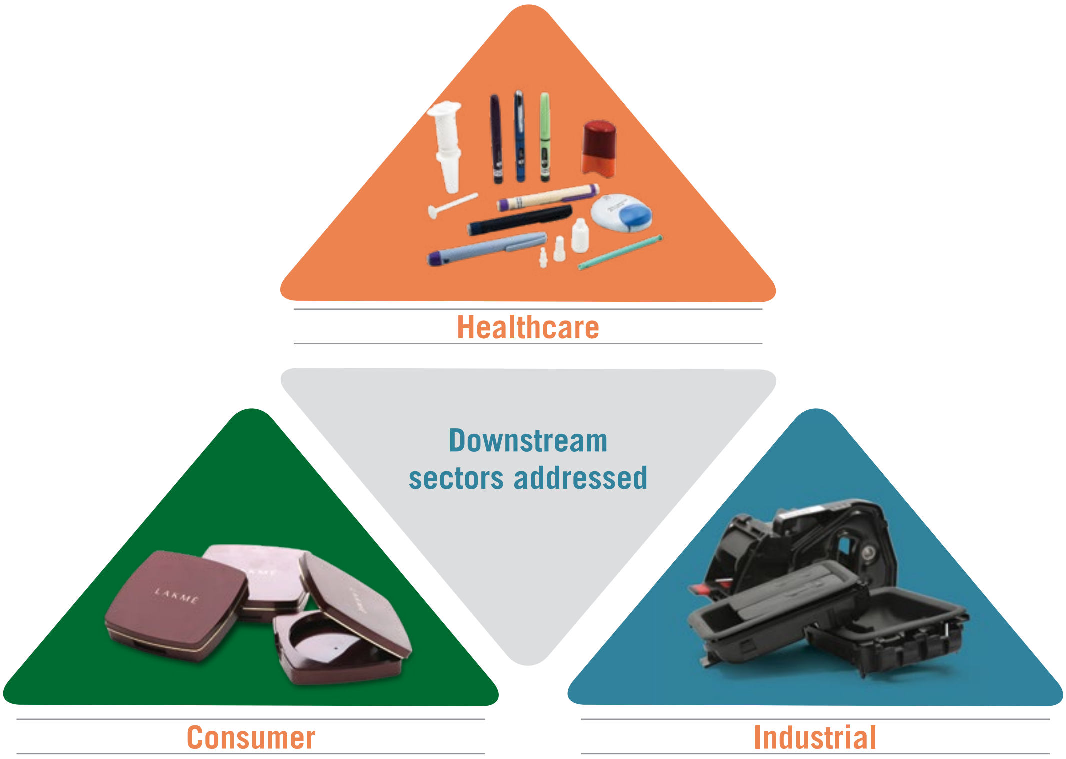
- We invested in a manufacturing ERP software with real-time monitoring to boost productivity.
- We implemented real-time monitoring for our injection machines to identify and address inefficiencies.
- We invested in predictive maintenance to improve equipment uptime.
- We automated our pen device assembly line completely to increase output, minimise process variations, and enhance product quality.
- We increased our cybersecurity investment to mitigate security breaches and prevent data theft.

Outlook

The Company will invest in advanced digital tools and provide comprehensive training to boost productivity, competitiveness, service quality, and innovation.

Portfolio mix

Shaily's diversified business platform



Overview

At Shaily, we have broad-based our customer base to mitigate risks and ensure business continuity across market cycles. Our diversification efforts have reduced our dependence on any single market or product, minimising risks related to sector volatility. By entering new segments, Shaily is well-positioned to explore untapped markets, capitalise on emerging trends, and increase revenue streams. This diversification strategy safeguards us against unforeseen events, economic downturns, and changing consumer preferences. Over-reliance on a single market or product can make a business vulnerable to unexpected market shifts. Diversification helps hedge and spread risks across multiple sectors, enhancing stability.

#1 Healthcare segment

Growth drivers

Increasing spending in new product development	Advancements in drug delivery systems	Expansion of healthcare infrastructure	Increased focus on biosimilars	Rising globalisation and outsourcing	Escalating healthcare costs

Overview

The Healthcare segment is Shaily's second-largest business as well as the fastest growing. The Company engages in contract manufacturing of medical devices for major global pharmaceutical firms, distributing these products worldwide, including developed markets. The Company developed a proprietary portfolio of medical and drug delivery injectable devices—including pen injectors, auto-injectors, wearable injectors, and other specialty devices, which it supplies to prominent international pharmaceutical and almost all major Indian pharma majors .

The Company made significant investments in state-of-the-art infrastructure and cutting-edge technologies to deliver exceptional service. This encompasses product quality, on-time delivery, a superior price-value proposition, and high standards of safety, quality, and precision. The Company's advanced healthcare facility covers over 1,75,000 square feet and is equipped with modern technologies, including the latest Japanese all-electric molding machines, Class 8 clean room, fully automated assembly lines, and capabilities for secondary operations such as printing, laser marking, and ultrasonic welding. The facility comprises over 28 molding machines and adding more, ranging from 35 to 350 tons, and includes specialised testing, quality control sand metrology laboratory as per global standards for testing and release of drug delivery devices systems

To enhance capabilities, Shaily added capacities to scale from exhibits and prepare for launch, including new tooling capabilities to mitigate delays in manufacturing, breakdowns and supplies. The Company also enhanced its testing and release capabilities and fostered greater understanding among stakeholders regarding deliverables visibility from the customer's perspective.

Challenges and counter-initiatives

Identifying new customers, geographies and distribution channels to address the evolving product pipeline.

The Company reached out to potential customers and stakeholders, showcasing and discussing the relevance of potential platforms

Overlap between the key account management and new customer acquisition teams

The Company built and trained its business development and customer services function, enabling it to adequately service both new as well as legacy clients.

Addressing the disconnect between the Company's project management, technical development, design teams and customers

The Company reached out to the management and stakeholders for an effective and timely communication, which helped bridge this workflow gap and improve quality of service

Highlights, FY 2023-24

- The Company added four new customers to its portfolio in FY 2023-24.
- The Company ranks third globally in its pen injectors and auto injection capabilities in terms of product portfolio and offerings
- The Company commenced a new applicator project and will start supplies from Q2FY 25
- The Company signed four contracts and negotiated three more, for the development and supply of pen and auto injectors

Shaily's drug delivery devices

Shaily Tristan auto-injector: A three-step auto-injector with an automatic needle insertion for the delivery of Dulaglutide and Terzipetide.

Shaily Toby Auto-Injector: A two-step auto-injector for the delivery of Semaglutide

ShailyPen Neo: Automatic spring driven variable dose and fixed dose pen-injector developed for the delivery of GLP-1

ShailyPen Protean: 0-60 IU insulin reusable/disposable, settable for alternate therapies – triple-dose, and single dose for Peptides)

ShailyPen Axiom: HGH (human growth hormone), FSH (follicle stimulating hormone), PTH (parathyroid hormone) and GLP-1 therapies

ShailyPen Maxim: 0-80 IU insulin reusable/disposable, single dose and multidose alternate therapies

Products introduced, FY 2023-24

- Neo platform (one of the best in its segment)
- Safe LAN LCM and design change
- Tristan 3 step AI
- Tooling capabilities

Some of our prominent clientele

Sanofi: Founded in 1973, Sanofi is a French multinational pharmaceutical and healthcare company headquartered in Paris, France. The Company focuses on the research, development, manufacturing and marketing of pharmaceutical products.

Zydus US : Incorporated in 1988, Zydus is a premier consumer wellness company with roots in India and a widespread international presence.

Glenmark: Founded in 1977, Glenmark Pharmaceuticals Limited is a global pharmaceutical enterprise. It operates across branded, generics, and OTC segments, with a primary focus on respiratory, dermatology, and oncology therapeutic areas.

Dr. Reddy's: Dr. Reddy's Laboratories Limited, established in 1984, is an integrated pharmaceutical company. It provides a comprehensive range of products and services including APIs, custom pharmaceutical services, generics, biosimilars, and differentiated formulations.

Wockhardt: Established in 1967, Wockhardt is a global pharmaceutical and biotechnology organisation that specialises in formulations, biopharmaceuticals, nutrition products, vaccines, and active pharmaceutical ingredients (APIs).

Alvogen US: Founded in 2009, it is a U.S. based pharmaceutical company focusing on the development, manufacturing, and distribution of generic, brand,over-the-counter and biosimilar products, with a strong presence in over 35 countries.

Adalvo EU: Adalvo, a European pharmaceutical company, specialises in the development and commercialisation of complex generics and specialty pharmaceuticals, with a global partnership network and a focus on innovation.

Orbicular: Orbicular is a research-driven pharmaceutical company specialising in formulation development and drug delivery technologies, offering services across the product lifecycle from concept to commercialisation.

Aurobindo Eugia: A part of Aurobindo Pharma focuses on the development and commercialisation of oncology, hormonal, and other specialty pharmaceuticals, leveraging advanced research and manufacturing capabilities.

Pharmathen Europe: Established in 1969, it focuses on the research, development, and manufacturing of complex generics and long-acting injectables, serving global markets.

Alembic: Founded in 1907, is an Indian company that specialises in the manufacturing and marketing of generic pharmaceuticals, APIs, and intermediates, with a global presence across multiple therapeutic areas.

Sun Pharma: Established in 1983, is a global pharmaceutical leader headquartered in India, known for its extensive range of generics, specialty medicines, and APIs, serving over 100 markets worldwide.

Outlook, FY 2024-25

The Company plans to build on activities and reforms initiated in FY 2023-24. The Company will continue to approach more customers for reviews and evaluation on the back of added capital expenditure and testing capabilities.

Case study

Enhancing market readiness and compliance with our Axiom platform

Challenge: Shaily aimed to expand its market reach and achieve compliance excellence while preparing for the upcoming market launches of medical devices. The challenge involved rigorous quality assurance and testing, as well as managing inquiries from customers and regulatory bodies such as the FDA.

Activity: The Company's Axiom platform showcased its capabilities by testing and supplying approximately 2,50,000 medical devices. The initiative included rigorous quality assurance and testing for around 10,000 units, and entering into a close collaboration with customers for market launches planned for the current and subsequent fiscal years. The Shaily healthcare team actively managed inquiries from customers and the FDA.

Outcome: The insights and experiences gained from these activities significantly enhanced the efficiency and responsiveness of its healthcare team. This proactive approach to addressing regulatory and market challenges positioned the Axiom platform as a cornerstone of the Company's commitment to delivering quality medical devices and fostering strong customer relationships in the healthcare sector.

Big number

107
₹ Cr, Revenue from the healthcare segment, FY 2023-24

58
₹ Cr, Revenue from the healthcare segment, FY 2022-23

#2 Consumer segment

Growth drivers

Rising demand for carbon steel furniture	Advanced development in infrastructure	Diversified outsourcing of production by global companies

Overview

Shaily's Consumer division consists of home furnishings, FMCG packaging, LED lights, toys and carbon steel furniture segments.

LED Lights: Complete manufacturing under one roof, including SMT (critical assembly), molding and testing.

FMCG Packaging: Clean room molding pat printing, vacuum metalising, hot stamping, ultrasonic welding, painting, PVD coating etc.The Company has been a key supplier to global FMCG giants such as Unilever and P&G since the early 1990s.

Technological capabilities

Ultra-sonic welding: This method is ideal for a variety of polymers and integrates seamlessly with injection molding processes.

Vacuum metalising: Our automated facility applies a high-quality metal finish to plastics.

High-speed rotary pad printing: Located in a controlled temperature and humidity environment, this technology provides full-color finishes to a wide range of polymers.

Painting: Our specialised paint lines are designed to accommodate numerous polymer types.

Screen printing: This semi-automated process enables high-quality, single or multicolor printing on both cylindrical and flat components.

Hot stamping and hot foiling: These techniques utilise special inks or foils and incorporate robotic controls to expedite the process, enhancing product finishes.

The Company enhanced its relationships with a major Swedish home furnishings partner, along with other clients, by

Big number

481	503
₹ Cr, Revenue from the consumer segment, FY 2023-24	₹ Cr, Revenue from the consumer segment, FY 2022-23

entering the carbon steel business and introducing multi-material products that combine plastic and steel. It manufactures carbon steel furniture, which is supplied to this prominent global home furnishings leader.

Shaily offers comprehensive services ranging from concept development to the final product. It serves as a global supplier for various segments, including kitchen items, children's products, combined cooking and eating solutions, as well as organising and storage options.

Competitive strengths

- Fortune 500 clientele
- Strong network of supply chain
- High volume production
- Use of environment friendly resins and packaging materials
- Quality products with zero defect
- Adherence to global quality standards
- Multiple deco operation facilities

Prominent clientele

Hindustan Unilever: Founded in 1931, Hindustan Unilever Limited (HUL) is a British-owned Indian consumer goods company, producing a wide range of products such as foods, beverages, cleaning agents, personal care items, water purifiers, and other fast-moving consumer goods (FMCGs).

IKEA: Founded in 1943, IKEA is a Swedish multinational conglomerate that designs and sells ready-to-assemble furniture, kitchen appliances, home accessories etc. Renowned for its modernist designs and cost-effective solutions, IKEA has become a global leader in the home furnishings market. It operates a vast network of stores in various countries, offering a unique in-store experience along with an extensive range of products that blend functionality with affordability while promoting environmentally friendly practices and products.

P&G: Founded in 1837, Procter & Gamble company (P&G) is an American multinational corporation known for its wide range of consumer goods, including beauty, grooming, healthcare, and home care products.

Highlights

Bagged new order for the supply of six components in the new packaging development for the FMCG segment

Outlook

The Company intends to enhance its volume share with current customers, while expanding its clientele with new customers

#3 Industrial segment

Growth drivers

Growing demand for the conversion of metal to plastic	Compliance with global certifications	Increasing housing demand	Higher living standards

Overview

Shaily's industrial division comprises automotive components, appliances and high performance engineering components. The Company's offers robust plastic solutions to international appliance manufacturers and is a reliable supplier of components and casings for electrical household appliances. The Company delivers cutting-edge solutions by substituting metal with high-strength plastic, boosting productivity and reducing costs for automotive manufacturers.

Strengths

- Established provider of complete molding and assembly solutions.
- Specialist in replacing metal with high-strength plastic.
- The only licensed processor of Torlon in India.
- Distributor of ultra-high-performance thermoplastics for essential automotive components
- High-end precision products
- Expertise in handling critical assemblies

Prominent clientele

Haier: Founded in 1984, Haier is a Chinese multinational corporation that designs, develops, manufactures, and sells a wide array of electronic products including refrigerators, air conditioners, washing machines, dryers, microwave ovens, mobile phones, computers, and televisions.

General Electric: Incorporated in 1892, General Electric Company (GE) is an American multinational conglomerate with operations spanning aviation, power generation, renewable energy, digital technology, additive manufacturing, and venture capital and finance.

Corvi: Founded in 2014, Corvi specialises in producing lighting fixtures and products, including technology for electronic studio flash lighting equipment.

Garrett advancing motion: Originally known as Honeywell Transportation Systems and Honeywell Turbo Technologies, Garrett Advancing Motion has a nearly 70-year history of providing solutions for passenger and commercial vehicles, aftermarket replacements, and performance enhancements globally.

Schaeffler: Since its inception in 1946, Schaeffler has been manufacturing rolling element bearings for the automotive, aerospace, and industrial sectors.

Hindustan Unilever: Founded in 1931, Hindustan Unilever Limited (HUL) is a British-owned Indian consumer goods company, producing a wide range of products such as foods, beverages, cleaning agents, personal care items, water purifiers, and other fast-moving consumer goods (FMCGs).

Outlook

The Company aims to increase its volume share with existing customers and expand its customer base by attracting new clients.

Case study

Metal to plastic conversion for Honeywell

Challenge: Honeywell needed to replace its three-piece metal connecting rod in the turbo charger with plastic to reduce costs without compromising productivity.

Activity: Shaily converted the three-piece metal connecting rod into a single piece high strength plastic.

Outcome: The end product demonstrated the same life cycle as the metal connecting rod but with greater productivity and at a reduced cost, validating Shaily's superior engineering.

Big number

55

₹ Cr in revenue, FY 2023-24

46

₹ Cr in revenue, FY 2022-23

Corporate social responsibility

How Shaily empowers communities

Overview

Shaily recognises the importance of extending its positive influence beyond the organisation, particularly among marginalised communities. Through health, education, and socio-economic interventions, the Company actively drives these initiatives under the leadership of its CSR Committee. The Company's commitment to fulfilling its social responsibilities is evident in its proactive and structured approach to community.

CSR focus areas

- Education
- Health
- Women's empowerment
- Sanitation
- Rural development
- Cleanliness

Key initiatives

Sanitation: Shaily provided essential medical items to primary health centre and supported various cleanliness and hygiene projects. It invested in the procurement of a sanitary pad manufacturing, vending machine and disposal machine for Municipal School Board, Vadodara.

Education: Shaily supported various educational projects, including national events for students and enhancing skill development opportunities for underprivileged women who have not completed formal computer education. Initiatives included providing playground equipment for children, supporting new school building projects for children with autism and other developmental disabilities and assisting with school uniforms and shoes. It supported the Sigma Shaily Incubation Center, to promote the research of college students. It developed anganwadis for school children and provided educational support to underprivileged students.

Women's empowerment: Shaily partnered with NGOs such as Vikas Jyot Trust (Vadodara), Disha Charitable Trust and Arpan Charitable Trust for projects related to women empowerment, street children development, and education for specially-abled school children. It supported sewing classes for widows to promote financial independence and backed the 'IIFL Jito Ahimsa Run' initiative for women's empowerment.

Outlook

Shaily will strive to impact disadvantaged communities by providing support for health, education, and socio-economic initiatives.

Profile of Board of Directors'

Mahendra Sanghvi, Executive Chairman

Mr. Mahendra Sanghvi, aged 73 years, is the Promoter and Executive Chairman of the Company. He is a Chemical Engineer from Wayne State University, USA, Plastics Technologist and has studied his Diploma MBA from Toronto University, Canada.

Shaily was established under his hands and the Company, under his guidance, management and leadership, has not only achieved remarkable growth but also bagged prestigious awards for the Company, including the TOP exporter awards.

In addition to being an Executive Chairman of the Company, he also serves as an Independent Director on Boards of reputed Companies. He is the President of the Executive Committee of the Organisation of Plastic Processors of India and member of the Executive Committee at PlastIndia Foundation. In the past, he had been a member of the Plastics Export Promotion Council (PLEX Council) and a Co-Chairman at PlastIndia Foundation.

Laxman Sanghvi, Executive Director

Mr. Laxman Sanghvi is the Promoter and Executive Director of the Company. He is a qualified Chartered Accountant and a Law graduate. Prior to setting up Shaily Engineering Plastics Limited, he had his own Independent Chartered Accountancy Practice. In the past, he served as the President of Panchmahals Industries Association. At Shaily, he looks after the Purchase and Projects. He has been a crucial part in setting of the carbon steel facility of the Company and the forthcoming new plastics plant of the Company, located at Halol, Gujarat.

Tilottama Sanghvi, Whole-time Director

Mrs. Tilottama Sanghvi is the Promoter and Whole-time Director of the Company. Mrs. Tilottama Sanghvi, since inception of the Company, has been involved in the operations of the Company, more specifically the EOU Plants of the Company. In addition to managing the EOU plants, she looks after the administration and stores operation of various plants of the Company. Mrs. Tilottama Sanghvi is also involved in planning and execution of budgeting of various projects undertaken by the Company and oversee numerous areas of operations. She has made significant contributions towards the growth of the Company. She has been the most efficient Plant Manager and Operational Head and has handled number of plants of the Company, EOU Plant, Rania Plant. She is presently managing the healthcare and the finishing facility of the Company.

Amit Sanghvi, Managing Director

Mr. Amit Sanghvi, aged 40 years, is an electrical engineer from the University of Ottawa and has pursued his M. Sc in Supply Chain and Manufacturing from Penn State University.

He initiated his career with Arete Inc. (USA) as a Business Process Consultant for Pepsi and Coke and has progressively worked his way to the position of high cadre. In the past, he has also worked with reputed companies such as PAS Romania, Pepsi Bottling Group (PBG), New York, Coca Cola Bottling, Indonesia. At Shaily, he started off as General Manager – Projects and later became a Whole-time Director and then Managing Director, since 16th May, 2015.

Milin Mehta, Independent Director

Milin Mehta has been leading the firm for over three decades. Under his leadership, he steered the firm to expand its scope of services and geographic presence. He has been instrumental in instilling the spirit of high ethical standards in the firm and driving quality growth. He serves as Independent/ Non-executive Director in various listed and unlisted companies and chairs their audit committees. He is a prolific speaker and has presented papers and delivered talks in seminars at national level

Besides being a Chartered Accountant, he is also a Law Graduate. His multi-faceted and meritorious academics and experience gives him opportunity to serve clients in the areas ranging from accounting to tax, valuations to strategies and governance to law.

Milin's ability to articulate a point and his fair approach has enabled him to negotiate very complex cases. He was invited by the Finance Ministry, Government of India, through CBDT to be a member of the committee appointed for formulation of ICDS as well as MAT Computation under Ind-AS scenario.

Samaresh Parida, Independent Director

Mr. Samaresh Parida is a seasoned professional with over 35 years of experience in leadership roles spanning strategy, operations, finance, M&A, and business turnaround across diverse sectors and geographies, including India, the USA, Latin America, and Russia. He currently runs a management consulting firm with a global client base and serves as an Independent Director on the Board of IDBI Bank. Mr. Parida has also been a senior advisor to NABARD, contributing to a national microfinance initiative impacting over 100 million members.

In his previous roles, he served as Executive Director at Vodafone, where he oversaw strategy and spearheaded growth initiatives, market expansion, investments, spectrum auctions, and e-commerce, managing annual sales of US$ 7 billion and investments of US$ 2 billion. He was also the Chief Financial Officer and Finance Director at PepsiCo Inc., leading global strategic initiatives, and served as CFO for Toyota's LCV business in India. Additionally, he has worked as a Management Consultant with Andersen Consulting. Mr. Parida holds a PGDM from IIM Ahmedabad and is both a Chartered Accountant and a Cost Accountant.

Sangeeta Singh, Independent Director

Mrs. Sangeeta Singh is an HR professional with over 35 years of experience, specialising in critical human resources functions. Her expertise also extends to employer branding, corporate communications (both internal and external), and operations. She has worked across diverse sectors, including professional services, financial services, consulting, and media. Academically, Mrs. Singh holds a degree in Behavioral Psychology from Mumbai University and a certification in Strategic Human Resource Management from Harvard Business School, Boston. She is passionate about promoting women in leadership roles and has been actively involved in initiatives that support this cause. Notably, she served as the India Head of the KPMG Network of Women and was a founding member of the Women in Leadership Forum. Corporate social responsibility, diversity, and developing women leaders are causes she deeply cares about, and she has played a pivotal role in driving several initiatives in these areas.

Ranjit Singh, Independent Director

Mr. Ranjit Singh has over 35 years of experience in industrial management across Indian, international, and multicultural business environments. His core strengths include corporate growth, turnaround strategy, and their effective implementation. He has held prominent leadership roles, including Managing Director at Kalpataru Power Transmission and Global COO and Board Member at Polyplex Corporation Limited, the world's fourth-largest polyester film manufacturer. As a transformational leader, he was instrumental in driving globalisation and profitable growth for the companies he led. Currently based in Delhi, Mr. Singh is deeply engaged in the startup ecosystem and strategy advisory space. He serves on the Board of Governors at IIM Jammu, is the founder of Aspirelabs Accelerator and Reimagine Plastic, and is a Director and Mentor at Legistify. Additionally, he acts as an advisor to Crest Composites and Plastics.

Shailesh Ayyangar, Independent Director

With over 35 years of experience in healthcare, he has held key leadership roles across India, the UK, and Asia. He currently advises Goldman Sachs Private Equity in the healthcare sector, chairs Noveltech Animal Feeds and Universal NutriScience, and serves as an Independent Director on the boards of Emcure Pharma Group and Shaily Engineering and Plastics. Additionally, he is a Governor on the Board of IIM Ranchi and a member of the Governing Council for the Cancer Cure Fund of the Indian Cancer Society. His career includes senior roles at Sanofi India, where he served as Managing Director and Vice President for South Asia, and at GSK, where he led Tropical Medicine and commercial operations in the UK and India. In recognition of his contributions to the industry, he was honored with the prestigious "Officier de l'ordre national du mérite" by the President of France.

Corporate Information

Board of Directors

Mr. Mahendra Sanghvi
Executive Chairman

Mr. Amit Sanghvi
Managing Director

Mr. Laxman Sanghvi
Executive Director

Mrs. Tilottama Sanghvi
Whole Time Director

Mr. Milin Mehta
Independent Director

Mr. Samaresh Parida
Independent Director

Dr. Shailesh Ayyangar
Independent Director

Ms. Sangeeta Singh
Independent Director

Mr. Ranjit Singh
Independent Director

Key Officials

Mr. Sanjay Shah
Chief Strategy Officer

Ms. Dimple Mehta
Company Secretary & Compliance Officer

Mr. Paresh Jain
Chief Financial Officer
(Appointed w.e.f. 24th May 2024)

Auditors

M/s B S R and Co.,
(Chartered Accountants) –
Statutory Auditors

M/s Shah Jain & Hindocha,
(Chartered Accountants) – Internal Auditors

M/s Samdani Shah & Kabra,
(Company Secretaries) – Secretarial Auditors

M/s Y S Thakar & Co.,
(Cost Accountants) – Cost Auditors

Bankers

State Bank of India

Standard Chartered Bank

HDFC Bank Ltd.

Registrar & Share Transfer Agent

Bigshare Services Pvt. Ltd

Office No S6-2,
6th floor Pinnacle Business Park,
Next to Ahura Centre,
Mahakali Caves Road,
Andheri (East) Mumbai – 400093,
Maharashtra, India.
Web: www.bigshareonline.com
Email: investor@bigshareonline.com

Management Discussion and Analysis

Global Economy

In 2023, the global economic landscape exhibited a consistent and resilient performance, boasting a favourable growth rate of 3.1% as per IMF forecasts. Projections suggest that this positive momentum will persist into 2024, with an expected growth rate of 3.1% anticipated. Emerging markets and developing economies are forecasted to experience even stronger growth at 4.1% in 2024. Looking ahead to 2025, the outlook remains promising, with emerging markets and developing economies projected to see a slight increase to 4.2%, thereby propelling the global economy's growth rate to 3.2%.

With disinflationary trends and stable growth, the likelihood of a severe economic downturn has diminished, and global growth risks are generally balanced. On the positive side, a quicker decline in inflation could lead to further relaxation of financial conditions. A positive sign is the projected decrease in global headline inflation, expected to fall to 5.8% in 2024 and further decline to 4.4% in 2025. However, excessive fiscal stimulus beyond what is necessary and projected may result in temporarily higher growth rates but could pose risks of a more challenging adjustment in the future. Enhanced momentum in structural reforms could bolster productivity, fostering positive effects across borders.

Conversely, potential downsides include new spikes in commodity prices due to geopolitical tensions, such as ongoing conflicts in the Red Sea, and disruptions in supplies or sustained underlying inflation, which could prolong tight monetary policies. Additionally, escalating concerns in China's property sector or unexpected shifts towards tax hikes and budget cuts elsewhere could lead to disappointments in growth.

The decisive actions by major central banks in raising rates to combat inflation, while challenging in the short-term, have set the stage for easing inflation expectations and reduced longer-term borrowing costs, providing tailwinds for continued economic progress.

(Source: World Economic Outlook, International Monetary Fund (IMF), January 2024

World Economic Outlook Growth Projections

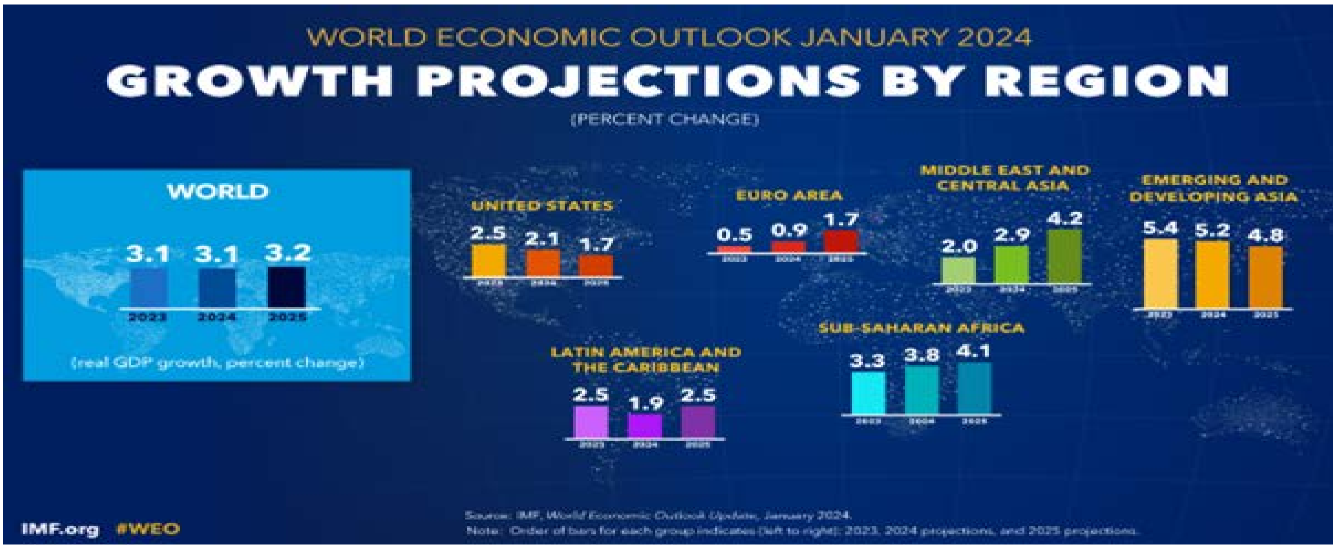
Growth Projections (%)	2023	2024	2025
Global Economy	3.1	3.1	3.2
Advanced Economies	1.6	1.5	1.8
Emerging Markets and Developing Economies	4.1	4.1	4.2

Outlook

The global economic outlook remains positive, with inflation receding faster than expected and economic growth showing resilience despite geopolitical tensions and cost-of-living challenges. Labour markets have improved, and wage growth has been contained. Economic growth exceeded expectations in 2023, supported by government and private expenditures. Global growth is projected to stabilise in 2024, underpinned by strong performances in major economies like China and India. Targeted structural reforms are needed to enhance productivity and ensure debt sustainability, with multilateral coordination crucial for resolving debt issues and mitigating climate change impacts.

Europe, especially the Euro Area, remains most vulnerable to prolonged recession risks. But downside risks remain significant from factors like monetary tightening, sovereign debt levels, and potential financial crises. Careful policymaking will be crucial to ensure sustained global expansion amid the evolving uncertainties.

(Source:https://www.conference-board.org/topics/global-economic-outlook)



The Indian Economy

In 2023, the Indian economy displayed remarkable resilience. For FY24, International Monetary Fund (IMF) predicts it India to grow by 6.7%. This growth is driven by strong manufacturing momentum, urban spending surpassing rural demand, and increased investments. The RBI has revised its GDP growth forecast for 2023-24 from 6.5% to 7%.

A key factor fuelling this growth is the government's focus on building infrastructure. Also, programs like the Production Linked Incentive (PLI) scheme, which helps specific manufacturing industries, have helped manufacturing grow. India has also seen a steady increase in Foreign Direct Investment (FDI) because of its good policies and big consumer market, which boosts economic growth.

The government has taken active steps to support the economy, like targeted interventions and stimulus packages. People spending more, buying more cars, and taking more loans have also helped the economy grow.

However, challenges persist. While overall private consumption has rebounded, its growth remains subdued, indicating potential for further improvement. Additionally, global geopolitical tensions and slowing external demand could pose downside risks for the external sector and trade.

Maintaining fiscal discipline and managing the fiscal deficit will also be crucial for sustaining long-term economic growth. Nevertheless, India's economy has demonstrated remarkable resilience, driven by strategic initiatives, favourable domestic conditions, and proactive policy measures. Addressing challenges such as inflation management, boosting private consumption, and mitigating external risks will be essential for ensuring continued sustainable economic growth.

(Source: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57638)

Outlook

India's economic path appears promising as it strides towards becoming the world's third-largest economy by 2047, with an ambitious goal of achieving a GDP of US$ 5 trillion by 2027. Despite challenges brought on by the pandemic, the Indian economy has demonstrated remarkable growth fuelled by strong domestic demand and strategic government initiatives. The Government's vision of propelling India into a 'developed country' by 2047 further emphasizes its dedication to sustainable economic progress.

India has the capacity to export goods worth US$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub. Manufacturing is emerging as an integral pillar in the country’s economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains. Chemicals, pharmaceuticals, electronics, automotive, industrial machinery, and textiles (among others) are expected to propel manufacturing exports substantially.

Looking forward, the Indian economy is positioned for ongoing expansion due to its resilience and continued reforms and strategic investments. Simultaneously, prudent policymaking, development of physical and digital infrastructure, and enhancements in regulations and processes are essential for improving the competitiveness of the domestic industry and fostering sustainable growth.

Global Plastic Industry

The global plastic market is poised for substantial growth in the coming years, driven by a range of factors such as industrialization, urbanization, and technological advancements. Recent studies indicate a significant upsurge in demand across various sectors including packaging, automotive, construction, electronics, and healthcare, which are already serving as primary catalysts for growth. Projections suggest that plastic output will double in the next few years, highlighting the scale of production anticipated in the industry. This surge in plastic production underscores the pivotal role of plastics in modern economies and underscores the imperative for sustainable measures to mitigate environmental impact.

The rapid proliferation of both lightweight and durable plastics represents a groundbreaking advancement, particularly in sectors like automotive and electronics, where material innovation is crucial for enhancing efficiency and enabling product differentiation. Geographically, the Asia Pacific region is expected to maintain its leadership position in the plastic market, driven by ongoing industrialization, urbanization, and the expanding middle-class demographic.

Plastics have emerged as one of the most prevalent materials in packaging solutions due to their versatility, cost-effectiveness, and performance, garnering widespread adoption by both consumers and manufacturers. Within the packaging industry, plastic packaging, bottles, containers, and films constitute the largest product sector, catering to a diverse range of applications and driving robust global demand.

Conversely, the healthcare segment is anticipated to be the fastest-growing sector in terms of plastic usage. Plastics play a vital role in the healthcare industry, serving as essential components in medical devices, pharmaceutical packaging, surgical instruments, and various healthcare equipment, owing to their sterility, biocompatibility, and durability. This segment is projected to experience a significant surge in demand, particularly fuelled by the COVID-19 pandemic which highlighted the indispensable role of plastics in medical applications such as PPE, diagnostic kits, and vaccine storage. Across the globe, healthcare systems are prioritizing infection control, patient safety, and medical innovation, creating a lucrative market for plastic manufacturers and suppliers to diversify and adapt to evolving needs.

Source:

https://www.skyquestt.com/report/plastic-market#:~:text=Global%20Plastic%20Market%20Insights,period%20(2024%2D2031)

Indian Plastic Industry

The plastic industry stands as a cornerstone of India's economy, with its origins tracing back to 1957 with the inception of polystyrene production. Since then, the industry has made significant strides, experiencing rapid growth and widespread presence across the nation. With over 2,500 exporters, it employs over 4 million individuals and encompasses around 30,000 processing units, the 85-90% of which are SMEs.

In a bid to further boost the industry, the Government of India aims to elevate its current economic activity level from ₹3 lakh crore (US$ 37.8 billion) to ₹10 lakh crore (US$ 126 billion) within 4-5 years. To facilitate this growth, the Department of Chemicals and Petrochemicals has approved the establishment of 10 Plastic Parks across the country.

The Plastic Export Promotion Council has set a target to increase the plastic exports of the country to US$ 25 billion by 2027. There are multiple plastic parks that are being set up in the country in a phased manner that will help improve the plastic manufacturing outputs of the country. Government initiatives like “Digital India”, “Make in India”, and “Skill India” will also boost India’s Plastic industry. For instance, under the “Digital India” program, the government aims to reduce the import dependence on products from other countries, which will lift the local plastic part manufacturers.

The government also launched a program for building Centres of Excellence (CoEs) to develop the existing petrochemical technology and promote the research environment pertaining to the sector in the country. This will aid in promoting and developing new applications of polymers and plastics in the country. Additionally, about 23 Central Institute of Plastics Engineering & Technology (CIPET) have been approved to accelerate financial and technological collaboration for promoting skills in the chemicals and petrochemicals sector.

https://www.ibef.org/exports/plastic-industry-india

Consumer Segment

Home Furnishing Business

The India home furnishings market size reached ₹52,627 Crore in 2023. Looking forward, IMARC Group expects the market to reach ₹97,051 Crore by 2032, exhibiting a growth rate (CAGR) of 7.04% during 2024-2032.

The thriving e-commerce industry on account of the increasing internet penetration and reliance on smartphones, tablets and laptops represents one of the key factors propelling the growth of the market in India. Additionally, leading players operating in the country are focusing on visually attractive online product displays and aggressive promotional campaigns to widen their existing consumer base.

They are also offering customization to customers, which enables them to request for a specific material and colour of furniture upholstery to match their home décor. Apart from this, the Government of India is introducing campaigns like Make in India that aim at minimizing imports and encouraging domestic manufacturing of home furnishings to offer employment opportunities. Moreover, there is an increase in the adoption of luxury home furnishings due to the rising disposable incomes of individuals. Factors, such as the increasing number of households and rapid expansion of interior design businesses across India, are also strengthening the market growth.

Factors propelling growth of Home Decor and Furnishing Sector

People have started taking their home as the reflection of themselves and so, a lot of people are now spending more on both furniture and fixtures and also on home décor. Working women are spending a lot on home fashion. Disposable income, better education and also the growing trend of individuals opting for professional services to do their interiors have together led to a rise in this category. Indians are now and have an exposure to lifestyles in other countries, this inspires them to have a similar lifestyle for themselves too.

https://www.imarcgroup.com/india-home-furnishings-market

Steel Furniture

A growing demand for carbon steel in construction, automotive manufacturing and other applications is anticipated to enhance consumption. The market is being influenced by demographic and macro-economic factors like development in the infrastructure and construction sector, automotive manufacturing, and increasing demand for carbon steel over heavy walled cast iron, alumina, and concrete owing to its corrosion, installation, and breaking stress properties.

China, India, Brazil and ASEAN are expected to deliver significant growth, owing to enhanced industrialization, urbanization, construction, infrastructure spending and automotive sector growth. Growing urbanization in India is enhancing carbon steel demand. Rising low-carbon steel adoption is a key factor catalysing demand, contributing to market growth.

At Shaily

Our Home Furnishings Business started two decades back. Over the years the business has grown multifold. The Company provides complete solutions from conceptualisation to the finished product. It is global supplier for segments like kitchen, children, cooking cum eating, organising and storage.

By venturing into the carbon steel business and offering multi-material products, the Company strengthened relationships with a Swedish home furnishings major, a long-term partner, in addition to strengthening relationships with other customers. The Company manufactures carbon steel furniture, supplied to the large global home furnishings major.

We have 1 dedicated plant for Carbon Steel Business. Currently, its order book exceeds an estimated ₹1bn, wherein it has received orders for 6 new products in the steel furniture segment. We expect good traction going forward.

The Company expects to ramp up capacity utilization to its peak in the next couple of years. With the Home Furnishing Major's entry into the Indian market and also opening of its online shopping website for selected cities in India, we see huge prospects of growth with regards to our clientele in the times to come.

Personal Care

Shaily's commitment to technology empowers the Company to supply class-leading products with innovative decorative features, enhancing the competitiveness of clients. Since the early 1990s, we have been serving global FMCG majors like Unilever and P&G. Subsequently the Company has added Gillette, WestRock and Himalaya to this list. Our manufacturing strength lies in ultrasonic welding, vacuum metalizing, highspeed rotary pad printing, painting, hot stamping and hot foiling.

The Company seeks to widen its clientele to engage with customers who can provide long-term engagement.

Toy Business

The toys industry is growing due to parents' growing interest in eco-friendly toys, resurgence of traditional toys and video games, growing awareness of the cognitive advantages of building toys and an exponential growth in mobile-based gaming. The market is expected to be driven by the increased popularity of traditional recreational activities in the younger generation. A growing predilection among millennials for old-school games at social gatherings is likely to propel market growth.

The Toys & Games market experienced a steady growth, primarily driven by increased consumer disposable income and a resurgence in demand for traditional toys and games. The market saw a notable shift in preference, with classic toys, board games, and educational toys regaining popularity among consumers.

The market is dominated by well-established companies such as Hasbro, Mattel, LEGO Group, and Spin Master. These industry leaders hold significant market shares in various product categories, including action figures, dolls, board games, puzzles, and construction sets. Additionally, niche toy manufacturers are emerging, catering to specific interests and segments of the market, adding diversity to the industry landscape.

Looking ahead, several trends are expected to shape the growth of the Toys & Games market. The rising popularity of educational toys that promote Science, Technology, Engineering, Arts, and Mathematics learning is set to drive demand, as parents and educators increasingly seek toys that combine fun and learning. Furthermore, eco-friendly, and sustainable toys are gaining traction as consumers become more environmentally conscious, leading to an increased focus on responsibly sourced materials and manufacturing processes.

Apart from this, a shifting preference from conventional toys towards modern and hi-tech electronic toys is strengthening market growth. In line with this, the escalating demand for sensory toys for kids with special needs is catalysing offtake.

At Shaily,

In FY 2019-20, the Company expanded its presence in the toys sector by partnering with Spin Master, a prominent global toy company. Anticipating growth in the toy segment, the Company foresees opportunities as leading toy companies introduce new products, pursue mergers and acquisitions, and forge partnerships with local entities.

Health Care Segment

The global medical devices market is poised for a sizable expansion and this growth trajectory is closely linked to a surge in the number of patients undergoing diagnostic and surgical procedures, attributable to the escalating prevalence of chronic diseases and an amplified focus on early detection and appropriate therapeutic interventions.

The growing per capita healthcare expenditure in developed and emerging countries as well as improving reimbursement policies are also leading to the rising number of patients undergoing diagnosis and treatments, strengthening the demand for medical devices in these countries.

The Medical Devices Market size is estimated at USD 637.04 billion in 2024, and is expected to reach USD 893.07 billion by 2029, growing at a CAGR of 7%. The COVID-19 pandemic severely impacted the overall medical devices market, with the various segments experiencing wide-ranging effects. Factors such as the rising prevalence of chronic and related increases in disability-adjusted life years, technological advancements in medical devices, and a consistent increase in the aging population are boosting market growth. 100% FDI is allowed in the medical devices sector In India. Categories such as equipment and instruments, consumables and implants attract the most FDI.

The Indian medical device market share in the global market is estimated to be 1.65%. India is the 4^{th} largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally. The US, Germany, China, Brazil, Iran, etc. are a few key countries that import Indian medical devices. Gujarat, Maharashtra, Karnataka, Haryana, Andhra Pradesh, Telangana and Tamil Nadu are the manufacturing hubs for medical devices in India. India is poised to become a global centre for medical technology and devices.

Additionally, the increasing burden of chronic diseases worldwide is driving the demand for effective and advanced treatment services that involve various diagnostic and surgical procedures. Thus, the demand for medical devices across the world is increasing. The diabetes care segment is expected to grow at the highest CAGR. The rising prevalence of diabetes globally and the growing adoption of blood glucose monitors among the patient population owing to the increasing awareness about the devices are some of the significant factors contributing to the growth of the segment.

At Shaily

We created the world's first insulin pen made of 100% Plastic. We have collaborated with multinationals in the design and manufacture of medical devices. Our ability to develop IP & own pen injector platforms is expected to enhance the brand of the company as a research-led solutions Provider.

We currently possess 7 IP led Pens and currently working towards developing an auto injector. We also have expertise in assisting clients with compliance & regulatory filings. Capex of ₹150 crores in last 2 years has potential to provide ~3X revenue in next 3-5 years. We signed four new contracts for development and supply of pen injectors with large pharma companies during the last year

Industrial Segment (Automotive, lighting, appliances, engineering)

The growth of global original equipment manufacturers' (OEM) sourcing from India and the increased indigenisation of global OEMs is turning the country into a preferable designing and manufacturing base. The Indian auto components industry is expected to grow to US$ 200 billion by FY26.This growth will be backed by strong export demand which is expected to rise at an annual rate of 23.9% to reach US$ 80 billion by 2026. The turnover of the automotive component industry grew 12.6% YoY to US$ 36.1 billion (₹2.9 lakh crore) during H1 2023-24.

The Bharat New Car Assessment Program (BNCAP) will not only strengthen the value chain of the auto component sector, but it will also drive the manufacturing of cutting-edge components, encourage innovation, and foster global excellence. AMP 2026 targets a four-fold growth in the automobile sector in India, which includes manufacturers of automobiles, auto components & tractors over the next 10 years. It is expected to generate an additional employment of 65 million.

By 2025, India's Consumer Electronics and Appliances Industry is predicted to be the fifth largest in the world. Demand for consumer durables in India has been growing on the back of rising incomes. This trend is set to continue even as other factors like rising rural incomes, increasing urbanisation, a growing middle class and changing lifestyles aid demand growth in the sector.

We will continue to develop products that address the new age requirements of auto companies. We will maintain steady business through niche products with customers.

At Shaily:

We are a trusted partner for components (knobs, etc.) and casings of electrical household appliances. We also provide solutions that replace metal with high strength plastic, transforming light weighing the vehicle, enhancing productivity and cost savings for automotive manufacturers. We are hopeful of healthy growth in this segment, led by the appliances vertical, based on its current order book position and regular engagement with customers.

Consolidated Financial Performance of the Company for FY 2023-24

The company reported Revenue of ₹643.9 Cr in FY 2023-24 as compared to ₹607.1 Cr in FY 2022-23, a growth of 6% Y-o-Y. Revenue from sale of products and services stood at ₹641.5 Cr in FY 2023-24 as compared to ₹605.3 Cr in FY 2022-23.

The company reported EBITDA of ₹123.4 Cr in FY 2023-24 as compared to ₹96.4 Cr in FY 2022-23 i.e. a growth of 28% Y-o-Y. EBITDA margins stood at to 19.2% in FY 2023-24.

Profit before tax (PBT) came in ₹69.8 Cr in FY 2023-24 as compared to ₹45.2 Cr in FY 2022-23 i.e. a growth of 55%.

The company reported Profit after Tax of ₹57.3 Cr in FY 2023-24 as compared to ₹35.1 Cr in FY 2022-23 i.e. a growth of 63% Y-o-Y.

The revenue mix for exports to imports stands at 74:26. The revenue mix continue to skew towards exports.

Our Debt-to-Equity ratio stands at 0.45 times.

Total Capex spend (including work in progress) during FY 2023-24 is ₹97.07 Cr. The major capex has been towards the new pharma plant.

Significant changes in Key Financial Ratios during FY 2023-24

The key financial ratios during FY24 vis-à-vis FY23 are as below:

Key Financial Ratios	As at 31st March 2024	As at 31st March 2023	Variance (%)
Debtors Turnover Ratio	5.49	6.60	-16.82%
Inventory Turnover Ratio	5.07	4.62	9.74%
Interest Coverage Ratio	4.90	3.53	38.81%
Current Ratio	1.28	1.04	23.08%
Debt Equity Ratio	0.45	0.46	-2.17%
Operating Profit Margin (%)	19.17%	15.88%	20.72%
Return on Net Worth (%)	13.31%	9.15%	45.46%

Note: Debtors and Inventory Turnover ratio is considered in number of times.

Key Developments during the year

- **Consumer Segment**
  - Home Furnishing (Plastics) - New Business with total business value of ₹50 crores per annum
  - Home Furnishing (Carbon Steel) - Business confirmation for additional volumes - This will improve utilization going ahead
  - FMCG - New Packaging Development Confirmed; ASCO: New order for supply of 6 components
  - Personal Care - Business awarded for supply of caps by FMCG Customer Components confirmed
- **Healthcare**
  - Business confirmed with 3 customers for supply of pen injectors
  - New Applicator Project with total business value ₹35 crores per annum
  - 4 Contracts signed / received for development and supply of Pen injectors
- **Automotive & Appliances**
  - Appliances - New Knobs Business - Total Business Value ₹40 crores per annum
  - Automotive - 3 New Products confirmed with 2 customers - Total Business Value ₹5 crores per annum

Board's Report

Dear Members,

Your directors have pleasure in presenting their 44th Annual Report together with the Audited Financial Statements for the year ended on 31st March 2024.

Operations and State of Affairs of the Company:

(₹ in lacs)

Particulars	Standalone Basis		Consolidated Basis	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	61,597.36	59,970.82	64387.06	60,706.59
Other Income	649.25	450.44	649.25	450.44
Profit for the year before Interest, Depreciation, Amortization & Tax	10,126.98	9,111.24	12,343.22	9,639.52
Finance Cost	1789.63	1,788.23	1789.63	1,788.23
Depreciation and Amortization Expense	3468.72	3,317.84	3568.88	3,330.56
Profit before Tax	4868.63	4,005.17	6984.71	4,520.72
Net Profit for the year	3612.98	2,999.41	5729.06	3,514.96

Note:
The above figures are extracted from the Standalone and Consolidated Financial statements prepared in accordance with Indian Accounting Standards (Ind AS) as specified in the Companies (Indian Accounting Standards) Rules, 2015, read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Operations and Business

The expansion of Pharma Facility has been completed. Key developments during the year in the business development of the Company are covered in the Management Discussion and Analysis (MDA).

Subsidiary of the Company

Shaily (UK) Ltd., established in the United Kingdom as a Private Limited Company, is a wholly owned subsidiary of the Company.

Shaily (UK) Ltd. operates as a Design Centre and a Research & Development division for varied medical and drug delivery devices. A statement containing the salient features of the Financial Statements of Shaily (UK) Ltd. as on 31st March 2024 as required under Section 129(3) of the Companies Act 2013 is attached as **Annexure-A.**

In terms of the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and Consolidated Financial Statements is hosted on the website of the Company at www.shaily.com. Further, Audited Annual Financial Statements of Shaily (UK) Ltd. as on 31st March 2024, is available on the website of the Company at https://www.shaily.com/investors/compliances-policies/shaily-uk-ltd-wholly-owned-subsidiary The Company does not have any associate or joint venture Company. Shaily(UK) contributed the total revenue of ₹2789 lacs and PAT(profit after tax) of ₹2115.72 lacs as on 31st March 2024.

Dividend

The Board of Directors at their meeting held on 24th May 2024 has recommended a final dividend of ₹1 per Equity share having face value of ₹2 each for the Financial Year ended on 31st March 2024. The Dividend for the Financial Year ended 31st March 2024 is subject to the approval of members at the ensuing Annual General Meeting to be held on 21st September 2024 and will be paid within a statutory time period, if approved by the members at the 44th Annual General Meeting.

Dividend Distribution Policy

In compliance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted Dividend Distribution Policy, which is placed on the at of the Company weblink https://static.shaily.com/ROo8JgnUQPiO3h8HqMY0-dividend- distribution-policy-pdf

Transfer to Reserves

The Board does not propose to transfer amounts to any reserve(s) out of the amount available for appropriation.

Sub- Division of Equity Shares

With a view to enhance the liquidity of the Company's equity shares and to encourage the participation of small investors by making equity shares more affordable to invest in the equity shares of the Company, the Board of Directors and Members of the Company at their meetings held on 2nd September 2023 and on 29th September 2023 respectively, considered and approved the Sub-division of the existing Equity shares of the Company from the nominal value of ₹10 (Rupees Ten Only) to Nominal Value of ₹2 (Rupees Two Only) per Equity share.

Management Discussion and Analysis

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said regulations, Management Discussion and Analysis is set out in this Annual Report. Certain statements in the said report may be forward looking. Many factors may affect actual results, which could differ from what the Directors envisage in terms of future performance and outlook.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure B.**

Utilization of funds from proceeds of Preferential Issue

The Company has utilized the entire amount raised through Preferential Issue towards the objects for which the same were raised.

Directors & Key Managerial Personnel

Retirement by Rotation

As per the provisions of the Companies Act, 2013, Mr. Laxman Sanghvi (DIN: 00022977) as a Director, retires by rotation at the forthcoming 44th Annual General Meeting of the Company and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Re-appointment of Managing Director

Mr. Amit Sanghvi was reappointed as a Managing Director of the Company, effective from 1st October 2023, for a further period of three (3) years from 1st October 2023 to 30th September 2026 by the Board of Directors, at its meeting held on 20th May 2023, which was approved by the members at the 43rd Annual General Meeting of the Company.

Re-appointment of Independent Director

Mr. Ranjit Singh was reappointed as an Independent Director of the Company, effective from 18th May 2024 for the further period of five (5) years starting from 18th May 2024 to 17th May 2029 by the Board of Directors at their meeting held on 13th February 2024, which was approved by the members through Postal Ballot.

Key Managerial Personnel

As on 31st March 2024, the Key Managerial Personnel of the Company are Mr. Mahendra Sanghvi, Executive Chairman, Mr. Laxman Sanghvi, Executive Director, Ms. Tilottama Sanghvi, Whole Time Director, Mr. Amit Sanghvi, Managing Director, Mr. Sanjay Shah, Chief Financial Officer & Chief Strategy Officer and Ms. Dimple Mehta, Company Secretary & Compliance Officer, in accordance with Section 203 of the Companies Act, 2013.

During the period under review, there were changes in Key Managerial Personnel as outlined below

1. Mr. Ashish Somani resigned from the office of Chief Financial Officer of the Company, effective from close of business hours on 12th August 2023.
2. Mr. Sanjay Shah was appointed as Chief Financial Officer with effect from 7th November 2023.

Further, Mr. Sanjay Shah ceased to be Chief Financial Officer and continued as Chief Strategy Officer of the Company with effect from 24th May 2024 and Mr. Paresh Jain was appointed as Chief Financial Officer with effect from 24th May 2024.

Meetings of Board

The Board met six (6) times during the Financial Year. Details of the meeting(s) are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

Policy on Nomination & Remuneration

The existing policy is to have an appropriate mix of Executive and Non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As of 31st March 2024, the Board had a total nine (9) members, four (4) of whom are Executive directors and five (5) are Non-Executive and Independent Directors. The Board has two Women Directors, out of which one-Woman Director is an Executive Director and one-Woman Director is a Non-executive and Independent Director.

The Board has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for the selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company

The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act, in accordance with SEBI (Listing Obligations and Disclosure Requirements), 2015, is available at our website at https://static.shaily.com/NVmusaHvSkCkSxPngRsT-sepl- nomination-remuneration-policy-pdf.

During the period of under review, there is no change in the Nomination and Remuneration Policy of the Company during the financial year 2023-24.

Salient features of the Nomination & Remuneration Policy are as under:

1. Setting out the objectives of the Policy
2. Definitions for the purpose of the Policy
3. Policy for appointment and removal of Directors, Key Managerial Personnel and Senior Management.
4. Policy relating to the remuneration for the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
5. Remuneration to Non-Executive/Independent Directors.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

Declaration by Independent Directors

The Independent Directors of the Company have given their declaration to the Company that they meet the criteria of independence as specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Familiarization Programme

All new Independent Directors inducted into the Board attend an orientation program. At the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining their role, function, duties and responsibilities as an Independent Director. The format of the letter of appointment is available on our website at https://static.https://static.shaily.com/86x2nOBMRpWOW5up9Pa4-specimen-letter-of-appointment-for-independent-director-pdf-pdf

The Board members are provided with necessary reports, internal policies, periodical plant visits to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the meetings of the Board and the committees, on business and performance updates, global business environment, business strategy and risks involved.

The details of familiarization Programme imparted to Independent Directors are available on our website at https://static.shaily.com/WKU72dYsQRaDuLhm5yL2-familiarisation-programm-for-independent-directors-pdf

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Nomination and Remuneration Policy of the Company, the Nomination and Remuneration Committee ("NRC") and the Board has carried out the annual performance evaluation of the Board, its Committees and individual Directors by way of individual and collective feedback from Directors. The Independent Directors have also carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole. Structured questionnaires covering the evaluation criteria laid down by the NRC, prepared after taking into consideration inputs received from Directors, were used for carrying out the evaluation process.The Directors expressed their satisfaction with the evaluation process.

The framework includes evaluation of Directors on various parameters such as:

- Board dynamics and relationships.
- Information flows
- Decision – making.
- Company performance and strategy
- Tracking board and committee's effectiveness
- Peer evaluation

Committees of the Board

The Board has five (5) committees, namely:

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

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report, which forms part of this Annual Report.

During the year, there were no instances where the Board has not accepted recommendation(s) of any Committee of the Board.

Corporate Governance

The Company believes in adopting the best practices of Corporate Governance. Corporate Governance Principles are enshrined in the spirit of the Company, forming its core values. These guiding principles are also articulated through the Company's code of business conduct, corporate governance guidelines, charter of various sub-committees and disclosure policy.

Report on Corporate Governance for F.Y. 2023-24 forms part of this Annual Report.

Corporate Social Responsibility (CSR)

Being an Indian Company, we are motivated by the Indian ethos of Dharma as a key plank for organizational self-realization. The Company recognizes that its operations impact a wide community of stakeholders, including investors, employees, customers, business associates and local communities and that appropriate attention to the fulfilment of its corporate responsibilities can enhance overall performance. The Company continues its CSR spend towards support to local initiatives, health/medical and education sector, sanitation/cleanliness, Rural Development and such varied activities towards Corporate Social Responsibility initiatives.

The Company under its CSR initiative has partnered with Sigma Group of Institutes to promote and strengthen Indian Start up Eco system by initiating Shaily Sigma Incubation Centre.

In compliance with the requirements of Section 135 of the Act, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities undertaken during FY 2023-24 in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure C.**

Annual Return

A copy of the Annual Return as required under Section 92(3) of the Act has been placed on the website of the Company. The web-link as required under Section 134(3)(a) of the Companies Act 2013 is as under; https://www.shaily.com/investors/compliances-policies/annual-return

Particulars of Employees and related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure D.**

A statement showing the names and particulars of the employees falling within the purview of Rule 5(2) of the aforesaid rules are provided in the Annual Report. The Annual Report is being sent to the members of the Company excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company during working hours and the same will be furnished on request in writing to the members.

Audit Reports

The Independent Auditor's Report on Standalone and Consolidated Financial Statements for F.Y. 2023-24 does not contain any qualification, reservation or adverse remark. The Independent Auditors' Report is enclosed with the Financial Statements in this Annual Report.

The Secretarial Auditors' Report for F.Y. 2023-24 does not contain any qualification, reservation or adverse remark. The Secretarial Auditor's Report is annexed herewith as **Annexure E**.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's certificate on Corporate Governance is enclosed with the Corporate Governance Report in this Annual Report. The Auditor's certification on the requirement of Corporate Governance for F.Y. 2023-24 does not contain any qualification, reservation or adverse.

The Company has obtained Certificate from M/s Samdani Shah & Kabra, Company Secretaries, Vadodara and Secretarial Auditors of the Company regarding Non- disqualification of Directors, which is enclosed with the Corporate Governance Report in this Annual Report. Accordingly, none of the Directors are disqualified.

Reporting of fraud by auditors

During the F.Y. 2023-24, neither of the auditors viz., Statutory Auditors, Secretarial & Corporate Governance Auditors, nor Cost Auditors have reported to the Audit Committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

Auditors

Statutory Auditors

In Compliance with the provisions of section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R and Co., Chartered Accountants (Firm Registration number 128510W) (a member entity of BSR & Affiliates) was appointed as Statutory Auditor of the Company by the Members at their 43rd Annual General Meeting ("AGM") held on 29th September, 2023, to hold office for the 2nd term of Five (5) years i.e. up to the conclusion of 48th Annual General Meeting to be held for F.Y. 2027-28.

Secretarial & Corporate Governance Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its meeting held on 24th May 2024 have appointed M/s Samdani Shah & Kabra, Company Secretaries, as secretarial auditors of the Company, to undertake the Secretarial Audit of the Company for the F.Y. 2024-25.

Cost Auditors

M/s Y. S. Thakar & Co., Cost Accountants, Vadodara, are appointed as Cost Auditors of the Company to conduct an audit of cost records of the Company for F.Y. 2024-25.

Based upon the declaration on their eligibility, consent terms of engagement, the Board at its meeting held on 24th May 2024, have appointed the Cost Auditors, and recommends the ratification of remuneration to be paid to the Cost Auditors for F.Y. 2024-25 to the shareholders of the Company.

Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is applicable to the Company and accordingly such accounts & records are prepared and maintained, as required, from time to time.

Internal Auditors

M/s Shah Jain & Hindocha, Chartered Accountants, based at Vadodara, are appointed as Internal Auditors of the Company for F.Y. 2024-25.

Business Responsibility and Sustainability Report

Report on Business Responsibility and Sustainability, in the format as prescribed by the Securities and Exchange Board of India, is annexed herewith as **Annexure - F**

Policy on Business Responsibility and Sustainability Reporting is available on the Company website at https://static.shaily.com/2KfgCI1USEm3mfq4QcmR-brsr-policy-pdf

Risk Management

The Company has a mechanism in place to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Risk Management Committee, Audit Committee and the Board of Directors of the Company.

The Risk Management Policy of the Company is available on the website of the Company at weblink https://static.shaily.com/xPWCj6xeT06ZOyzinzhU-sepl-risk-management-policy-pdf

Vigil Mechanism

The Company has a well-defined “Whistle Blower Policy” and has established a robust Vigil Mechanism for reporting of concerns raised by employees and to provide for adequate safeguards against victimization of Directors and employees who follow such mechanism and has also made provision for direct access to the Chairman of Audit Committee in appropriate cases.

The Vigil Mechanism Policy of the Company is available on the Company’s website at weblink https://static.shaily.com/6YQbFHzPS1eqWAVJ3sIk-sepl-vigil-mechanism-policy-pdf

Internal Financial control & its adequacy

The Company’s internal control procedures, which include internal financial controls, ensure compliance with various policies, practices and statutes and keep in view the organization’s pace of growth and increasing complexity of operations. The internal auditors team carries out extensive audits throughout the year across all plants and functional areas and submits its reports to the Audit Committee of the Board of Directors.

SHARE CAPITAL

a. Authorised and Paid-up Capital

During the year under review there was no change in Authorized and Paid up Share Capital of the Company. However, the Equity Shares of the Company were sub-divided from the nominal value of ₹10 (Rupees Ten Only) to nominal value of ₹2 (Rupees Two Only) per Equity share. As a result, the Authorised share capital of the company as on 31st March 2024 is ₹16,00,00,000 (Rupees Sixteen Crores only) comprising of 8,00,00,000 (Eight Crores only) Equity Shares of ₹2 (Rupees Two only) each and issued, subscribed and paid-up share capital of the company is ₹9,17,35,020 (Rupees Nine Crore Seventeen Lakhs Thirty-Five Thousand Twenty Only) comprising of 4,58,67,510 (Four Crores Fifty-eight Lacs Sixty-seven Thousand Five Hundred Ten only) EquityShares of ₹2 (Rupees Two only) each).

b. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

c. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

d. BONUS SHARES

No Bonus Shares were issued during the year under review.

e. EMPLOYEES STOCK OPTION PLAN

During the period under review, the Company has granted 2,66,500 options.

Details are as follows:

a. Grant of Options 51,100 (after sub-division it was 2,55,500 options) on 1st October 2023.

b. Grant of Options 11,000 on 14th February 2024 to the Eligible Employees of the Company under the Employee Stock Option Plan 2019 (‘ESOP 2019’).

Details of Options granted during the F.Y. 2023-24 pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are given hereunder:

(a) options granted;	2,66,500
(b) options vested;	N.A.
(c) options exercised;	N.A.
(d) the total number of shares arising as a result of exercise of option;	N.A.
(e) options lapsed;	N.A.
(f) the exercise price;	N.A.

(g)	variation of terms of options;	N.A.
(h)	money realized by exercise of options;	N.A.
(i)	total number of options in force;	2,66,500
(j)	employee wise details of options granted to:—	
(i)	key managerial personnel.	1. Mr. Sanjay Shah (Chief Strategy Officer) 50,000 options 2. Mr. S K Dash (Vice President - Technical Services) 22,500 options
(ii)	any other employee who receives a grant of options in any one year of option amounting to five per cent or more of options granted during that year.	1. Mr. Rajesh Sharma (General Manager - Business Developer) 26,250 options 2. Mitesh Patel (General Manager - Production) 15,000 options 3. Jayesh Shah (General Manager - QA) 13,500 options
(iii)	identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	N.A.

The members at their meeting held on 29th September 2023 approved sub-division of existing Equity Shares of the Company from the nominal value of ₹10 (Rupees Ten only) to nominal value of ₹2 (Rupees Two only) per Equity share. Accordingly, ₹1 equity share of the Company having a face value of ₹10 each (fully paid-up) divided into 5 equity shares of ₹2 each (fully paid up) w.e.f. 23rd November 2023 (record date).

In view of the above sub-division of the equity shares of the Company and as mention in the ESOP 2019, the total options that can be granted granted under ESOP 2019 and the Options granted by the Nomination & Remuneration Committee (NRC) on 8th August, 2023, shall be augmented in the same proportion as the face value per equity share shall bear to the revised face value of the equity shares of the Company after such sub-division, without affecting any other rights or obligations of the said grantees. Accordingly, total number of options for which Member's approval obtained is 6,70,859 options.

The Scheme was in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 and amended as per SEBI (Share Based Employee Benefits and Sweat Equity) ('SEBI SBEB & SE Regulations') in the meetings of NRC and Board held on 8th February 2023. There was no change in the Scheme except regulatory amendments as per SEBI SEBEB & SE Regulations. Pursuant to Regulation 13 of the SEBI SBEB & SE Regulations Regulations, 2021, a certificate from M/s. Samdani Shah and Kabra, Secretarial Auditors of the Company with respect to implementation of the Scheme with SEBI SBEB & SE Regulations and in accordance with the Member's resolution in this regard, will be placed at the ensuing Annual General Meeting for inspection by the Members electronically.

Insurance

All the properties and assets of the Company are adequately insured.

Code of Conduct

The Company has laid down a Code of Conduct applicable to the Board of Directors and Senior management personnel of the Company, which is available on Company's website at https://static.shaily.com/dWP7hcZHQjC9ueTpqBYt-company-code-of-conduct-policy-pdf. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

Insider Trading Policy

As required under the Insider Trading Policy Regulations of SEBI and amendments thereto, your directors have framed Insider Trading Regulations and Code of Internal Procedures and Conducts for Regulating, Monitoring and Reporting of Trading of shares by Insider as well as Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The same is also posted on the website of the Company at https://static.shaily.com/xWqBrgNwSlyuGxgz8uAH-code-of-conduct-pdf.

Related Party Transactions

All Related Party Transactions entered into by the Company during the Financial Year were in an ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any related party transactions which could be considered material. Hence, there is no information to be provided as required under Section 134(3)(h) of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Directors draw attention of the members to Note No. 33 to the Standalone and Consolidated Financial Statements provided in this Annual Report, which sets out related party disclosures.

Particulars of Loans, Guarantees or Investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

Deposits

The Company has not accepted deposits from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Therefore, the requirement of applicable laws and regulations for disclosure of details of deposits under section 134(3)(q) of the Companies Act, 2013 and rule made thereunder is not applicable.

Secretarial Standards

The Company complies with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

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

The Company strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company. The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been constituted under the said Act to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy. During the year, no complaint was received by the Company.

Material Changes

There have been no material changes and commitments from the close of F.Y. i.e. since 31st March 2024 till the date of the Board's report, which may affect the financial position of the Company.

Change in nature of business

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

Significant and material orders passed by Regulators/ courts tribunal

There were no significant and material orders passed by the Regulators or Courts or Tribunals that may impact the going concern status of the Company and Company's operations in future.

Green Initiative

Electronic copies of the Annual Report for F.Y. 2023-24 and the Notice of the 44th Annual General Meeting are being sent to all members whose email addresses are registered with the Registrar & Share Transfer Agents (RTA) of the Company / Depository participant(s).

The regulatory authorities i.e. Ministry of Corporate Affairs ("MCA") has vide its 09/2023 dated 25th September, 2023 and the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CFD/-PoD-2/P/CIR/2023/167 dated 7th October, 2023 permitted the Companies for holding of the Annual General Meeting ("AGM") through Video Conferencing/Other Audio Visual Means ("VC/ OAVM"), without the physical presence of the Members at a common venue.

It is hereby requested to all the shareholders to kindly update your email id with your Depository Participant in case of shares are held in Demat and with Company's Registrar and Transfer Agent in case of shares are held in physical to ensure timely receipt of required information.

44th Annual General Meeting

The Ministry of Corporate Affairs ("MCA") vide General Circular No. 09/2023 dated 25th September, 2023 and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CFD/-PoD-2/P/CIR/2023/167 dated 7th October, 2023, continued to allow companies to hold General Meetings through Video Conferencing facility or through other audio-visual means.

Hence, for the convenience of the members, the Company has decided to continue to hold its Annual General Meeting through Video Conference, to facilitate members attending the 44th Annual General Meeting of the Company.

Details of the meeting and the facility is provided in the Notice of the 44th Annual General Meeting.

Application(s) made/proceedings pending under the Insolvency and Bankruptcy Code, 2016

The Company has made an application under the Insolvency and Bankruptcy Code, 2016, with the National Company Law Tribunal, Ahmedabad Bench ("the NCLT") against one of its customers, Agile Plast Pvt. Ltd. Value of Litigation is ₹27 lacs. As on 31st March 2024, the matter is pending before the NCLT.

The NCLT, vide its order dated, 30th March 2022, had adjourned the matter sine die in light of the case of Jumbo Paper Products v HansRaj Agrofresh (Civil Appeal 7032/2021) which is currently pending before the Supreme Court of India and has the same subject matter as the one in Shaily's claim before the NCLT. Thus, the matter before NCLT is currently pending as it has been revived and we are waiting for the judgement of the Supreme Court in the aforementioned case in order to get the next hearing date scheduled. Since the likelihood of favourable judgement before the Supreme Court in the aforementioned matter is high, the likelihood of NCLT's matter in favour of Shaily is high.

General Disclosures:

The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

The Managing Director and the Whole Time Directors during F.Y. 2023-24 have not received any amount as commission from the Company.

The Managing Director and the Whole Time Directors during F.Y. 2023-24 have not received any commission/ remuneration from the Subsidiary Company. The Company does not have any Holding Company.

During F.Y. 2023-24, there was no instance of one-time settlement with any Bank or Financial institution. Hence, the disclosure requirement in the context is not applicable.

Directors' Responsibility Statement

In terms of the provisions of Section 134(5) of the Companies Act 2013, the Board of Directors, the Directors confirm that:

- in preparation of the annual accounts for the F.Y. ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- They have selected such accounting policies and applied them consistently and made judgements 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 profit and loss of the Company for that period.
- They have taken proper and sufficient care towards 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.
- They have prepared the annual accounts on a going concern basis.
- They have laid down internal financial controls to be followed by the Company, which are adequate and are operating effectively; and
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Acknowledgement

We thank our customers, suppliers, business partners, employees and various statutory authorities for their continuos support during the year. Our consistent growth is made possible by their hard work, solidarity, cooperation and support.

We look upon them as partners in its progress. It will be Company's endeavor to build and nurture strong links with the trade based on mutuality of benefits, respect to and co-operation with each other, consistent with consumer interests and looks upon all the stakeholders for their continued support in future.

For and on behalf of the Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Place: Vadodara
Date: 27th July 2024

Annexure-A

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures Name of Subsidiary : Shaily (UK) Ltd.

Date on which subsidiary was acquired : 15th September 2021

Reporting Currency : GBP

Exchange Rate : Note 6

Sr. No.	Particulars		Amount (₹ in lacs)
1.	Share Capital	:	2062.54
2.	Reserves & Surplus	:	2810.66
3.	Total Assets	:	5099.97
4.	Total Liabilities	:	226.77
5.	Investments	:	-
6.	Turnover	:	2789.72
7.	Profit before Taxation	:	2115.72
8.	Provision for taxation	:	-
9.	Profit after taxation	:	2115.72
10.	Proposed Dividend	:	-
11.	% of shareholding		100%

Notes:

1. Name of subsidiaries which are yet to commence operations: Not Applicable
2. Name of subsidiaries which have been liquidated or sold during the year: Not Applicable
3. Reporting period of the subsidiary is same that of the Holding Company i.e. of Shaily Engineering Plastics Ltd.:
4. As on 31st March 2024, Share Capital of Shaily (UK) Ltd. consists of 2,00,000 equity shares of GBP 1 each fully paid up and 18,50,000 non-convertible preference shares of GBP 1 each fully paid up.
5. Exchange Rate for items in the above table at Sr. No. 1 is 1 GBP*= ₹101.31, 92.27, 99.84, 105.18, 103.88, for Sr. No. 2, 6,7,9 is 1 GBP = ₹104.07 and for Sr. 3 & 4 is 1 GBP = 105.29.
6. There are no Associates/Joint Ventures of the Company.

*Note: Break up of Share capital 900000x101.31; 250000x92.27; 400000x99.84; 100000x105.18; 400000x103.88)

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
27th July 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
27th July 2024

Annexure-B

Information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts), Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo:

Shaily is committed to transform energy conservation into a strategic business goal along with technological sustainable development of Energy Management System. The Company constantly endeavours to reduce energy consumption in all its operations.

Shaily has in its credit an in-house Research & Development accreditation recognized by the Department of Scientific & Industrial Research Technology, New Delhi, Ministry of Science & Technology.

(A) Conservation of Energy

The Company has considered sustainability as one of the strategic priorities across all processes. We have been consciously making efforts year on year towards improving energy performance. Energy efficient improvement techniques are implemented across all the plants and offices.

(i) Steps taken or impact on conservation of energy:

- The Company has installed a number of devices in its plants for conservation/reducing the energy requirements.
- CFL bulbs are being replaced with LED lightning with less energy consumption.
- Monitoring of energy parameters viz., maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- Upgradation of transformer to OLTC base which reduces power loss, consumes lesser energy with reduced maintenance cost and increase in load capacity.
- Use of higher cavitation moulds which can provide same output with lesser energy consumption.
- Use of "Stack moulds" which produces different components of the same product at a single time in a single machine, which were earlier manufactured in different machines. This resulted into higher machine utilization rate, reduction in cycle time, enhanced production and better efficient usage of energy.
- Installation of pneumatic auto shut-off valves in in-let pipes at moulding area, thereby achieving reduction in idle time power losses.
- Replacement of individual portable chillers with Centralized chilling plant for moulding shop floors, thereby achieving reduction in overall power consumption.
- Periodical conduct of safety audits to ensure efficiency of safety measures adopted across all facilities.
- The company has RO installed and the reject water is further used in flashing in washroom,
- Reduction of water consumption in new facility of pharma unit by Adibatic cooling tower.
- Use of individual lights at respective desks to switch off when not in use, thereby reducing power consumption.
- Installation of Capacitor bank to maintain power factor 0.98-0.99, thereby reduction in overall power consumption.
- Use of occupancy sensor in Corridor and Washroom.
- Fossil fuel (diesel) zero consumed in Forklift F.Y. 2022-23 in Halol unit (plastic & carbon steel plant). The company has planned to switch to zero fossil fuel consumption in Forklift from F.Y. 2024-25 in Rania Plant also.
- Renewable electricity 80% of consumption of entire company in F.Y. 2022-23. The Company achieved 100% Green (renewable) electricity in F.Y. 2023-24. we are planning to install on site solar for 1MW capacity in F.Y. 2024-25 on Halol site.

(ii) Steps taken for utilizing alternate sources of energy:

Company has adopted "rainwater harvesting system". This system provides valuable assistance in the collection & storage of rainwater for varied end application requirements.

(iii) Capital investment on energy conservation equipments:

The Company continuously endeavors to discover usages of new technologies and tools to save the energy and reduce consumption. The Company has installed such energy efficient machinery and devices to improve the power factor.

The Company has procured all electric injection molding machines in the new pharma unit with a low power consumption.

(B) Technology Absorption

(i) Efforts made towards technology absorption:

Research and Development:

- The Company has developed and manufactured several dies and moulds and has also developed several plastic components, which were earlier imported. The activities in development are carried out by technicians and the expenditure thereon is debited to the respective heads.
- Development of new design, processes and products from conceptualization to manufacture, for some customers.
- Development of complex designs for components of medical devices.
- Successful in conversion of products manufactured from virgin material to recycled and bioplastics material.
- Development and set up of assembly machine and assembly line for injector pens to detect manual errors, thereby increasing productivity.
- Installation of "Harmonic Arresters" in electrical circuits, which reduces damage due to electricity fluctuations, thereby reduction in repairs & maintenance and overall power consumption.

Technology absorption, adaption and innovation:

- The Company has manufactured varied plastic components of international standard/ quality, which are import substitutes for diverse applications. Kaizen and Lean Sigma form a significant part of our strategy, resulting in improvement across the business landscape.
- Use of Robotics in the production process, yielding into reduced cycle time, improvement in productivity and process efficiencies.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- Continuous upgradation and adoption of new technology for better productivity and yield.
- The company has, through its own research and development activities, developed several dies and moulds, which serve as an import substitution.
- Such varied plastic components of international standard/quality are import substitutes for diverse applications.
- Improved performance of machines and their utilization.
- Enhanced global presence/visibility.

(iii) Information regarding technology imported during the last 3 years: Nil.

(iv) Expenditure incurred on Research & Development:

During the year, the expenditure incurred on R&D was NIL

(C) Foreign Exchange Earnings and Outgo

The Company continues to keep its focus on widening the new geographical area to augment its exports. We have in the past participated in major overseas exhibitions, which have been very helpful in improving the visibility of the services/products we offer, in the International Market.

Foreign exchange earned in terms of actual inflows during the F.Y. 2023-24 was ₹47.57 Cr.

The foreign exchange outgo of actual outflows during the F.Y. 2023-24 was ₹189.83 Cr.

For and on behalf of Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Place: Vadodara
Date: 27th July 2024

Annexure - C

Annual Report on Corporate Social Responsibility ('CSR') Activities for the F.Y. 2023-24

Brief outline on CSR Policy of the Company:

CSR is not a mere philanthropic activity but also comprises of activities that require a company to integrate social, environmental and ethical concerns into the company's vision and mission through such activities. Shaily's vision is to create value for the nation, enhance quality of life across the entire socio-economic spectrum and build an inclusive India. We constantly strive to contribute in humble ways to the motto "May Everyone be Happy" and take up the cause of welfare amongst communities in which we operate.

The Company's CSR Policy provides for carrying out CSR activities as prescribed under Schedule VII to the Companies Act, 2013, through various "Not for profit" Organization (NGO's) as well as through direct channel.

Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ranjit Singh	Chairman - Independent Director	2	2
2	Laxman Sanghvi	Member - Executive Director	2	2
3	Tilottama Sanghvi	Member - Whole Time Director	2	2

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:

Weblink of Composition of CSR Committee:

https://www.shaily.com/investors/compliances-policies/committees-of-boards-key-officials

Weblink of CSR Policy:

https://static.shaily.com/9ya3b6FTR1eEJa4s8bik-sepl-csr-policy-pdf

Weblink of CSR Projects of the Company:

https://static.shaily.com/EzDLIF6S8KgHhADTpRNC-csr-projects-pdf

Provide the executive summary along with web-link(s) of Impact Assessment of CSR Project carried out in pursuance of sub-rule (3) of rule 8, if applicable.

As per the referred rule, if the Company has an average CSR obligation of ₹10 crore or more in the immediately three preceding financial years, Impact Assessment Report is required for those CSR projects which have an outlay of ₹1 crore or more. The average CSR obligation in immediately three preceding financial years and the CSR projects of the Company as approved by the CSR Committee and the Board of Directors, does not fall under the criteria specified, hence obtaining Impact Assessment Report is Not Applicable to the Company.

a.	Average net profit of the company as per sub-section (5) of section 135	:	₹38,78,09,370
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	:	₹77,56,197
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous Financial Years	:	NIL
d.	Amont required to be set-off for the Financial Year, if any	:	NIL
e.	Total CSR obligation for the Financial Year [(b)+(c)-(d)]	:	₹77,56,197

a.	Amount spent on CSR Projects (both ongoing Project and other than Ongoing Project)	:	₹25,12,574
b.	Amount spent in Administrative Overheads	:	NIL
c.	Amount spent on Impact Assessment, if applicable	:	NIL
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	₹25,12,574

CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the F.Y. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount. (In ₹)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹25,12,574	₹52,43,623	30th April 2024	-	-	-

Excess amount for set off, if any: Not Applicable

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	₹77,56,197
(ii)	Total amount spent for the Financial Year	₹25,12,574
(iii)	Excess amount spent for the **Financial Year** [(ii)-(i)]	Nil
(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

Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2020-21	N.A.	N.A.	NIL	80,404	29th September 2021	N.A.	N.A.
2	2021-22	N.A.	N.A.	NIL	17,63,496	29th September, 2022	N.A.	N.A.
					20,00,000	28th September, 2022	N.A.	N.A.
3	2022-23	45,00,000	18,00,000	27,00,000	N.A.	N.A.	18,00,000	N.A.

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ◉ No

If Yes, enter the number of Capital assets created / acquired: N.A.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or assets (s)	Date of Creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
N.A.							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

The Company has identified and approved multi-year (ongoing) projects in the education sector. Consequently, the unspent CSR obligation amounting to ₹52,43,623 for the F.Y. 2023-24, has been transfered to Unspent Corporate Social Responsibility Account. Hence, the unspent amount which was assigned for the CSR Activity for F.Y. 2023-24 has been transferred to Shaily Engineering Plastics Limited - Unspent Corporate Social Responsibility Account as per section 135 (6) of the Companies Act 2013.

For and on behalf of the Board

Place: Vadodara
Date: 27th July 2024

Mahendra Sanghvi
Executive Chairman

Ranjit Singh
Chairman – CSR Committee

Annexure D

As per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose following information in the Board's Report:

1. Ratio of Remuneration of each Executive Director to the median remuneration of the employees of the Company for the F.Y. 2023-24:

Name of Director	Designation	Ratio to Remuneration
Mr. Mahendra Sanghvi	Executive Chairman	44.0
Mr. Laxman Sanghvi	Executive Director	27.3
Ms. Tilottama Sanghvi	Whole Time Director	22.7
Mr. Amit Sanghvi	Managing Director	75.8

Note: Independent Directors are not paid remuneration or commission. They are only paid sitting fees for attending meetings of the Board and Committees thereof.

2. Percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the F.Y. 2023-24:

Name	Designation	% Increase/ (Decrease)
Mahendra Sanghvi	Executive Chairman	0.00%
Laxman Sanghvi	Executive Director	20.00%
Tilottama Sanghvi	Whole Time Director	50.00%
Amit Sanghvi	Managing Director	0.00%
Sanjay Shah	Chief Strategy Officer & Chief Financial Officer	10.41%
Dimple Mehta	Company Secretary	15.61%

3. Percentage increase in median remuneration of employees in the F.Y. 2023-24:

The median remuneration of employees was increased by 11.67% during the F.Y. 2023-24.
Number of permanent employees on the role of the Company:

Staff:	817
Permanent Workers:	403

4. Average percentiles 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:

Non - Managerial Personnel:	-4.81%
Managerial Personnel:	12.84%
Total	**8.67%**

There are no exceptional circumstances for an increase in managerial remuneration.

5. Affirmation

We affirm that the remuneration paid to the Managerial and Non-Managerial personnel is as per the remuneration policy of the Company.

For and on behalf of the Board

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Place: Vadodara
Date: 27th July, 2024

Annexure E

Secretarial Audit Report

For the Financial Year ended March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited
Survey No. 364/366,
AT & PO. Rania,
Taluka – Savli,
Vadodara – 391780,
Gujarat, India.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024 ("review 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:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

i. The Companies Act, 2013 ("Act") and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992:-

a. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.

b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.

d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. SEBI (Prohibition of Insider Trading) Regulations, 2015;

f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;

h. SEBI (Depositories and Participants) Regulations, 2018;

i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India; and

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

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the review period;

B. Adequate notice is generally given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting;

C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;

D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company's affairs, however, the Equity Shares of the Company were sub-divided from Equity Shares of nominal value of ₹10 each to Equity Shares of nominal value of ₹2 each and accordingly the share capital of the Company has been amended.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863
ICSI Peer Review # 1079/2021
ICSI UDIN: F003677F000829986
Place: Vadodara | Date: 27th July 2024

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

Appendix A

The Members,
Shaily Engineering Plastics Limited
Survey No. 364/366,
AT & PO. Rania,
Taluka – Savli,
Vadodara – 391780,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.

iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.

iv. 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 Company's affairs.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863
ICSI Peer Review # 1079/2021
ICSI UDIN: F003677F000829986
Place: Vadodara | Date: 27th July 2024

Annexure F

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51900GJ1980PLC065554
2.	Name of the Listed Entity	Shaily Engineering Plastics Limited
3.	Year of incorporation	18/04/1980
4.	Registered office address	Survey no. 364/366, AT & PO. Rania, Taluka Savli, District Vadodara - 391780 Gujarat India
5.	Corporate address	Survey no. 364/366, AT & PO. Rania, Taluka Savli, District Vadodara - 391780 Gujarat India
6.	E-mail	secretarial@shaily.com
7.	Telephone	+91 75748 05122 / +91 75748 05181
8.w	Website	www.shaily.com
9.	Financial year for which reporting is being done	F.Y. 2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11.	Paid-up Capital	₹9,17,35,020
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Dimple Mehta, Company Secretary Telephone: +91 75748 05122 / +91 75748 05181 Email: secretarial@shaily.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)	This report is being prepared on a Standalone basis.
14.	Name of assurance provider	Shaily is not falling under Top 150 Listed Companies as per Market Capitalization on March 31, 2024 , and hence this is not applicable
15.	Type of assurance obtained	

II. Products/services

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

S. 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%

17. 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.	Plastic products, non-metallic mineral products, rubber products,fabricated metal products	22209	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	6	3	9
International	0	2	2

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	43

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributed 73.88% of the total turnover of the entity for the FY 2023-24

c. A brief on types of customers

Shaily Engineering Plastics Limited the Company is engaged in the manufacture & supply of high precision injection moulded plastic components/products which are supplied across multiple industries, viz.

- Home furnishings
- Medical devices, packaging
- FMCG
- Automotive
- Appliances
- Electronics, LED lightings
- Engineering & others
- Carbon Steel Furniture
- Toys
- The Company manufactures Drug Delivery Devices, Components / Subassemblies, Primary Packaging and Specialty Packaging for Drug Products
- The Company manufactures moulds & dies which are also supplied to its customers

IV. Employees

20. Details as at the end of Financial Year: 2023-24

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)	536	508	94.77%	28	5.22%
2.	Other than Permanent (E)	279	261	93.54%	18	6.45%
3.	**Total employees (D + E)**	815	769	94.35%	46	5.64%
	Workers					
4.	Permanent (F)	93	93	100%	0	0%
5.	Other than Permanent (G)	1535	1152	75.05%	383	24.95%
6.	**Total workers (F + G)**	1628	1245	76.47%	383	23.52%

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)	2	2	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	2	2	100%	0	0%
	Differently abled workers					
4.	Permanent (F)	3	3	100%	0	0%
5.	Other than Permanent (G)	3	3	100%	0	0%
6.	**Total differently abled workers (F + G)**	6	6	100%	0	0%

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.22%
Key Managerial Personnel	3	1	33.33%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	17.5%	1.5%	19%	22%	1.5%	23.5%	23%	1%	24%
Permanent Workers	2%	0%	2%	2%	0%	2%	0%	0%	0%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) 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	Shaily (UK) Limited	Wholly Owned Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **YES**

(ii) Turnover (in ₹) 615,97,35,875

(iii) Net worth (in ₹) 431,48,24,449

VII. Transparency and Disclosures Compliances

25. 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 2023-24 Current Financial Year			FY 2022-23 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	0	0	0	0	0	0
Investors (other than shareholders)	Yes	0	0	0	0	0	0
Shareholders	Yes	0	0	0	1	0	Satisfactory redressal grievance done
Employees and workers	Yes	0	0	0	0	0	0
Customers	Yes	0	0	0	0	0	0
Value Chain Partners	Yes	0	0	0	0	0	0
Other (please specify)	Yes	0	0	0	0	0	0

The grievance redressal policy is a part of BRSR policy which is placed on the Companys' website https://www.shaily.com/investors/compliances-policies/policies

26. 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 Conservation	Opportunity	There is a direct relation of cost savings & energy conservation and usage of renewable energy. Shaily is committed to transforming energy conservation into a strategic business goal along with the technological sustainable development of Energy Management System. The Company constantly endeavors to reduce energy consumption in all its operations.	-	Positive

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	Occupational Health and Safety (OHS) and Environment Safety	Risk & Opportunity	**Risk:** Inherently associated with business activities and processes. **Opportunity:** Strong internal controls and governance mechanism are in place at each of the factory. This improves the employee / worker safety and overall health wellbeing, leading to improved productivity	Company carries out regular assessments of all the health & environment risks. Various methods are employed to mitigate the risks. There is a proper Grievance Redressal Policy in place to resolve the grievances.	Positive
3	Social Responsibility	Opportunity	Shaily's vision is to create the value for the nation, enhance quality of life across the entire socio-economic spectrum & build an inclusive India. We constantly strive to contribute the motto "May Everyone be Happy" & take up the cause of the welfare amongst the society. The Company's CSR policy provides for carrying out CSR activities as prescribed under Schedule VII to the Companies Act 2013, through various NGO's as well as through other channels.	-	Positive
4	Water Conservation	Risk & Opportunity	**Risk** Water is very important and especially in production. The scarcity of water can lead to hinderances in production. Non-compliance with water-related regulations and permits can result in legal and financial penalties. Inadequate water supply or disruptions in water availability can impact production schedules and lead to delays, downtime, or reduced productivity. **Opportunity** Implementing water conservation measures can lead to significant cost savings by reducing water consumption and associated expenses, such as water supply and wastewater treatment costs	Installation of water flow meters to ensure effective water balance monitoring. Installation of Rainwater Harvesting infrastructure Installation of waterefficient plumbing fixtures Adopted zerowastewater discharge practices. Adopted water management plan that outlines strategies for mitigating risks, such as diversifying water sources, implementing water monitoring systems, and establishing contingency plans for water shortages or disruptions.	Positive

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.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://shaily.com/investors/compliances-policies/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 14001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) ISO 14001:2015 BIS for LED Products URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard BEE for LED bulb B22 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard ISO 14001:2015 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard ISO 13485:2016 ISO 14001:2015 ISO 15387:2017 Medical Device Single Audit Program (MDSAP MDR 2017 URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard URSA SMETA	Responsible Business Alliance Standard (RBA) Social Accountability (SA) 8000 IWAY Standard Supplier Compliance Audit Network (SCAN) International Automotive Task Force (IATF) 16949:2016 ISO 9001:2015 ISO 13485:2016 ISO 15387:2017 Medical Device Single Audit Program (MDSAP) MDR 2017 URSA SMETA
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure):

At Shaily, sustainability is a way of life and built into organisation DNA. We understand the true success lies in balancing economic activity with a responsibility towards environment and society. Your company is committed towards use of renewable sources of energy and reducing its dependency on non-renewable resources of energy. In FY 24 the company has gone extra mile to disclose the BRSR core parameters. In FY 24 we consumed 11090561 Kwh energy through renewable sources. This shows our commitment towards reducing carbon footprint and to contribute more to the sustainable ecosystem.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
We are pleased to announce that the company achieved zero fatalities in FY 2024, underscoring our efforts towards protection of our employees and communities. Our responsibility towards society extends beyond the organisation. Through our CSR programmes , we undertake various programmes for upliftment of underprivileged section of the society. At Shaily, sustainability is a base of strong foundation. We are committed to driving positive change, both within the organisation and the community. We believe together we can build a more sustainable future for the next generation.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Amit Sanghvi Designation: Managing Director DIN:00022444 Email: secretarial@shaily.com								

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.	Yes, the Company has a Risk Management Committee (RMC) consisting of Directors who looks after the sustainability issues

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	Any other Committee									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Any other Committee									Annually								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. 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.	No	No	No	No	No	No	No	No	No

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)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

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	1	The Board of Directors and KMPs are regularly apprised with the amendments in SEBI LODR Regulations, Companies Act 2013, environmental laws and BRSR	100%
Key Managerial Personnel	1		100%
Employees other than BoD and KMPs	99	Classroom and on job training programs like business ethics, health and safety, hygiene awareness, social compliance, chemical material handling, first aid, firefighting, energy management, prevention of sexual harassment, six sigma, good documentation practices, good manufacturing practices, behaviour training, soft skill development, technical trainings etc.	100%
Workers	65	On job training programs like business ethics, social compliance, health, and safety, hygiene awareness, chemical material handling, first aid, firefighting, energy management, prevention of sexual harassment, six sigma, good documentation practices, good manufacturing practices, behaviour training, soft skill development, technical trainings, PPE Training, OHC training, Security Awareness, Grievance Redressal Training, Maternity Benefit Awareness etc.	100%

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 (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

MONETARY					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

NON-MONETARY				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

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
Nil	Nil

4. **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 a documented Anti Bribery Policy which speaks about the Company's commitment to conduct its business activities with honesty and integrity and in compliance with the laws of the countries in which it operates.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

7. **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**. During the FY 2023-24 there were no cases of corruption or conflict of interests

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	65	54

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Particulars	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading house where purchases are made from	0%	0%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	N.A.	N.A.
	b. Number of dealers/ distributors to whom sales are made	N.A.	N.A.
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	N.A.	N.A.
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	0	0
	b. Sales (Sales to related parties/ Total Sales)	0.04%	0
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0	0
	d. Investments (Investments in related parties/ Total Investments made)	100%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain covered under the partners covered (by value of business done with such partners) under the awareness programmes
22	Training programs like social compliances, business Ethics, health and safety, hygiene awareness, chemical material handling, first aid, emergency preparedness etc.	78%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same. Yes, the entity has a process in place to avoid conflict of interest involving members of the Board. The entity has a process of taking written declaration annually & whenever required thereafter, in order to avoid conflict of interest involving the members of the board. Further, the entity has laid down the code of conduct for all Board Members and Senior Management Personnels of the Company. The code of conduct is also available on the website : https://shaily.com/investors/compliances-policies/policies

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

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	0%	0%	Nil
Capex	0%	0.06%	Nil

2. a **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The Company has formulated an operating procedure to approve vendors. Materials are procured from approved vendors at both national and international level. The quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key materials. The Company has longstanding business relations with regular vendors. The Company enters into annual freight contracts with leading transporters for movement of materials. The Company continues to receive sustained support from its vendors.

b. **If yes, what percentage of inputs were sourced sustainably?**

37.06% of inputs were outsourced sustainably during the FY 2023-24

3. **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.**

(a) Plastics (including packaging): Reusing and Recycling is not applicable for medical devices. After the shelf life, material is identified with red label and moved to the designated rejection rack. Information is given to QC department for further action or disposition. Disposition is carried out at the end of life of product using scrapping / grinding the material. Plant generated plastics waste, disposal method & end use mapping as part of circular economy by collecting the waste and disposal through authorized agency.

(b) E-waste: E-waste is periodically transfer to the designated Hazardous Waste storage area located at the site unit picked up by a certified waste disposal agency (GPCB approved agency).

(c) Hazardous waste: Hazardous waste is periodically transfer to the designated Hazardous Waste storage area located at the site unit picked up by a certified waste disposal agency (GPCB approved agency).

(d) Other waste : Other waste are periodically transfer to the designated waste storage area located at the site until either reused or picked up by an appropriate agency.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Yes, the Extended Producer Responsibility is applicable to the Company.

5. **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.**

The waste collection is in line with the Solid Waste Management Rules, 2016 & has been approved by the respective pollution control boards.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?** Not applicable as Shaily is a third-party manufacturer and directly supplying into the market

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same**. Not Applicable

Nome of Product/ Service	Description of the risk concern	Action Taken
Not Applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24 (Current Financial Year)	FY 2022-23 I (Previous Financial Year)
Plastic Raw Material	37.06%	39.78%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:** Shaily is a third-party manufacturer and hence this is not applicable.

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
E-waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hazardous waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.** Shaily is a third-party manufacturer and hence this is not applicable

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
N.A.	N.A.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	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	508	508	100%	508	100%	N.A.	N.A.	0	0%	508	100%
Female	28	28	100%	28	100%	28	100%	N.A.	N.A.	28	100%
Total	**536**	**536**	**100%**	**536**	**100%**	**28**	**100%**	**0**	**0%**	**536**	**100%**
Other than permanent employees											
Male	261	261	100%	261	100%	N.A.	N.A.	0	0%	261	100%
Female	18	18	100%	18	100%	18	100%	N.A.	N.A.	18	100%
Total	**279**	**279**	**100%**	**279**	**100%**	**18**	**100%**	**0**	**0%**	**279**	**100%**

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	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 workers											
Male	93	93	100%	93	100%	N.A.	N.A.	0	0%	93	100%
Female	0	0	100%	0	100%	0	0%	N.A.	N.A.	0	100%
Total	**93**	**93**	**100%**	**93**	**100%**	**0**	**0%**	**0**	**0%**	**93**	**100%**
Other than Permanent workers											
Male	1152	1152	100%	1152	100%	N.A.	N.A.	0	0%	1152	100%
Female	383	383	100%	383	100%	383	100%	N.A.	N.A.	383	100%
Total	**1535**	**1535**	**100%**	**1535**	**100%**	**383**	**100%**	**0**	**0%**	**1535**	**100%**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the company	0.43%	0.40%

2. **Details of retirement benefits, for Current FY and Previous FY.**

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 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%	Y	100%	100%	Y
Gratuity*	100%	8%	N.A.	100%	8%	N.A.
ESI	12%	94%	Y	15%	92%	Y
Others:	0	0	N.A.	0	0	N.A.

*Company is maintaining Gratuity Trust

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 premises of the Shaily are disabled friendly and are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. **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.**

Yes, Shaily has an equal opportunity policy as a part of its BRSR policy which highlights on providing equal opportunities https://www.shaily.com/investors/compliances-policies/policies

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.** The Company does not have any provision for paternal leave however female employees/workers availed the maternity leave, returned to work and were retained thereafter during the year.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	0%	0%
Female	100%	100%	0%	0%
Total	**100%**	**100%**	**0%**	**0%**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?** If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Shaily strives to continuously improve the quality of work for its employees by quick identification and resolution of employees grievances.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Any grievance other than sexual harassment is addressed as per the Grievance Procedure in the following manner:

Level 1 (Approach the foreman/supervisor & redressal within 48 hrs.)

The aggrieved worker in the first instance will approach the foreman and tell him of his/her grievance orally. The foreman has to redress his/her grievance and if the worker is not satisfied with this redressal, he/she can approach the supervisor.

Level 2 (Approach HOD & redressal within 3 days)

The supervisor has to provide an answer within 48 hours. In the event of the supervisor not giving an answer or the answer not being acceptable to the worker, the worker goes to the next step. At this stage, the worker (either alone or accompanied by his departmental representative) approaches the Head of the Department who has to give an answer within three days.

Level 3 (Recommendations of Committee should be communicated to the HOD within seven days)

If the Departmental Head fails to give an answer or if the worker is not satisfied with his answer, the worker may appeal to the Grievance Committee. The recommendations of this Committee should be communicated to the HOD within seven days from the date of the grievance reaching it.

Level 4 (HOD has to take a decision and inform the worker within three days)

Unanimous decisions, if any, of the committee shall be implemented by the management. If there is no unanimity, the views of the members of the Committee shall be placed before the HOD's decision. The HOD has to take a decision and inform the worker within three days.

Internal Grievance handling flow should be completed within 45 days.

Appeal against the HOD's decision:

The worker can make an appeal against the HOD's decision. A union official may accompany the worker to the manager for discussion and if no decision is arrived at this stage, both the union and management may refer the grievance to voluntary arbitration of the receipt of the management's decision.

Flow -> Contact HR Dept. or Worker Representative / Social Performance Team Representative -> Report Grievance/ misconduct verbally or written-> Issue show cause notice -> Record reply of show cause notice, Period: within 3 days ->

Investigation->Conclusion/Findings

Conclusion:

Guilty->Either party -> Disciplinary action taken based on severity e.: suspension -> show cause notice -> Either party not satisfied, can proceed as per Industrial Dispute Act.

Non-Guilty->Either party -> Complaint closed -> Mutual Settlement

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:** Shaily does not recognize any association(s)/Unions. However, there is a Workers Committee in place which reports active participation by workers representatives and management

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees/ workers in respective category (A)	No. of employees/ workersin 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	536	0	0%	496	0	0%
- Male	508	0	0%	474	0	0%
- Female	28	0	0%	22	0	0%
Total Permanent Workers	93	0	0%	95	0	0%
- Male	93	0	0%	95	0	0%
- Female	0	0	0%	0	0	0%

8. **Details of training given to employees and workers:**

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C/ A)		No. (B)	% (B/ A)	No. (C)	% (C/ A)
Employees										
Male	769	769	100%	769	100%	794	794	100%	794	100%
Female	46	46	100%	46	100%	14	14	100%	14	100%
Total	815	815	100%	815	100%	808	808	100%	808	100%
Workers										
Male	1245	1245	100%	1245	100%	1506	1506	100%	1506	100%
Female	383	383	100%	383	100%	420	420	100%	420	100%
Total	1628	1628	100%	1628	100%	1926	1926	100%	1926	100%

9. **Details of performance and career development reviews of employees and workers:**

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (A)	Total (B)	% (B / A)
Employees						
Male	769	769	100%	794	794	100%
Female	46	46	100%	14	14	100%
Total	**815**	**815**	**100%**	**808**	**808**	**100%**
Workers						
Male	1245	1245	100%	1506	1506	100%
Female	383	383	100%	420	420	100%
Total	**1628**	**1628**	**100%**	**1926**	**1926**	**100%**

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? Yes,**

Shaily is an ISO certified organisation which indicates its commitment towards the health and safety of its workers and employees. The Company has a Health, Safety and Environment (HSE) Policy and Incident, Accident & occupational Health centre policy to ensure safe and healthy work environment across all its plants and offices. The policy has clear instructions and safety protocols for all employees and workers to follow to prevent damages to the property and life. Also, being SA8000 and RBA certified, Shaily follows its standards for occupational health and safety management.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** Studies related to Hazard Identification & Risk Assessment (HIRA) are carried out from time to time as per the requirement along with the internal/external audits.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)** Yes, the Company has a well-established process to enable workers to report the work-related hazards in order to remove themselves from such risks. Workers can approach safety officer and can directly interact with them and give their suggestions. The company also has an EHS committee to address the concerns or provide inputs on safety related matters.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?** (Yes/ No)Yes, the employee/worker of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	1
	Workers	0	3
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Shaily undertakes various measures to ensure the health and safe working environment of its employees and workers. This includes the following measures :

1. Defined Health and Safety policies: The company has defined health and safety policies containing the SOPs' related to health and safety, ensuring employees are aware of the safety protocols.
2. Conducting Fire Fighting Drills and Mock Drills: Company conduct Mock Drills every 6 months and Fire Drills every 2 months. Also, Emergency preparedness training are imparted regularly inclusive of Health and Safety trainings to create awareness among all employees and to prepare employees for emergency situations and reinforce safety practices.
3. Installation of CCTV: CCTV cameras are installed in the entire campus to monitor the physical security and surveillance of the premises.
4. Provision for Safety Gears: Company provides safety gears like safety shoes, goggles, helmet, ear plugs to its employees and workers to protect themselves from potential safety risks
5. Conducting Regular Safety Audits: The Company conducts regular safety audits to evaluate and improve the safety standards within the organization.
6. Installation of Fire Hydrant System: The Company has installed the fire hydrant systems along with adequate fire extinguishers and fire alarm systems at the place of potential fire break out.
7. The Company provides its employees and workers with access to canteen, drinking water facility and proper sanitary systems resulting into healthy working conditions.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

Particulars	% 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. **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.** Workplace activities are closely monitored; regular audits of the workplace are conducted to identify and mitigate risk. Regular training is imparted to all the employees and workers.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**Yes
2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
   A. The company takes all the necessary documents like GST registration certificate, PAN Card, and other relevant documents for registration from vendors.
   B. The company verifies Income Tax/GST filing status of the Vendors as per the IT/GST website.
   C. For registration of contractors, the company verifies their PF challans and other statutory returns.
3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	1	0	0
Workers	0	3	0	0

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?** (Yes/ No) Yes. Employees, after retirement age, are considered for advisory roles in the Company only at the discretion of Management.
5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Workplace activities are closely monitored, regular audits of the workplace are conducted to identify and mitigate risk. Regular training is imparted to the value chain partners

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.** In a business context, customers, investors and shareholders, employees, suppliers, government agencies, communities, and many others who have a "stake" or claim in some aspect in a company's products, operations, markets, industry, and outcomes are known as "stakeholders".

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as a 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
Employees	No	Emails, notices, hotline numbers, Anonymous complaint box, Survey open door policy/ suggestion/feedback box and other communication mechanism	Daily	Awareness of Company Policies and procedures
Shareholders/ Investors	No	Emails, Newspaper Advertisement, Company & Stock exchange website, General Meetings	Quarterly , Yearly and Need based	Notices of AGM , Disclosing Financial Results, Sending Annual Reports
Customers	No	E-mail and other communication channels	Need based	Product Awareness, customer acquisition
Research Analyst	No	Email and other Communication channels	Need based	Interaction on the financial results & issuance of press releases
Suppliers	No	Emails/Physical meetings	Need based	Purchase of packaging material machinery, raw materials etc.
Government/ Regulatory agencies	No	Email/con-calls/meetings	Need based	On legal amendments, regulations, approvals
Community	Yes	Directly	Need based	Implementing CSR activities to support social needs

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Management engages in dialogue with stakeholders through various platforms. This platform includes meetings/discussions between the Senior Management and the stakeholders. By establishing the channels of communication Shaily tries to understand the expectations of stake holders in respect of environment, social and governance.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.** Yes, stakeholder consultation plays an important role in identifying and managing environmental and social topics. The consultation helps Shaily to get feedback from the stakeholders, which in return helps the Company to deeply understand the environmental and social concerns. These inputs are further utilized to formulate robust policies that align with the stakeholders' expectations and industry standards. By involving the stakeholders in the policy making process , the Company confirms that its policies effectively address the key environmental and social issues relevant to its operations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company directly or through other Non-Government Organisations actively engages in CSR activities. This includes uplifting the under-privileged sections of society. The Company supports poor and needy students financially by sponsoring their school fees, uniforms etc.

PRINCIPLE 5 Businesses should respect and promote human rights

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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. employees/ workers covered (B)	% (B / A)	Total (C)	No. employees/ workers covered (D)	% (D / C)
Employees						
Permanent	536	536	100%	530	530	100%
Other than permanent	279	279	100%	278	278	100%
Total Employees	**815**	**815**	**100%**	**808**	**808**	**100%**
Workers						
Permanent	93	93	100%	97	97	100%
Other than permanent	1535	1535	100%	1829	1829	100%
Total Workers	**1628**	**1628**	**100%**	**1926**	**1926**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 Current Financial Year					FY 2022-23 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	536	0	0%	536	100%	530	0	0%	530	100%
Male	508	0	0%	508	100%	516	0	0%	516	100%
Female	28	0	0%	28	100%	14	0	0%	14	100%
Other than permanent	279	0	0%	279	100%	278	0	0%	278	100%
Male	261	0	0%	261	100%	264	0	0%	264	100%
Female	18	0	0%	18	100%	14	0	0%	14	100%
Workers										
Permanent	93	0	0%	93	100%	95	0	0%	95	100%
Male	93	0	0%	93	100%	95	0	0%	95	100%
Female	0	0	0%	0	100%	0	0	0%	0	100%
Other than permanent	1535	1442	93.94%	93	6.05%	1829	1737	94.97%	92	5.03%
Male	1152	1071	92.96%	81	7.03%	1309	1217	92.97%	92	7.02%
Female	383	383	100%	0	100%	520	520	100%	0	100%

3. Details of remuneration/salary/wages as on March 31, 2024

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Gross Salary)	Number	Median remuneration/ salary/ wages of respective category (Gross Salary)
Board of Directors (BoD)	3	15198300	1	8058138
Key Managerial Personnel	2	2484566	1	814896
Employees other than BoD and KMP	504	362476	26	349892
Workers	93	341483	0	0

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	15.73%	17.5%

4. **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 entity has various Committees in place such as (Workers, EHS, POSH & Grievance) for addressing human rights impacts or issues caused or contributed to by the business.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.** There are documented routines and procedures in place to bring up and redress grievance and complaints related to human rights, social and working conditions related issues such as discrimination, harassment and abuse.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2023-24 Current Financial Year			FY 2022-23 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	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. **Complaints filed the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.** Shaily is committed to developing a culture where it is safe for all employees/workers to raise concerns about any event or misconduct. The Company has a robust Vigil Mechanism Policy/Whistle Blower Policy to safeguard confidentiality of the complainant thereby preventing adverse consequences to the complainant in discrimination and harassment cases.

9. **Do human rights requirements form part of your business agreements and contracts?** (Yes/No)Yes

10. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.** No such case was reported during the year. Policies on Child Labour , Forced and Bonded Labour, Anti-Discrimination, Employment Guidelines, Worker's employment is in place.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.** No grievances / complaints recorded.

2. **Details of the scope and coverage of any Human rights due diligence conducted.** Shaily is committed to upholding and respecting human rights. The Company has Human Rights Policy that guides actions and decisions made. Our policies are in line with the United Nations Guiding Principles on Business and Human Rights, and the Company address and resolve issues related to business and human rights. The Company regularly updates the reforms and changes in Human Rights to the Senior Management Personnel as well as the other personnels. Furthermore, the Company actively promotes the adoption of best practices in human rights among the employees and value chain partners.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?** Yes

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	100%

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No such case was reported

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption and energy intensity in Mega Joules (MJ) in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	78420550	98791200
Total fuel consumption (B)		
Energy consumption sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	78420550	98791200
From non-renewable sources		
Total electricity consumption (D)	0	0
Total fuel consumption (E)	39926019	21870828
Energy consumption through other resources (F)	0	0
Total energy consumed from non- renewable sources (D+E+F)	39926019	21870828
Total energy consumed (A+B+C+D+E+F)	118346569	120662028
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.02	0.02
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.40	0.40
Energy intensity in terms of physical Output (MJ/MT)	5597.02	6217.09
Energy intensity (optional) – the relevant metric may be selected by the entity	Mega Joules (MJ)	Mega Joules (MJ)

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. Yes carried out by Beaure Veritas

PPP rate source: https://data.worldbank.org/indicator/PA.NUS.PPP?most_recent_year_desc=true

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.** Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	6265	5059
(ii) Groundwater	64622	76032
(iii) Third party water	3526	8525
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	74413	89616
Total volume of water consumption (in kilolitres)	74413	89616
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000012	0.000015
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000244	0.000302
Water intensity in terms of physical Output (KL/MT)	3.52	4.62
Water intensity (optional) – the relevant metric may be selected by the entity	Kilo Liters (KL)	Kilo Liters (KL)

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**

https://data.worldbank.org/indicator/PA.NUS.PPP?most_recent_year_desc=true

4. **Provide the following details related to water discharged:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	6265	5059
- No treatment		
- With treatment – please specify level of treatment	6265	5059
(ii) To Groundwater	64622	76032
- No treatment		
- With treatment – please specify level of treatment	64622	76032
(iii) To Seawater	0	0
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	0	0
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	0	0
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	**70887**	**81091**

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**

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.** The company has implemented a mechanism for Zero Liquid Discharge through setting up of Sewage Treatment Plant/Soak pit in all its plants , except for one plant located in Halol, Gujarat. Also, the Company is planning to enhance its rainwater harvesting capacity for positive charge of ground water.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022 - 23 (Previous Financial Year)
NOx	ppmv	0	0
SOx	%	0	0
Particulate matter (PM)	Mg/Nm3	0	0
Persistent organic pollutants (POP)	Ug/Nm3	0	0
Volatile organic compounds (VOC)	Ug/Nm3	0	0
Hazardous air pollutants (HAP)	Ug/Nm3	0	0
Others – please specify	ppmv	0	0

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**

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022 - 23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2985.97	209.37
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	49.773	2485.81
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent	0.00000049	0.00000044
Total Scope 1 and Scope 2 emissionintensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent	0.0000099	0.0000088
Total Scope 1 and Scope 2 emission intensity in terms of physical output (MT/MT)	Metric tonnes of CO2 equivalent	0.144	0.139
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Metric Tonnes (MT)	Metric Tonnes (MT)

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**

https://data.worldbank.org/indicator/PA.NUS.PPP most_recent_year_desc=true

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Scope 1- Shaily is committed towards reducing the greenhouse gases emissions under**

Scope – 1 . The Company has replaced diesel forklifts with electric forklifts on its premises.

Scope 2 – Shaily is purchasing green energy from third-party renewable energy sources. The Company has started working towards energy efficiency measures as a strategic program for the implementation of the most energy efficient technologies as per the industry standards.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	7.69	18.45
E-waste **(B)**	0	0
Bio-medical waste **(C)**	0.007	0.02
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)**	0	0
Cotton waste containing oil	0.43	0.19
Used Oil	0.973	0.20
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) **Packing/Paper Waste Wooden Scrap**	56.85 97.38	52.41 95.10
Total (A + B + C + D + E + F + G + H)	163.33	166.37
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000003	0.00000003
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000005	0.0000006
Waste intensity in terms of physical output	0.008	0.009
Waste intensity (optional) – the relevant metric may be selected by the entity	Metric Tonnes (MT)	Metric Tonnes (MT)
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	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	0	0
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

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**

https://data.worldbank.org/indicator/PA.NUS.PPP most_recent_year_desc=true

10. **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 improved energy efficiency continuously by implementing effective energy management programs that support all operations and customer satisfaction while providing a safe and comfortable work environment.

The Company has developed energy improvement plans & manufacture processes with a focus on energy and resource efficiency.

The Company has introduced renewable energy to reduce grid power consumption while reducing CO2 emission to sustain the environment.

The Company has introduced new servo-based injection moulding machines by implementing energy-efficient technology that supports all operations.

The Company is planning to widen opinions for energy sources and minimize the adverse impact of operations on the environment.

The Company has identified and implemented ways to increase staff awareness in regard to energy efficiency and address the key energy impacts of the organization & community at large.

The Company is planning to integrate energy management with engineering plastics business management and establish performance driven goals.

The Company monitors energy use and gains control over energy consumption by reviewing and improving purchasing, operating, motivation, and training practices.

Quantified targets in respect of reduction of Electricity Consumption, Water Consumption has been assigned to respective Functional Heads. Targets are being monitored during the review meetings & performance appraisals.

11. **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:** No, the Company does not have any office or plant location in the buffer zone or ecologically sensitive area.

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.
	Nil	Nil	Nil

12. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:** Not Applicable as the Company has not undertaken any projects that require an Environmental Impact Assessment (EIA)

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. **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 environmental laws applicable to it.

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not applicable as all the facility/plants are located in water abundant area.

For each facility / plant located in areas of water stress, provide the following information:

Not Applicable as no facility / plant located in water stress areas.

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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**

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent		

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**

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.** The facilities of the Company are not located in ecologically sensitive areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Engagement into Power Purchase Agreement	Signed long term power purchase agreement (PPA) to procure energy from wind power resources	Promotion of green energy Reduction in GHG emissions
2.	Maintaining Zero Liquid Discharge	After recycling water from Sewage Treatment Plant, the treated water is utilized for green development area and flushing purpose	Improving water efficiency
3.	Rainwater Harvesting	Collection of rainwater to recharge the ground water by rain harvesting pit	Improving ground water efficiency
4.	Installation of energy efficient equipment	Installation of new servo-based injection moulding machines	Reduction in Energy Consumption Reduction in GHG emissions

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the offsite emergency plan is in place for disaster management as a part of a Risk Mitigation Strategy. The Company has an Emergency Response Team (ERT) in place to respond in emergency situations. The Company has fully insured its properties against all natural calamities like fire, flood, earthquake. The Company has installed fire hydrants at the plant location. Fire extinguishers are installed in fire sensitive areas . Fire evacuation and mock drills are carried out at regular intervals to make employees/workers aware of the emergency preparedness. HSE training is also imparted on a regular basis.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   There is no adverse impact on the environment arising from the value chain of the entity.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   All registered sub-supplier's assessments, including environmental impacts are recorded by the Company on regular basis.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.** Seven

   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	Plast India Foundation	National
2	Organisation of Plastic Processors of India (OPPI)	National
3	Confederation of Indian Industries (CII)	National
4	Plastics Export Promotion Council (PLEXCONCIL)	National
5	Federation of Gujarat Industries (FGI)	State
6	Gujarat Employers Organisation (GEO)	State
7	Baroda Productivity Council (BPC)	State

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not applicable as there were no adverse orders received from any authority.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available

Shaily acknowledges its responsibilities within the democratic and constitutional framework and is fully compliant with the laws and regulations applicable to it. The company actively engages with different government bodies, regulators and other legislative entities. The Company has not advocated any public policy in FY 2023-24

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.** During the FY 2023-24 , none of the Company's projects were under ambit of mandated SIA exercises.

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

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

During the FY 2023-24 , there were no projects for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken

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 ₹)

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company regularly interacts with local community at different levels to understand their concerns and act upon them, there is a dedicated channel which is managed by site level HR to redress the grievance of the local community.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	46%	46%
Directly from within India	77%	68%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	55%	51%
Semi-urban	-	-
Urban	-	-
Metropolitan	45%	48%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)**: Not applicable as there was no social impact assessment which was carried out.

Details of negative social impact identified	Corrective action taken
Nil	Nil

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Shaily has always been instrumental in commissioning significant CSR programmes specially in the areas of its operation. However, none of the CSR programmes implemented by Shaily falls in aspirational districts and hence this disclosure is not applicable.

S. No.	State	Aspirational District	Amount spent (In ₹)
0	0	0	0

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?** (Yes/No) Not applicable as Shaily is a third-party manufacturer and the majority of the suppliers are nominated by the Customers.

(b) **From which marginalized /vulnerable groups do you procure?** Considering the nature and availability of raw materials, company procures raw materials from the best sources available.

(c) **What percentage of total procurement (by value) does it constitute?** *Not ascertained*

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:** The Company has not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties owned or acquired by the Company.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
0	0	0	0	0
0	0	0	0	0

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.** Not Applicable

Name of authority	Brief of the case	Corrective action taken
	Not Applicable	

6. **Details of beneficiaries of CSR Projects:**

The CSR report is given in the Annexure C of Boards Report

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customer send the complaint(s) to the marketing team which are further forwarded to the quality team. The quality team lodges the complaint in QMS system and investigates the same. Corrective and Preventive Action(CAPA) is being implemented accordingly in concurrence with customer as per the agreement with them. Thereafter approved CAPA report is shared with the respective customer.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable as Shaily does not have a B2C model and hence this is not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 2023-24 (Current FinancialYear)		Remarks	FY 2022-23 (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	N.A.	0	0	N.A.
Advertising	0	0	N.A.	0	0	N.A.
Cyber-security	0	0	N.A.	0	0	N.A.
Delivery of essential services	0	0	N.A.	0	0	N.A.
Restrictive Trade Practices	0	0	N.A.	0	0	N.A.
Unfair Trade Practices	0	0	N.A.	0	0	N.A.
Other	0	0	N.A.	0	0	N.A.

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. **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.** Yes, the entity has an IT Security Policy which covers cyber security and risks related to data privacy.

6. **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.** No such event(s) was reported during the FY 2023-24, hence not applicable

7. **Provide the following information relating to data breaches:**

    a. **Number of instances of data breaches** - No such instances have been reported

    b. **Percentage of data breaches involving personally identifiable information of customers** – No such instances have been reported

    c. **Impact, if any, of the data breaches** - No such instances have been reported

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**. www.shaily.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.** Shaily is a third-party manufacturer (B2B model) and meets all the customer requirements on a product level. Hence this is being handled from customer end.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.** The products and services rendered by Shaily do not fall in the category of essential services and hence this is not applicable.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief** Not Applicable, as Shaily is third party manufacturer, and the product information is being ascertained by the Customer.

5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)** Yes, the customer satisfaction survey is applicable to the entity as a whole and is being performed on a yearly basis.

Report of Corporate Governance

Company's philosophy

Corporate governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and at Shaily, we are committed to meeting the aspirations of all our stakeholders as we believe in adopting best corporate practices for ethical conduct of business. It is well recognized that an effective Board of Directors is a prerequisite for strong and effective corporate governance. Our Board and Committees thereof are formed as per the prevailing regulatory requirements, which oversees how the Management serves and protects the long-term interests of all our stakeholders.

Corporate Governance is more than a set of processes and compliances at Shaily. It underlines the role that we see for ourselves for today, tomorrow and beyond. The Company has laid out guiding principles and communicated through its code of conduct, which is subject to regular audits to ensure controls and compliances are maintained at a high standard. Shaily's philosophy is thus concerned with the ethics, values and morals of the Company and its directors, who act in the best interests of the Company and remain accountable to the stakeholders at large.

Board of Directors

The Board of Directors closely monitors the performance of the Company and Management, approves the plans, reviews the strategy and strives to achieve organizational growth. The Board ensures statutory and ethical conduct with high quality financial reporting. It holds itself accountable to the shareholders as well as other stakeholders for the long-term well-being of the Company.

a. Composition of Board

The Board of Directors consists of four (4) Executive Directors from the Promoter Group and five (5) Independent Directors. Out of the five (5) Independent Directors, one is a Woman Independent Director. As on 31st March 2024 and on the date of this report, the Board meets the requirement of having at least one woman Independent Director and not less than 50% of the Board strength comprises of Non-executive and Independent directors. The Directors are professionals, having expertise in their respective functional areas and bring a wide range of skills and expertise to the Board.

The Chairman of the Board is an Executive Director. The management of the Company is entrusted to the Managing Director, Mr. Amit Sanghvi, who is assisted by a Core Management Team and Senior Executives having rich experience and expertise in their respective fields.

Pursuant to the provisions of Section 165(1) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter shall be referred as SEBI Listing Regulations, 2015) none of the Directors hold directorships in more than 20 companies (public or private), 10 public companies, membership of Audit & Stakeholders' Relationship Committee(s) of Public Companies in excess of 10 and Chairmanship of Audit & Stakeholders' Relationship Committee(s) of Public Companies in excess of 5. None of the Directors serve as Director / Independent Director in more than 7 Listed Companies. None of the Directors who serve as a Whole Time Director/Managing Director in any listed entity serve as an Independent Director in more than three listed Companies.

b. Number of Board meetings held and the dates of the Board Meetings

Five (6) Board Meetings were held during the year ended 31st March 2024 as per below details:

Sr. No.	Date	Time (IST)
1	20th May 2023	12:30 p.m.
2	14th July 2023	09:30 a.m.
3	8th August 2023	01:15 p.m.
4	2nd September 2023	12:40 p.m.
5	7th November 2023	12:51 p.m.
6	13th February 2024	12:57 p.m.

The requisite quorum was present in all the meetings. The time gap between the two meetings did not exceed one hundred and twenty days, as per the prevailing regulatory requirements.

Details of composition and category of Directors, attendance at the Board Meetings, Annual General Meeting, Membership – Chairmanship in committees and shareholding of each director:

Name of Director	Category	No. of Directorship(s) [Note a]	No. of Membership in committees (Chairmanship)	Attendance in Board Meetings held in 2023-24	Attendance at last AGM	No. of Equity Shares held in the Company as on 31st March 2024
As on 31 March 2024						
Mr. Mahendra Sanghvi	Executive Chairman - Promoter	6	3 (including 1 as Chairman)	6/6	Yes	41,81,675
Mr. Laxman Sanghvi	Executive Director - Promoter	3	0	6/6	Yes	23,82,120
Ms. Tilottama Sanghvi	Whole-Time Director - Promoter	2	0	6/6	Yes	64,38,575
Mr. Amit Sanghvi	Managing Director - Promoter Group	2	1	6/6	Yes	13,03,290
Mr. Milin Mehta	NED (Independent)	16	10 (including 5 as Chairman)	6/6	Yes	Nil
Mr. Ranjit Singh	NED (Independent)	11	4 (including 1 as Chairman)	6/6	Yes	Nil
Dr. Shailesh Ayyangar	NED (Independent)	6	1	6/6	Yes	Nil
Mr. Samaresh Parida	NED (Independent)	4	2 (Including 1 as Chairman)	6/6	Yes	Nil
Ms. Sangeeta Singh	NED (Independent)	8	6 (Including 2 as Chairman)	6/6	Yes	Nil

Notes:

a) Number of directorships Includes directorship in other companies. Does not include directorships in foreign companies.

b) Membership/Chairmanship are considered only for Audit Committee and Stakeholders Relationship Committee pursuant to Regulation 26 of the SEBI Listing Regulations, 2015.

c) NED refers to Non-Executive Director.

d) The Company has not issued any convertible instruments.

e) The number of Directorship(s), Committee Membership(s)/Chairmanship(s) of all the Directors is/are within the respective limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

Details of directorship in other listed entities of each Director as on 31st March 2024

Name of Director	Category	Name of other listed Companies where Directorship held	Category of Directorship held
Mr. Mahendra Sanghvi	Executive Chairman - Promoter	Munjal Auto Industries Ltd*	Independent Director
		Integra Engineering Ltd	Independent Director
Mr. Laxman Sanghvi	Executive Director - Promoter	No Directorship in other listed entities	Not Applicable
Ms. Tilottama Sanghvi	Whole-Time Director - Promoter	No Directorship in other listed entities	Not Applicable
Mr. Amit Sanghvi	Managing Director - Promoter Group	No Directorship in other listed entities	Not Applicable
Mr. Milin Mehta	NED (Independent)	VA Tech WABAG Ltd.	Independent Director
		Styrenix Performance Materials Limited	Independent Director
		5Paisa Capital Ltd.	Independent Director
Mr. Ranjit Singh	NED (Independent)	Polyplex Corporation Ltd.	Independent Director
		VA Tech WABAG Ltd.	Independent Director
Dr. Shailesh Ayyangar	NED (Independent)	No Directorship in other listed entities	Not Applicable
Mr. Samaresh Parida	NED (Independent)	IDBI Bank Limited	Independent Director
Ms. Sangeeta Singh	NED (Independent)	Alkem Laboratories Limited	Independent Director
		Laxmi Organic Industries Limited	Independent Director
		Accelya Solutions India Limited	Independent Director
		Shreyas Shipping & Logistics Ltd	Additional Director

*(cessation as Independent Director of the Company at the close of the business hours on May 18, 2024, upon completion of his second term of five (5) consecutive years)

Key Board qualifications, expertise and attributes

SEPL's Board of Directors is comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Company's Board comprises of nine directors which have right blend of deep understanding of various areas of SEPL business, manufacturing process. The board has the right combination of Directors on board with impeccable business acumen, strategy and project management experience.

The skill sets identified by the Board in the context of the Company's business and sector in which it operates alongwith its availability assessment collectively for the Board and individually for each Director are as under:

Key Board Qualification	Board Members								
	Mahendra Sanghvi	Laxman Sanghvi	Tilottama Sanghvi	Amit Sanghvi	Milin Mehta	Ranjit Singh	Shailesh Ayyangar	Samaresh Parida	Sangeeta Singh
	Executive Chairman	Executive Director	Whole Time Director	Managing Director	Independent Director				
Technical prowess in Plastics Engineering with specialized expertise in Plastics Moulding technology	√	√	√	√	-	√	-	-	-
Deep understanding of various facets of raw materials required for best quality of plastics	√	√	√	√	-	√	-	-	-
Financial Acumen	√	√	√	√	√	√	√	√	√
Healthcare Industry knowhow	√	-	-	√	√	-	√	√	√
Strategic Planning	√	√	√	√	√	√	√	√	√
Visionary Leadership	√	√	√	√	√	√	√	√	√
Industry Experience, Research & Development and Innovation	√	√	√	√	-	√	√	√	√
Global Business/ International Exposure	√	√	√	√	-	√	√	√	√
Financial, Regulatory, Legal & Risk Management	√	√	√	√	√	√	√	√	√
Policy Development	√	√	√	√	√	√	√	√	√
Marketing	√	-	-	√	-	√	√	√	-
Integrity and ethical standards	√	√	√	√	√	√	√	√	√
Interpersonal Relationships	√	√	√	√	√	√	√	√	√
Creative and Logical Approach	√	√	√	√	√	√	√	√	√
Strong Client Relationship	√	√	√	√	N.A.	N.A.	N.A.	N.A.	N.A.
Understanding of multi-faceted business operations	√	√	√	√	√	√	√	√	√

c. Confirmation with regards to Independent Directors

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations 2015 and are independent of the management.

d. Resignation of Independent Directors, if any.

There has been no event of resignation of Independent Director during the financial year 2023-24.

e. Relationship between director inter-se

Mr. Mahendra Sanghvi, Executive Chairman is brother of Mr. Laxman Sanghvi, Executive Director; spouse of Ms. Tilottama Sanghvi, Whole Time Director and father of Mr. Amit Sanghvi, Managing Director.

None of the other Directors are related to each other.

f. Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/ profession, who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee, for appointment as an Independent Director on the Board.

The Nomination & Remuneration Committee interalia considers qualification, positive attributes, area of expertise and number of Directorship(s) and membership(s) held in various committees by such person(s). The Board considers the Committee's recommendation and takes an appropriate decision.

g. Familiarization programme for Independent Directors

Guided by the principles of Corporate Governance of the prevailing regulatory regime, the Company conducts a familiarization programme for Independent Directors from time to time in accordance with business & regulatory requirements. The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings on the business and performance updates of the Company including Finance, sales, ongoing projects, investor activities, regulatory compliances. Detailed presentations on company's business development activities are made at the Board meetings to keep the Directors abreast of the forthcoming business activities of the Company. Facility visits are arranged for the Directors to have a close view of the operations.

Quarterly updates on relevant statutory, regulatory changes and landmark judicial pronouncements encompassing important laws are circulated to the Directors. Visits to plant locations are organized for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. During the current year, there have been four physical plant visit. The Board is regularly facilitated with videos and presentation of the facilities to keep them updated of the various construction activities around all facilities.

The details of such familiarization programmes for the Independent Directors are available on the website of the Company at https://www.shaily.com/investors/disclosure-under-regulation-46-of-sebi-lodr

h. Board Meeting Procedures:

The Annual Calendar of Board Meetings of the year is usually considered in the Board Meeting of the last quarter of the previous financial year. The notice convening the Board Meeting is sent to each of the Directors along with relevant papers well in advance of the meeting date. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. All significant developments and material events are brought to the notice of the Board, either as a part of the agenda papers in advance of the meeting or by way of presentations or circulation of relevant documents during the meeting. The Managing Director, the Chief Financial Officer and the Chief Strategy Officer, briefs the Board on the financial and business performance of the Company during the previous quarter and trend analysis as compared to the budgets, operational performance and market scenario.

The Company receives reports from various departmental heads, certifying the compliance of applicable statutory laws, rules and regulations every quarter. The Managing Director, on basis of the reports certifies the Board, the compliance with various applicable statutory laws, rules and regulations.

i. Code of Conduct:

The Company has laid down a Code of Conduct for all its Board Members and Senior Management Personnel for avoidance of conflicts of interest. The declarations with regard to its compliance have been received for the F.Y. 2023-24 from all the Board Members and Senior Management Personnel. There were no material financial and commercial transactions in which Board Members or Senior Management Personnel had personal interest, which could lead to potential conflict of interest with the Company during the year. The Code of Conduct can be viewed at https://www.shaily.com/investors/disclosure-under-regulation-46-of-sebi-lodr

j. Committee meetings

The Company's guidelines relating to Board Meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the Committee members and placed before the Board meetings for noting.

Audit Committee

The Company has an Audit Committee at the Board level, with the powers and roles in accordance with the prevailing regulatory requirements. The Committee acts as a link amongst the Management, Auditors and the Board of Directors.

a. Composition of Audit Committee

The composition of the Audit Committee of the Company is in line with the provisions of Regulation 18 of SEBI Listing Regulations, 2015 and section 177 of the Companies Act 2013.

Composition of Audit Committee is as follows:

Name of Director	Acting in committee as	Category
Mr. Milin Mehta	Chairman	Independent Director
Mr. Samaresh Parida	Member	Independent Director
Mr. Ranjit Singh	Member	Independent Director
Dr. Shailesh Ayyangar	Member	Independent Director

b. Terms of Reference

The terms of reference of the Audit Committee are comprehensive and covers the matters specified for Audit Committee under the SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Committee provides the Board with additional assurance as to the adequacy of Company's internal control systems and financial disclosures. The committee has reviewed the internal audit reports, quarterly, half-yearly and annual standalone and consolidated financial results before their submission and adoption by the board, internal control systems, Related Party Transactions and all other matters covered under SEBI Listing Regulations, 2015 and provisions of the Companies Act, 2013 read with rules made thereunder as and when applicable. In conducting such reviews, the committee found no material discrepancy.

c. Meetings of Audit Committee and Attendance of Members

There were four (4) Audit Committee meetings held during the F.Y. 2023-24, as per below details:

Name of Director	Designation	Attendance at Audit Committee Meetings			
		20.05.2023	08.08.2023	07.11.2023	13.02.2024
Dr. Shailesh Ayyangar	Chairman	Yes	Yes	Yes	Yes
Mr. Ranjit Singh	Member	Yes	Yes	Yes	Yes
Mr. Milin Mehta	Member	Yes	Yes	Yes	Yes
Mr. Mahendra Sanghvi	Member	Yes	Yes	Yes	Yes

Mr. Milin Mehta, Chairman of the Audit Committee attended the 43rd Annual General Meeting held on 29th September 2023.

The Statutory Auditors, Internal Auditors, Secretarial Auditors, Chief Financial Officer, Chief Strategy Officer, Executive Directors and other senior professionals were invited to the meetings of the Audit Committee. The Company Secretary of the Company acts as the Secretary to the Committee.

Nomination & Remuneration Committee (NRC)

a. Composition of Nomination & Remuneration Committee

The composition of the Nomination & Remuneration Committee of the Company is in line with the provisions of Regulation 19 of the SEBI Listing Regulations, 2015 and section 178 of the Companies Act, 2013.

Composition of Nomination & Remuneration Committee is as under:

Name of Director	Acting in committee as	Category
Dr. Shailesh Ayyangar	Chairman	Independent Director
Mr. Ranjit Singh	Member	Independent Director
Mr. Milin Mehta	Member	Independent Director
Mr. Mahendra Sanghvi	Member	Executive Chairman
Ms. Sangeeta Singh*	Member	Independent Director

*Ms. Sangeeta Singh was appointed as Members of the Nomination and Remuneration Committee w.e.f. 13th February 2024

b. Terms of Reference:

The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the SEBI Listing Regulations, 2015 and the Companies Act, 2013 inter alia includes to guide the Board in relation to the appointment and removal of Directors, KMP & Senior Management Personnel, identifying persons and to recommend/review remuneration of all the Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

c. Meetings of Nomination & Remuneration Committee and Attendance of Members:

The Nomination & Remuneration Committee met four times during the F.Y. 2023-24, as per below details:

Name of Director	Designation	Attendance at Nomination & Remuneration Committee Meetings			
		20.05.2023	08.08.2023	07.11.2023	13.02.2024
Dr. Shailesh Ayyangar	Chairman	Yes	Yes	Yes	Yes
Mr. Ranjit Singh	Member	Yes	Yes	Yes	Yes
Mr. Milin Mehta	Member	Yes	Yes	Yes	Yes
Mr. Mahendra Sanghvi	Member	Yes	Yes	Yes	Yes

*Ms. Sangeeta Singh was appointed as Member of the Nomination and Remuneration Committee w.e.f. 13th February 2024

The Company Secretary of the Company acts as the Secretary to the Committee.

Dr. Shailesh Ayyangar, Chairman of the Nomination & Remuneration Committee attended the 43rd Annual General Meeting held on 29th September 2023.

d. Performance Evaluation:

Guided by the prevailing regulatory environment of the SEBI Listing Regulations, 2015 and the Companies Act, 2013, the framework used to evaluate the performance of Independent and the Executive Directors is based on the expectation that they perform their duties in a manner which creates and continues to build sustainable value for the shareholders and in accordance with the duties and obligations abided on them.

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

e. Policy on Nomination & Remuneration:

The Nomination & Remuneration Policy is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve the desired results. Shaily's business model promotes customer centricity and requires employee mobility to address project needs. The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The policy adheres to the prevailing regulatory requirements of the SEBI Listing Regulations, 2015 and the Companies Act, 2013.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to the Executive Directors including the Managing Director of the Company, as approved by the shareholders, when so required.

The non-executive directors of the Company are Independent Directors, and they are paid sitting fees for attending the meetings of Board and of the Committees.

There has been no change in the Nomination & Remuneration Policy of the Company. It can be viewed at https://static.shaily.com/NVmusaHvSkCkSxPngRsT-sepl-nomination-remuneration-policy-pdf

Risk Management Committee (RMC)

a. Composition of Risk Management Committee

The composition of the Risk Management Committee of the Company is in line with the provisions of Regulation 21 of the SEBI Listing Regulations, 2015.

In terms of the requirement under Regulation 21 of the SEBI Listing Regulations, 2015, the Risk Management Committee was constituted effective from 17th August 2021, as per below details:

Name of Director	Acting in committee as	Category
Dr. Shailesh Ayyangar	Chairman	Independent Director
Mr. Ranjit Singh	Member	Independent Director
Mr. Mahendra Sanghvi	Member	Executive Chairman
Ms. Tilottama Sanghvi	Member	Whole Time Director

b. Terms of Reference:

The terms of reference of the Risk Management Committee covers the matters specified for Risk Management Committee under the SEBI Listing Regulations, 2015.

C. Meetings of Risk Management Committee and Attendance of Members:

The Risk Management Committee met twice during the F.Y. 2023-24 as per below details:

Name of Director	Designation	Attendance at Risk Management Committee Meetings	
		20.05.2023	13.02.2024
Dr. Shailesh Ayyangar	Chairman	-	Yes
Mr. Ranjit Singh	Member	-	Yes
Mr. Mahendra Sanghvi	Member	Yes	Yes
Mrs. Tilottama Sanghvi	Member	Yes	Yes

The Company Secretary of the Company acts as the Secretary to the Committee.

Senior Management: (Particulars of Senior Management including the changes therein since the close of the previous Financial Year is required to be mentioned):

Sr. No.	Name	Designation	Changes at the close of Financial Year 2024
1	Mr. Sanjay Navin Shah	Chief Strategy Officer	-
2	Mr. Sitakant Dash	Vice President – Technical Services	-

Remuneration of Directors

a. Executive Directors

The details of all elements of remuneration package i.e. salary, benefits, bonus, pension, etc., paid to the Executive Directors for the F.Y. 2023-24 are given below:

Name & Designation of Executive Directors	Salary	Allowances & Perquisites	Company's contribution to funds	Others (Leave Encashment, Bonus, LTA)	Total
Mr. Mahendra Sanghvi Executive Chairman	1,01,88,000	62,83,800	14,77,260	10,18,800	1,89,67,860
Mr. Laxman Sanghvi Executive Director	64,20,384	37,68,144	8,61,147	6,11,460	1,16,61,135
Ms. Tilottama Sanghvi Whole - Time Director	53,49,456	31,41,072	6,11,364	5,09,472	96,11,364
Mr. Amit Sanghvi Managing Director	1,78,35,300	1,04,66,100	24,62,970	95,16,814	4,02,81,184
Total	**3,97,93,140**	**2,36,59,116**	**54,12,741**	**1,16,56,546**	**8,05,21,543**

a. Sitting fees are not paid to Executive Directors

b. The Executive Directors and the Company are entitled to terminate the service contracts by giving not less than three months' notice in writing to the other party. There is no provision for payment of severance fees.

c. The Executive Directors are not paid any performance-linked incentives or commission. The remuneration is paid, as approved by the members, where required. The Company does not have granted any Stock Option to Directors.

d. Company's contribution to funds includes contribution to superannuation fund.

b. Non - Executive Directors [NED]

The Non-Executive Directors are paid ₹1,00,000 as sitting fees for attending Board Meeting(s); ₹50,000 for Committee Meeting(s). The Non-Executive Directors are also paid re-imbursement of out-of-pocket expenses, if any, incurred for attending meetings of the Board of Directors and Committees thereof. No commission/ share of profit is paid to the Non-Executive Directors.

None of the Non-Executive Independent Director(s) have any pecuniary relationship or transactions with the Company and/or its associates except Mr. Milin Mehta, where the Company has paid a total of ₹27,07,123 to M/s K.C. Mehta & Co., Chartered Accountants, as fees for professional services rendered by the firm to the Company as Goods & Service Tax (GST) consultants and other professional services to the company. Mr. Milin Mehta is a partner in the said firm. The Board does not consider the firm's association with the Company to be of a material nature so as to affect the independence of judgment of Mr. Milin Mehta, as an Independent Director of the Company.

Sitting Fees paid to NED during 2023-24:

Name of Director	Sitting fees
Mr. Milin Mehta	10,50,000
Mr. Ranjit Singh	11,50,000
Dr. Shailesh Ayyangar	10,50,000
Mr. Samaresh Parida	8,00,000
Ms. Sangeeta Singh	6,50,000
Total	**47,00,000**

Stakeholders' Relationship Committee

a. Composition of Stakeholders' Relationship Committee (SRC)

The composition of Stakeholders' Relationship Committee of the Company is in line with the provisions of Regulation 20 of the SEBI Listing Regulations, 2015 and Section 178(5) of the Companies Act, 2013, constituted to look into the mechanism of redressal of grievances of shareholders.

Composition of Stakeholders' Relationship Committee is as under:

Name of Director	Acting in committee as	Category
Ms. Sangeets Singh	Chairperson	Independent Director
Mr. Milin Mehta	Member	Independent Director
Mr. Amit Sanghvi	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Committee.

b. Meetings of SRC & Attendance

There was one meeting of the Stakeholders' Relationship Committee held during F.Y. 2023-24 on 20th May 2023. All the members attended the meeting.

Ms. Sangeeta Singh, Chairperson of SRC attended the 43rd Annual General Meeting of the Company held on 29th September 2023.

c. Compliance Officer

Ms. Dimple Mehta, Company Secretary is the Compliance Officer of the Company

d. Investor grievance redressal

During the F.Y. 2023-24.

No. of complaint received from the shareholder	NIL
No. of complaints not solved to the satisfaction of shareholders	NIL
No. of pending complaints	NIL

Corporate Social Responsibility Committee (CSR Committee)

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, recommend amount of expenditure to be incurred on CSR activities, oversee the implementation of CSR projects/programs undertaken by the Company, suggest remedial measures, where required, and monitor the CSR Policy from time to time.

a. Composition of Corporate Social Responsibility Committee:

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013. Composition of CSR committee:

Name of Director	Acting in committee as	Category
Mr. Ranjit Singh	Chairman	Independent Director
Mr. Laxman Sanghvi	Member	Executive Director
Ms. Tilottama Sanghvi	Member	Whole Time Director

The Company Secretary of the Company acts as the Secretary to the committee.

b. Meetings of Corporate Social Responsibility Committee and Attendance:

There were two meetings of the Corporate Social Responsibility Committee held during F.Y. 2023-24 on 20th May 2023 and 7th November 2023. All members attended both the meetings.

General Body Meetings

The details of last three Annual General Meetings are as follows:

Financial Year	Location	Date	Time	No. of Special Resolutions passed	Title of Special Resolutions passed
2020-21	Video Conferencing/Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat	14th September 2021	11:30 a.m. IST	4	1. Revision in borrowing limits of the Company under Section 180(1)(a) of the Companies Act, 2013. 2. Revision of the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013. 3. To approve raising of funds in one or more tranches by issuance of securities by way of private offerings, qualified institutional placement(s) and/or any combination thereof or any other method as may be permitted under applicable law for an amount not exceeding ₹300 Cr 4. To approve the offer or invitation to subscribe to Equity shares by way of Preferential allotment on a private placement basis.
2021-22	Video Conferencing/Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat	27th August 2022	11:00 a.m. IST	4	1. Appointment of Mr. Samaresh Parida as an Independent Director 2. Appointment of Mrs. Sangeeta Singh as an Independent Director 3. Revision in remuneration to be paid to Mr. Amit Sanghvi, Managing Director, effective from 01st October 2022 4. Re-appointment of Mrs. Tilottama Sanghvi as a Whole Time Director for a period of three (3) years, effective from 01st February 2023
2022-23	Video Conferencing/Other Audio-Visual means hosted from the registered office of the Company located at Survey No. 364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat	29th September 2023	10:30 a.m. IST	3	1. Re-appointment of Mr. Amit Sanghvi as Managing Director 2. Revision in Remuneration to be paid to Mrs. Tilottama Sanghvi, Whole Time Director, effective from 1st April 2023 3. Revision in Remuneration to be paid to Mr. Laxman Sanghvi, Executive Director, effective from 1st April 2023

Postal Ballot

During the F.Y. 2023-24, there were two resolutions that were passed through two separate Postal Ballot activities.

The details of Postal Ballot are as follows:

Particulars	Postal Ballot 1	Postal Ballot 2
Business Transacted	Alternation of Capital Clause of Memorandum of Association of the Company – **Ordinary Resolution**	Reappointment of Mr. Ranjit Singh as an Independent Director – **Special Resolution**
Date of Notice	6th October 2023	13th February 2024
Postal Ballot Period	10th October 2023 to 8th November 2023	22nd February 2024 to 22nd March 2024
Declaration of Voting Results	9th November 2023	23rd March 2024

Summary of Postal Ballot - Voting Pattern

Sr. No.	Resolutions Proposed before the Members through Postal Ballot	Total Number of Votes received			Results	
		In Favour	Against	Invalid	Type of Resolution	Whether Passed (Yes/ No)
1	Alteration of Capital Clause of Memorandum of Association of the Company	50,27,464	0	0	Ordinary	Yes
2.	Re-Appointment of Mr. Ranjit Singh as an Independent Director	2,55,26,876	60	0	Special	Yes

Mr. S. Samdani, Partner of M/s Samdani Shah & Kabra, Company Secretaries, was appointed as Scrutiniser for conducting the postal ballot process in a fair and transparent manner.

The Company has followed the procedure prescribed for the conduct of Postal Ballot under the provisions of the Companies Act, 2013, read with rules made thereunder, General Circulars issued by the Ministry of Corporate Affairs for passing of resolution through Postal Ballot by way of remote e-voting only and SEBI Listing Regulations, 2015.

Means of Communication

Financial Results	The financial results viz., quarterly/half yearly/annual are sent to the stock exchanges and published in newspapers having nation-wide coverage.
Newspapers wherein results are normally published	The Financial Results are normally published in: The Business Standard (English) Vadodara Samachar (Gujarati) The Economic Times (English)
Website	The Company's website www.shaily.com contains a separate dedicated section "Investors" at https://www.shaily.com/investors where shareholders information is available. The full Annual Report is also available on the website in a user friendly and downloadable format at https://www.shaily.com/investors/disclosure-under-regulation-46-of-sebi-lodr Apart from this, official news releases, quarterly results/investors presentation made to analysts/ Institutional Investors, information of earnings call, transcript of earnings call, shareholding pattern, etc., are also displayed on the Company's website.
BSE Corporate Compliance & Listing Centre	BSE's Listing Centre is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, amongst others filing are filed electronically on the Listing Centre, which disseminates it to the public at large.
NSE NEAPS and Digital Exchange Portal	NSE's NEAPS and digital exchange portal is a web-based application designed for corporates. All periodical filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, among others are filed electronically on the NEAPS and Digital Exchange Portal, which disseminates it to the public at large.

General Shareholder Information

S.#	Particulars	Description
a)	Annual General Meeting - Date, Time & Venue	Saturday, 21st September 2024, at 10:00 a.m. IST - mention time of 44th AGM. Through Video Conferencing /Other Audio-Visual Means. Details available in the Notice convening the 44th Annual General Meeting of the Company.
b)	Financial Year	1st April 2023 to 31st March 2024
c)	Dividend Payment Date	Final Dividend of ₹1 per Ordinary (Equity) share of ₹2 each for the Financial Year 2023-24 shall be paid within statutory time limit period, if approved by the members at the 44th Annual General Meeting.
d)	Date of Book closure	Sunday, 15th September 2024 to Saturday, 21st September 2024 (both days inclusive)
e)	Listing on Stock Exchange	BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Plot No. C/1, G Block Bandra Kurla Complex, Bandra (East) Mumbai – 400051 Maharashtra, India Requisite listing fees on BSE & NSE for F.Y. 2023-24 has been paid.
f)	Stock Code	BSE Equity: 501423 NSE Equity: SHAILY
g)	Market price data -high, low during each month in F.Y. 2023-24	Please see “Annexure I”
g)	Share performance of the Company in comparison to BSE Sensex	Please see “Annexure II”
i)	In case, securities are suspended from trading, the directors report shall explain the reasons thereof	The securities of the Company have not been suspended from trading anytime during F.Y. 2023-24.
j)	Registrar & Share Transfer Agent	Bigshare Services Pvt. Ltd. Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093 Ph: +91 22 6263 8200 Fax: +91 22 6263 8299 Web: www.bigshareonline.com Email: investor@bigshareonline.coms
k)	Share Transfer system	Effective 1st April 2019, as per SEBI Notification and further amendment, requests for effecting transfer of securities are not processed unless the securities are held in the dematerialised form with the depositories.
		The Stakeholders’ Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect transfer/transmission, name deletion, renewal of shares, dematerialization, etc.
l)	Distribution of shareholding/Shareholding Pattern as on 31st March 2024	Detailed at “Annexure III” to this Report.

S.#	Particulars	Description
m)	Dematerialisation of shares and liquidity	Detailed at “Annexure IV” to this Report
n)	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	Not applicable
o)	Commodity price risk or foreign exchange risk and hedging activities	Not applicable
p)	Registered Office	Survey No. 364/366, At & Po Rania, Vadodara Gujarat 391 780, India Plants Locations
	Plant Locations	• Survey No. 363, At & Po Rania, Vadodara Gujarat 391780, India • Survey No. 364/3, 366, At & Po Rania, Vadodara Gujarat 391780, India • Survey No. 364/1-2 (A), At & Po Rania, Vadodara Gujarat 391780, India • 706-708, GIDC, Halol, Panchmahal Gujarat 389 350, India • Survey No. 208/1, 209/1P1, 209/2-5 and 210/5P1, Halol-Savli Road, Chandrapura, Halol, Panchmahal Gujarat 389 350, India • Survey No. 212/5 and 213/1-3, Halol-Savli Road, Chandrapura, Halol, Panchmahal Gujarat 389 350, India Correspondence Office: 8, J P Nagar, Old Padra Road, Vadodara – 390 007, Gujarat, India
q)	Address for Correspondence/Investor Correspondence	**Shaily Engineering Plastics Ltd.** Company Secretary and Compliance Officer Survey No 363/364/366, At. & Po. Rania, Tal. Savli, Dist. Vadodara - 391 780, Gujarat, India Ph: +91 75748 05122 +91 75748 05181 Web: www.shaily.com Email: investors@shaily.com **Bigshare Services Pvt. Ltd.** Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093 Ph : +91 22 6263 8200 I Fax : +91 22 6263 8299 Web : www.bigshareonline.com I Email : investor@bigshareonline.com Note: Shareholders are advised to address query/request in respect of shares to the RTA. In addition, they may also correspond at the above address. It is further advised to quote their folio number, DP & Client ID number, as the case may be, in all correspondence with it.
r)	Credit Rating	CARE continues to accord the ratings on the bank facilities of the Company as under: Long term facilities - CARE A; Stable (Single A; Outlook: Stable) Short term facilities - CARE A1 (A One) On long term bank facilities of ₹283.00 cr (Enhanced from 243.17) and short-term bank facilities of ₹35.00 Cr The above ratings were re-affirmed by CARE during the year.

Other Disclosures

a. Related Party Transactions:

During the year, no materially significant Related Party Transactions, that may have a potential conflict with the interest of the Company at large, have been entered into.

The Board has approved a policy for related party transactions which can be viewed at https://s3.ap-south-1.amazonaws.com/shaily/GVaUqJvpT5GTnS1aapGH-rpt-policy-pdf

b. Compliance:

The Company has complied with all the provisions of SEBI Listing Regulations, 2015 as well as regulations and guidelines of Securities and Exchange Board of India (SEBI). There have been no instances of non-compliance by the Company on any matters related to capital markets during the last three (3) years and, hence no penalty or strictures are imposed by SEBI or the Stock Exchanges or any Statutory Authority.

However, during the year the company has filed the Disclosures of Related Party Transactions under Regulation 23 (9) of SEBI Listing Regulations, 2015 for the half year ended 31st March 2023 on 20th May 2023 however in the XBRL Utility under field "Reporting Period" inadvertently we have selected "First half yearly" instead of "Second half yearly".

c. Vigil Mechanism/Whistle Blower Policy:

The Company has established vigil mechanism for directors, employees and other stakeholders to report concerns about unethical beha viour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy.

The Whistle Blower Policy/Vigil Mechanism is placed at our website on https://shaily.com/investors at weblink https://s3.ap-south-1.amazonaws.com/shaily/NfQYzYSLQ0mYQEv1OyMv-vigil-mechanism-policy-pdf.

The Company has provided opportunities to encourage employees to become whistleblowers. It has also ensured a mechanism within the same framework to protect them from any kind of harm. It is hereby affirmed that no personnel has been denied access to the Audit Committee.

d. Compliance with mandatory and non-mandatory requirements:

The Company complies with all the mandatory requirements of the SEBI Listing Regulations, 2015 with regard to Corporate Governance. Non-mandatory requirements:

i. **Office for non-executive Chairman at Company's expense:** Not Applicable as the Company has Executive Chairman.

ii. **Modified opinion(s) in Audit Report:** There is no modified opinion in the Auditor's Report.

iii. **Reporting of Internal Auditors directly to Audit Committee:** Internal Auditors directly reports to Audit Committee

e. Policy for determining 'material subsidiaries':

The Company has formed Policy for determining Material subsidiary(ies). The same is available on the website of the Company at https://www.shaily.com/investors at weblink https://s3.ap-south-1.amazonaws.com/shaily/OGWRMpJURrekBnfIVM70-policy-on-material-subsidiary-pdf

f. Disclosure of commodity price risks and commodity hedging activities:

The Company is not listed under the Commodity exchange and therefore trading in relation to commodities and commodity hedging is not applicable to the Company.

g. Details of utilization of funds raised through preferential allotment/qualified institutions placement:

The Company has utilized the entire amount raised through Preferential Issue towards the objects for which the same were raised.

h. Independent Directors' Meeting:

The Independent Directors met on 13th February 2024 to carry out the evaluation for the F.Y. 2023-24 and inter alia, discussed the following:

I. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.

II. Evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-executive Directors.

III. Evaluation of quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively perform its duties.

j. Fees paid to Statutory Auditors:

The Company during the year paid an amount of ₹38.18 lacs to its Statutory Auditor M/s B S R and Co., Chartered Accountants and all entities in the network firm/network entity of which statutory auditor is a part. The same is detailed under Note 26 of the financial statements for the year ended on 31st March 2024. M/s B S R and Co., Chartered Accountants, statutory auditors of the company, has not provided any professional services to our subsidiary company.

k. Obligation of Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013:

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy.

No Complaint has been received by the Committee during the F.Y. 2023-24.

No. of complaints disposed off during the financial year and No. of complaints pending as on end of the financial year: Not Applicable

l. Instances of not accepting any recommendation of the Committee by the Board:

There were no such instances where Board had not accepted any recommendation of any committee of the Board, whether mandatorily required or not, in the relevant financial year.

m. Loans and advances in the nature of loans to firms/ companies in which directors are interested:

The Company has not granted any amount of loans and advances in the nature of loans to firms/companies in which directors are interested.

n. Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, 2015:

The Company has complied with the requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the SEBI Listing Regulations, 2015.

o. Certificate of Non-Disqualification from Company Secretary in Practice:

Certificate from M/s Samdani Shah & Kabra, Company Secretaries, Vadodara, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the SEBI Listing Regulations, 2015 read with Schedule V, is attached to this Report.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

As on 31st March 2024, the Company does not have any material subsidiary.

Transfer of Unclaimed Dividend to IEPF:

Section 124 & 125 of the Companies Act, 2013 read with rules made thereunder, prescribe that dividends that remain unclaimed for a period of seven consecutive years or more, are statutorily required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government, and thereafter the shareholders can claim their unpaid dividend from the IEPF.

Calendar for transfer of unclaimed dividend to IEPF:

Financial Year	Type of Dividend	Date of Declaration	Amount of Unpaid Dividend	Due for transfer to IEPF
2016-17	Final Dividend	9th September 2017	₹69,475	September 2024
2017-18	Final Dividend	13th August 2018	₹88,215	September, 2025

Members, who have not yet encashed their dividend warrant(s), are requested to make their claims without any delay to the Company's Registrar & Share Transfer Agent – Bigshare Services Pvt. Ltd. The Company has not declared any dividend after F.Y. 2017-18.

Details of Unclaimed Suspense Account as per the provisions of Schedule V of the SEBI Listing Regulations, 2015:

(i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; **5 Shareholders & 5500 shares**

(ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year: **NIL**

(iii) Number of shareholders to whom shares were transferred from suspense account during the year: **NIL**

(iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **5 Shareholders & 5500 shares**

(v) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Disclosure of certain types of agreements binding listed entities:

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations, 2015.

Annexure - I

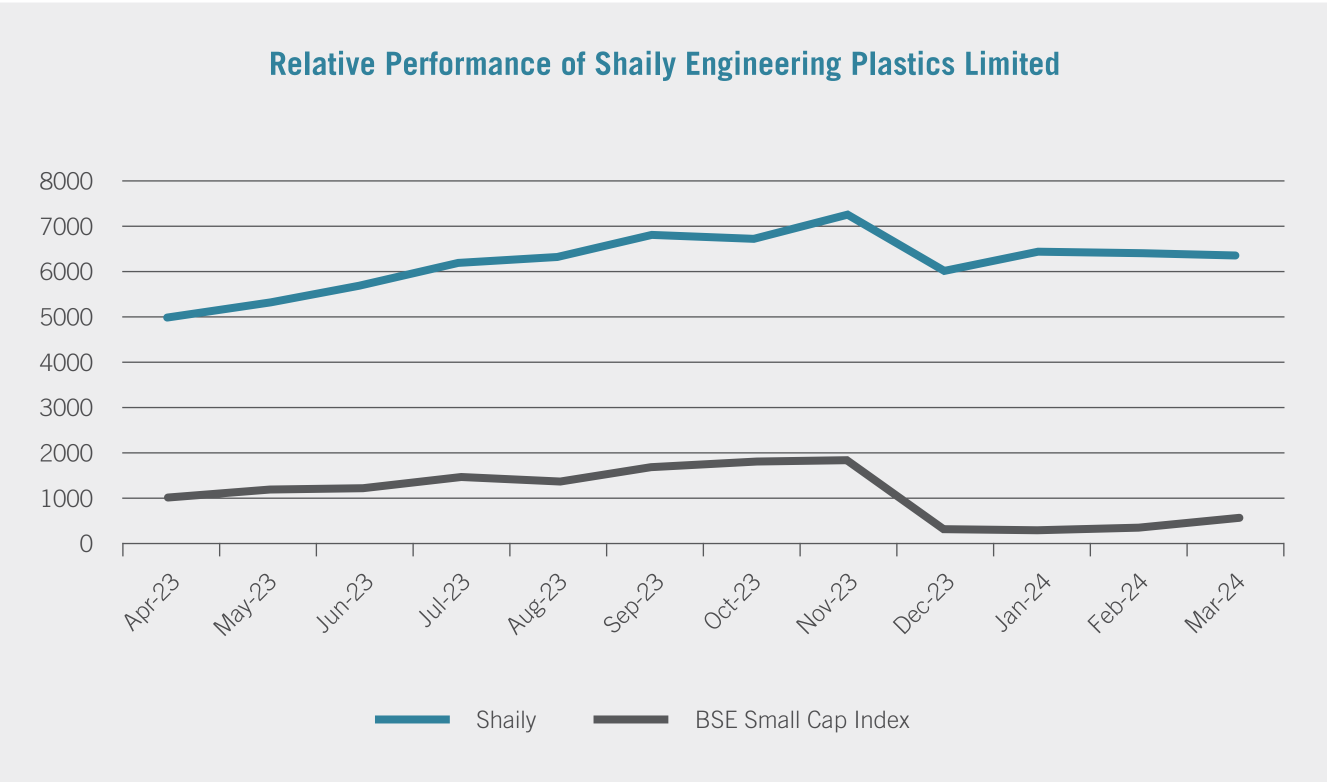
Market Price Data, High and Low during each month in the F.Y. 2023-24:

Year	BSE Limited			The National Stock Exchange of India Ltd.		
Month	**High Price**	**Low Price**	**Close**	**High Price**	**Low Price**	**Close**
April 2023	1236.40	993.25	1159.00	1,250.55	995.05	1,157.50
May 2023	1410.00	1120.30	1277.00	1,407.00	1,112.35	1,285.40
June 2023	1769.20	1260.05	1481.40	1,758.70	1,269.05	1,479.05
July 2023	1550.00	1309.85	1324.45	1,519.00	1,310.00	1,328.25
August 2023	1827.35	1299.50	1721.60	1,839.00	1,301.10	1,705.70
September 2023	1824.95	1650.20	1798.30	1,824.95	1,661.00	1,801.10
October 2023	1900.00	1648.10	1785.95	1,914.95	1,632.35	1,787.15
November 2023	1895.90	312.50	316.05	1,897.00	312.60	315.65
December 2023	350.00	309.45	334.70	349.70	309.70	336.15
January 2024	405.00	312.10	396.45	409.00	312.50	395.65
February 2024	549.55	360.10	539.40	549.70	371.15	540.00
March 2024	559.75	451.15	529.95	565.00	451.10	529.95

Annexure - II

Share performance of the Company in comparison to BSE Small Cap Index:

*Chart indexed to 100



Annexure-III

Distribution of shareholdings as on 31st March 2024 is as under:

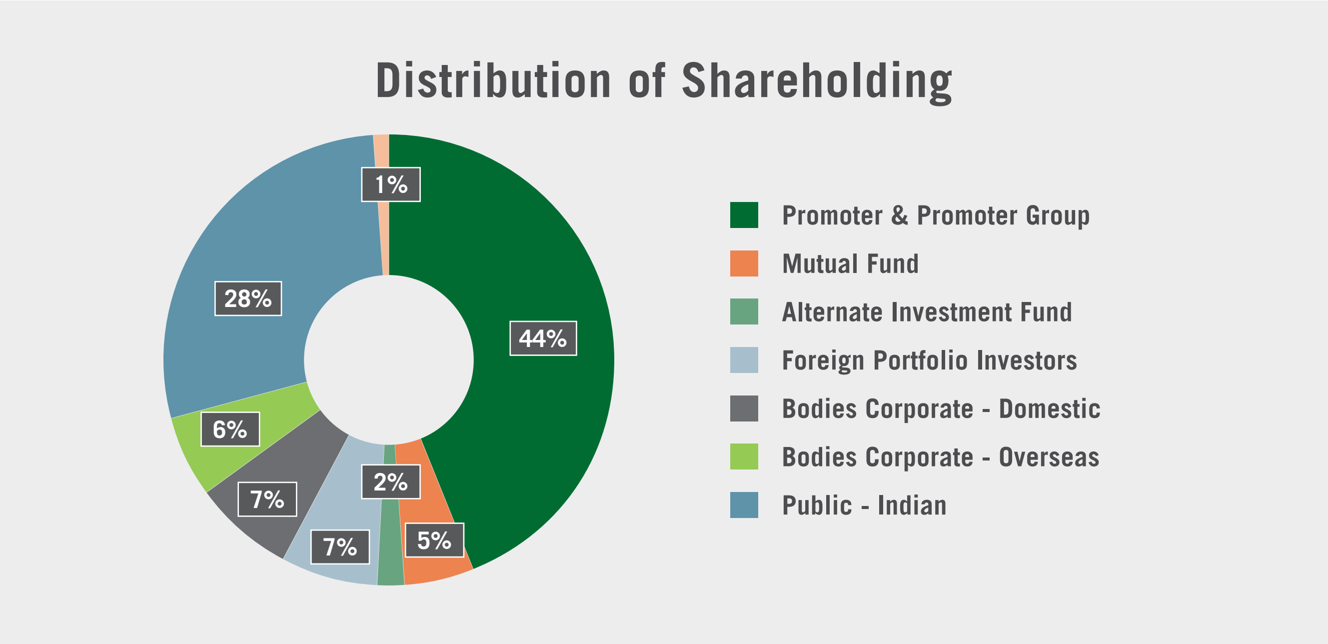
Nominal value of shareholding	Number of shareholders	% of total shareholders	Amount of shares	% of total shares
1-5000	8698	92.43	50,09,618	5.46
50001-10000	362	3.85	26,70,626	2.91
010001-20000	165	1.75	23,39,740	2.56
20001-30000	69	0.73	17,03,774	1.86
30001-40000	25	0.27	8,95,546	0.98
40001-50000	12	0.13	5,34,714	0.58
50001-100000	27	0.29	18,81,580	2.05
100001-999999999999999	52	0.55	7,66,99,422	83.61
Total	**9410**	**100.00**	**9,17,35,020**	**100.00**

The information given in the above distribution schedule is based on the reports from the RTA.

Note: Number of shareholders are not clubbed based on PAN. Complied on reports of Registrar & Share Transfer Agents of the Company, M/s Bigshare Services Pvt. Ltd.

Shareholding as on 31st March 2024

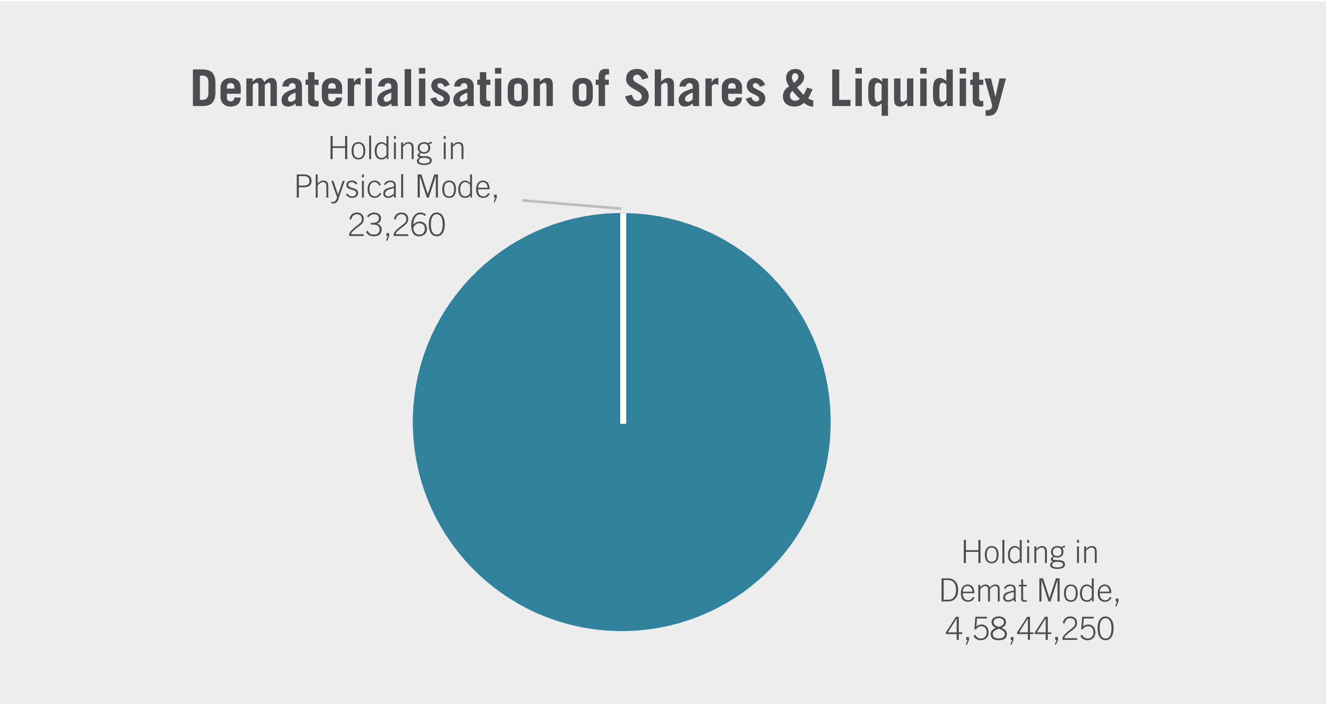
Particulars	As on 31.03.2024	
	%	No. of shares
Promoter & Promoter Group	43.81%	2,00,92,705
Mutual Fund	5.49%	25,16,754
Alternate Investment Fund	2.21%	10,12,075
Foreign Portfolio Investors	6.64%	30,44,239
Bodies Corporate - Domestic	6.57%	30,11,325
Bodies Corporate - Overseas	5.53%	25,35,990
Public - Indian	28.15%	1,29,16,455
Non-Resident Indian	0.90%	4,14,777
Others	0.70%	3,23,190
	100.00%	**4,58,67,510**



Annexure - IV

Dematerialisation of shares and liquidity

Sr. No	Status	Number of Shares	%
1	Holding in Demat mode	4,58,44,250	99.95
2	Physical shareholding	23,260	0.05
	Total	**4,58,67,510**	**100.00**



* Previous year (i.e. as on 31st March 23) - Demat holding was 99.93%

For and on behalf on Board of Directors

Mahendra Sanghvi
Executive Chairman
DIN:00084162

Place: Vadodara
Date: 27th July 2024

Corporate Governance Compliance Certificate

[For the Financial Year ended March 31, 2024 pursuant to Schedule V –
Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited

We have examined the compliance of the conditions of Corporate Governance by Shaily Engineering Plastics Limited ("Company") for the Financial Year ended March 31, 2024 ("review period"), as per the relevant provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

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

We further 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.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863
ICSI Peer Review # 1079/2021
ICSI UDIN: F003677F000830052
Place: Vadodara | Date: 27th July 2024

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10 (i)
of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Shaily Engineering Plastics Limited

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of Shaily Engineering Plastics Limited ("Company"), having CIN: L51900GJ1980PLC065554, situated at Survey No. 364/366, At & Po. Rania, Taluka Savli, Vadodara – 391780, Gujarat, India, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Original Date of Appointment
1.	Mr. Amit Mahendra Sanghvi	00022444	01-10-2011
2.	Mr. Laxman Bhogilal Sanghvi	00022977	09-03-1995
3.	Mr. Mahendra Bhogilal Sanghvi	00084162	09-03-1995
4.	Mr. Milin Kaimas Mehta	01297508	08-11-2014
5.	Mr. Ranjit Singh	01651357	18-05-2019
6.	Mr. Samaresh Parida	01853823	30-05-2022
7.	Ms. Sangeeta Kapil Jit Singh	06920906	30-05-2022
8.	Mr. Shailesh Kripalu Ayyangar	00268076	29-05-2020
9.	Ms. Tilottama Mahendra Sanghvi	00190481	09-03-1995

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

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 I CP No. 2863
ICSI Peer Review # 1079/2021
ICSI UDIN: F003677F000830107
Place: Vadodara I Date: 27th July 2024

Code of Conduct

The Board has adopted a Code of Conduct for all the Board Members and Senior Management Personnel of the Company, and the said Code of Conduct is posted on the website of the Company at www.shaily.com, A declaration signed by the Managing Directors is given below:

"I, Amit Sanghvi, Managing Director of the Company hereby confirm that:

As provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on 31st March 2024.

Amit Sanghvi
Managing Director
DIN: 00022444

Independent Auditor's Report

To
the Members of
Shaily Engineering Plastics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Shaily Engineering Plastics Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, 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 material 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 2024, and its profit and other comprehensive income, 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 Matter

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 See Note 20 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from the sale of goods and sale of service has been recognised when the control of the goods and service is transferred which is generally in accordance with the terms of sales and service contracts. We have identified the recognition of revenue as key audit matter because revenue is a key performance indicator of the Company, and therefore there is an inherent risk that revenue is overstated to meet financial expectations or targets. The company has various customers with different terms of trade which increase the risk of error in the timing of revenue recognition.	Our procedures included the following: 1. Obtain understanding of and assessing the design implementation and operating effectiveness of the Company's key internal financial controls in relation to revenue recognition. 2. Inspecting customer contracts, on random sample basis to identify the terms and conditions relating to the transfer of control of the products sold and services provided and assessing the Company's timing of revenue recognition. 3. Identified significant terms and deliverables in contract to assess management's conclusion regarding the (i) Identification of distinct performance obligation (ii) Allocating the transaction price to the performance obligation in the contract. 4. Comparing on test check basis revenue transaction recorded throughout the year and before the financial year end with relevant underlying documents including gate outward register and shipping documents to assess whether revenue from sale of goods has been recognised in the appropriate financial period; and 5. Circulation of selected balance confirmation to customers on test check basis and reconciling the differences if any on amounts confirmed by customer and amounts recorded by management.

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 other information, but does not include the financial statements and auditor's report(s) thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, 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 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. 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 2024 on its financial position in its standalone financial statements - Refer Note 34 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 has been no delay in transferring amounts, 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 42 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 person(s) or entity(ies), 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 Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on 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. As stated in Note 13(b) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has been enabled from 1 January 2024 onwards. Except for the period from 1 April 2023 to 31 December 2023, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

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 and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVKA2046

Place: Vadodara
Date: 24 May 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Shaily Engineering Plastics Limited for the year ended 31 March 2024

(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.

(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 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, has been physically verified by the management during the year. 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 or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions 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 advances in nature of loans secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. However they have made investments in company and granted loans to other parties in respect of which requisite information is as below. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has made investments as below:

Name of the Company	Type of Investment	Amountin ₹ Lakhs
Shaily UK Limited	Non Convertible Preference Shares	520.72

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees and company as below:

Particulars	Amount in ₹ Lakhs
Aggregate amount during the year Others (Employees and Company)	675.05*
Balance outstanding as at balance sheet date Others (Employees and Company)	643.14*

*this also includes renewal of loan and interest as disclosed in clause (iii) (e) below

(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 and loans granted during the year are, prima facie, not prejudicial to the interest of the Company.

(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 loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular, except for loan given to a company (Corvi LED Private Limited) for which the repayment of principal (₹500 lakhs) along with payment of interest (₹80.54 lakhs) which was due during the year and has been renewed subsequent to the year end till 30

September 2024. 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, except for the loan mentioned in clause (iii) (c) above. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. 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, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate amount of loans or advances in the nature of loans granted during the year (Amount in Lakhs)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (Amount in Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Corvi LED Private Limited	-	580.54	86 %

(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 or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(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 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 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 other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Provident Fund.

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 2024 for a period of more than six months from the date they became payable.

(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 other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Period to which the amount relates	Amount (₹ in lakhs)	Forum where dispute is pending	Unpaid Amount (₹ in lakhs)
Central Excise Act, 1944	Excise duty	2007-08 to 2009-10	52.27	The Hon'ble Supreme Court	52.27
Central Excise Act, 1944	Excise duty	2009-10	3.22	Additional Commissioner of Excise and Service Tax	3.22
The Income Tax Act, 1961	Income Tax	2007-08	2.46	Commissioner of Income Tax (Appeal)	2.46

Name of the statute	Nature of the dues	Period to which the amount relates	Amount (₹ in lakhs)	Forum where dispute is pending	Unpaid Amount (₹ in lakhs)
The Income Tax Act, 1961	Income Tax	2009-10	1.78	Income Tax Appellate Tribunal	1.78
Customs Act, 1962	Custom Duty	2009-10 to 2017-18	97.84	Commissioner of Customs (Appeals), Mumbai	*-
Finance Act, 1944	Service Tax	2014-17	185.75	Commissioner Appeals, CGST/ Central Excise, Vadodara	*165.55
Finance Act, 1944	Service Tax	2015-18	8.18	Commissioner Appeals, CGST/ Central Excise, Vadodara	*7.36

*Net of amount paid 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) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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 subsidiary 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 (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, 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, 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual Report is expected to be made available to us after the date of this auditor's report.

(xx) (a) 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 other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For B S R and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVKA2046

Place: Vadodara
Date: 24 May 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of Shaily Engineering Plastics Limited for the year ended 31 March 2024

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)(g) 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 Shaily Engineering Plastics Limited ("the Company") as of 31 March 2024 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 2024, 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVKA2046

Place: Vadodara
Date: 24 May 2024

Standalone Balance Sheet as at 31st March, 2024

(in ₹ lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	43,492.43	34,746.50
b) Capital work-in-progress	3A	1,532.00	4,897.81
c) Right-of-use asset	3B	63.88	112.99
d) Intangible assets	4	1,714.63	1,383.10
e) Intangible assets under development	4A	207.96	569.28
f) Financial assets			
i. Investments	5	2,062.62	1,541.91
ii. Other financial assets	6	47.08	47.08
g) Income tax assets (net)		232.33	208.24
h) Other non-current assets	7	1,827.65	1,720.62
Total non-current assets		**51,180.58**	**45,227.54**
Current assets			
a) Inventories	8	8,360.35	7,297.47
b) Financial assets			
i. Trade receivables	9	11,174.68	8,879.39
ii. Cash and cash equivalents	10	441.91	1,768.57
iii. Bank balances other than cash and cash equivalents	11	414.46	390.48
iv. Loans	12	643.14	565.72
v. Other financial assets	6	191.54	416.94
c) Other current assets	7	2,801.23	3,918.23
Total current assets		**24,027.31**	**23,236.79**
TOTAL ASSETS		**75,207.89**	**68,464.33**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	13(a)	917.35	917.35
b) Other equity	13(b)	42,230.89	38,646.02
TOTAL EQUITY		**43,148.24**	**39,563.37**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i. Borrowings	14	6,983.30	6,253.46
ii. Lease Liability	28	39.00	77.76
iii. Other financial liabilities	19	-	33.86
b) Provisions	16	218.49	233.16
c) Deferred tax liabilities (Net)	27(c)	2,041.67	1,686.47
d) Other non-current liabilities	17	81.12	10.19
Total non-current liabilities		**9,363.58**	**8,294.90**
Current liabilities			
a) Financial liabilities			
i. Borrowings	15	13,851.88	12,428.11
ii. Lease Liability	28	31.55	38.20
iii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	18	1,139.09	505.98
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	5,577.71	4,623.44
iv. Other financial liabilities	19	1,033.55	932.49
b) Other current liabilities	17	934.36	1,957.77
c) Provisions	16	127.93	120.08
Total current liabilities		**22,696.07**	**20,606.06**
TOTAL LIABILITIES		**32,059.65**	**28,900.96**
TOTAL EQUITY AND LIABILITIES		**75,207.89**	**68,464.33**
Notes forming part of the Financial Statements	1-46		

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Statement of Standalone Profit & Loss for the year ended 31st March, 2024

(in ₹ lakhs)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March, 2023
INCOME			
Revenue from operations	20	61,597.36	59,970.82
Other income	21	649.25	450.44
Total income		**62,246.61**	**60,421.26**
EXPENSES			
Cost of materials consumed	22(a)	37,504.14	36,822.55
Changes in inventories of finished goods and work-in-progress	22(b)	(494.54)	1,825.64
Power and fuel		2,918.88	2,638.88
Employee benefits expense	23	5,589.67	4,721.20
Finance costs	24	1,789.63	1,788.23
Depreciation and amortization expense	25	3,468.72	3,317.84
Other expenses	26	6,601.48	5,301.75
Total expenses		**57,377.98**	**56,416.09**
Profit before tax		**4,868.63**	**4,005.17**
Income tax expense			
- Current tax	27	854.09	595.45
- Deferred tax	27	401.56	410.31
Total tax expense		**1,255.65**	**1,005.76**
Profit for the year		**3,612.98**	**2,999.41**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligations		(93.40)	(149.50)
- Income tax relating to above.		23.51	37.63
Items that will be reclassified to profit or loss			
- Effective portion of gains on hedging instrument in cash flow hedges		(90.78)	(31.00)
- Income tax relating to above		22.85	7.80
Other Comprehensive Income net of income tax for the year		**(137.82)**	**(135.07)**
Total Comprehensive Income for the year		**3,475.16**	**2,864.34**
Earning per Equity Share (Face value of ₹2 each)			
Basic	37	7.88	6.54
Diluted	37	7.88	6.54
Notes forming part of the Financial Statements	1-46		

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Standalone Cash Flow Statement for the year ended 31st March, 2024

(in ₹ lakhs)

	Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
A	**Cash flow from operating activities**			
	Profit before tax		4,868.63	4,005.17
	Adjustments for:			
	Depreciation and amortization expense	3	3,468.72	3,317.84
	(Gain) / Loss on sale of property, plant and equipment	21	(3.81)	0.83
	Interest income	21	(155.71)	(282.05)
	Interest income on Income tax refund	21	-	(7.88)
	Interest component on account of Fair valuation of loan	21	(147.64)	(134.70)
	Provision of slow and non moving inventory	8	430.00	128.26
	Finance costs	24	1,789.63	1,788.23
	Allowance for expected credit losses (Impairment loss)	26	401.90	35.36
	Mark to Market Loss on Derivative Contracts (Cashflow hedge)	26	55.61	149.29
	Net unrealised exchange gain	21	(418.45)	48.19
	Sundry balances Written off / (Written back)		0.44	-
	Provision for doubtful advances to supplier		195.00	-
	Operating profit before working capital changes		**10,484.32**	**9,048.54**
	Adjustments for:			
	(Increase) / decrease in trade receivables	9	(2,697.19)	1,071.45
	Decrease / (Increase) in other receivables and advances	7	872.05	(1,003.23)
	(Increase) / decrease in inventory	8	(1,492.88)	3,716.80
	(Increase) / Decrease in other financial assets	6	204.75	200.55
	Increase / (decrease) in trade payables	18	2,005.82	(3,276.37)
	Increase / (Decrease) in other liabilities and provisions	17	(1,051.30)	(687.91)
	Cash generated from operations		**8,325.57**	**9,069.83**
	Taxes paid (net of refunds)		(878.18)	(598.36)
	Net cash generated from operating activities		**7,447.39**	**8,471.47**
B	**Cash flow from investing activities**			
	Payment for purchases of property, plant and equipment (including capital advances and capital creditors)	3	(8,675.57)	(9,409.91)
	Payment for purchases of intangibles and Intangibles under development		(165.85)	(363.36)
	Proceeds from disposal of property, plant and equipment	3	5.35	7.36
	Payment for Investment in Subsidiary		(520.71)	(630.03)
	Interest received	21	142.51	269.65
	(Investment)/ Proceeds from fixed deposit	11	(23.47)	800.68
	Net cash flow (used in) investing activities		**(9,237.73)**	**(9,325.61)**
C	**Cash flow from financing activities**			
	Proceeds from long term borrowings		4,940.00	-
	Repayment of long term borrowings		(4,312.95)	(3,817.24)
	Repayment from working capital loans (net)		1,477.17	4,997.36
	Repayment on lease liabilities		(49.42)	(60.42)
	Finance costs paid	24	(1,591.12)	(1,632.44)
	Net cash flow generated from/ (used in) financing activities		**463.68**	**(512.74)**
D	**Net increase/ (decrease) in cash and cash equivalents.**		(1,326.66)	(1,366.87)
	Cash and cash equivalents as at the beginning of the year		1,768.57	3,135.49
	Impact of exchange loss		-	(0.04)
	Cash and cash equivalents as at the end of the year		**441.91**	**1,768.57**

Standalone Cash Flow Statement for the year ended 31st March, 2024

(in ₹ lakhs)

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Reconciliation of cash and cash equivalents as per financial statement :			
Cash and cash equivalents comprise :			
a) Balances with banks		-	-
In current accounts		325.93	6.11
In EEFC accounts		111.65	55.03
b) Cash on Hand		4.32	7.43
c) Deposits with bank (Original maturity less than 3 Months)		-	1,700.00
Total		**441.91**	**1,768.57**

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows

(ii) Change in Liabilities arising from Financing Activities:

Analysis of changes in net debt	As at 31st March, 2023	Cash inflow/ (outflow)	Non - cash		As at 31st March, 2024
			Fair Value adjustments (including foreign exchange rate movement)	Others	
Current Borrowings (including Cash Credit/ Packing Credit)	8,406.51	1,477.17	-	-	9,883.69
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	10,275.06	627.05	-	49.38	10,951.50
Net debt	**18,681.57**	**2,104.22**	**-**	**49.38**	**20,835.18**

Analysis of changes in net debt	As at 31st March, 2022	Cash inflow/ (outflow)	Non - cash		As at 31st March, 2023
			Fair Value adjustments (including foreign exchange rate movement)	Others on	
Current Borrowings (including Cash Credit/ Packing Credit)	3,305.87	5,100.64	-	-	8,406.51
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	14,073.96	(3,817.24)	-	18.34	10,275.06
Net debt	**17,379.83**	**1,283.40**	**-**	**18.34**	**18,681.57**

(iii) Also refer note 10 for details of Cash and cash equivalents

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Standalone Statement of Changes in Equity for the year ended 31st March, 2024

Equity share capital

(in ₹ lakhs)

Particulars	Amount
As at 1st April, 2022	917.35
Changes in equity share capital	-
As at 31st March, 2023	**917.35**
Changes in equity share capital	-
As at 31st March, 2024	**917.35**

Other equity

Particulars	Reserves and surplus						Total other equity
	Securities premium	General reserve	Capital reserve	Share Based Payment Reserve (Refer Note 43)	Cash flow hedge reserve	Retained earning	
As at 1st April, 2022	**18,088.52**	**191.58**	**92.91**	**-**	**84.94**	**17,323.72**	**35,781.67**
Profit for the year	-	-	-	-	-	2,999.41	2,999.41
Other comprehensive income/(Loss) (Net of tax)	-	-	-	-	(23.19)	(111.87)	(135.07)
Total comprehensive income for the year	-	-	-	-	(23.19)	2,887.54	2,864.34
As at 31st March, 2023	**18,088.52**	**191.58**	**92.91**	**-**	**61.75**	**20,211.26**	**38,646.03**
As at 1st April, 2023	**18,088.52**	**191.58**	**92.91**	**-**	**61.75**	**20,211.26**	**38,646.03**
***Addition During the Year**	**-**	**-**	**-**	**109.71**	**-**	**-**	**109.71**
Profit for the year	-	-	-	-	-	3,612.98	3,612.98
Other comprehensive income/(Loss) (Net of tax)	-	-	-	-	(67.93)	(69.89)	(137.82)
Total comprehensive income for the year	**-**	**-**	**-**	**109.71**	**(67.93)**	**3,543.08**	**3,584.87**
As at 31st March, 2024	**18,088.52**	**191.58**	**92.91**	**109.71**	**(6.18)**	**23,754.35**	**42,230.89**

Nature and purpose of other reserves

1. **Securities premium**
   Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act,2013.

2. **General reserve**
   The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

3. **Capital reserve**
   Capital reserve relates to the balance towards merger of Anmol Trading Company on 1st April, 2001.

4. **Cash flow hedge reserve**
   The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

Standalone Statement of Changes in Equity for the year ended 31st March, 2024

5. Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

6. Share Based Payment Reserve*

The Company implemented "Shaily Employee Stock Option Plan 2019" (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee). For further details refer note 43.

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Jeyur Shah
Partner
Membership No: 045754
Vadodara
24 May 2024

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
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Company Secretary

Vadodara
24 May 2024

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 1: Corporate Information

Shaily Engineering Plastics Limited ("the Company") is a Public Company, limited by shares, incorporated and domiciled in India under the provisions of Companies Act, applicable in India, with its registered office in Savli, District Vadodara, Gujarat. Its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Company is engaged in the manufacture and sale of customized components made up of plastic and other materials. The Company's manufacturing facilities are at Savli and Halol, Vadodara, Gujarat.

Note 2 - I: Material accounting policies

a) Basis of preparation and measurement

i) Compliance with Ind AS

These standalone financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii) Basis of measurement

These financial statements have been prepared on the historical cost basis except for defined benefit plans - net defined benefit (asset) / liabilities which have been measured at fair value based on principles of Ind AS 19 -"Employee benefits" and certain financial assets and liabilities are measured at fair value (refer note 29 (b) for list of financial assets and liabilities measured at fair value).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Company adopted Disclosures of Accounting policies (Amendments to Ind As 1) from 1st April, 2023, although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statement.

Current / Non-current classification:

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Company, and makes strategic decisions. The managing director has been identified as being the chief operating decision maker. Refer Note 32 for segment information.

c) Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The standalone financial statements are presented in Indian rupee (₹), which is the company’s functional and presentation currency.

(ii) Transactions and balances

Monetary items denominated in foreign currencies at the year-end are translated into the functional currency at the exchange rate prevailing on the balance sheet date.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Non-monetary items are carried at historical cost using the exchange rates on the date of transaction, other than those measured at fair value. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

d) Revenue and income recognition

Revenue from contracts with customers

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

The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It 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. It is reassessed at end of each reporting period.

Contract balances

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company delivers performance obligation under the contract.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Export incentives

Export incentive available under prevalent scheme is accrued in the year when the right to receive credit as per the term of scheme is established in respect of exports made and accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Deferred tax is provided, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f) Leases

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use 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 site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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 the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

g) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the 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 the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, 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.

i) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventory	Cost Formula
Raw materials, components and packing materials	Weighted average cost basis.
Raw material in transit	At Cost to date
Work-in-process and Finished goods	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Stores and Spares	First in first out.

The Company considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impact the Company's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Company considers the above factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

j) Financial assets and liabilities

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income (FVTOCI);

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

c) Financial assets measured at fair value through statement of profit and loss (FVTPL).

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

a) The Company's business model for managing the financial assets;

b) The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

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

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets; and

b) The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) The contractual rights to the cash flows from the financial asset have expired, or

b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

    i) The Company has transferred substantially all the risks and rewards of the asset, or

    ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12 month's expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

a) Financial liabilities measured at amortised cost;

b) Financial liabilities subsequently measured at fair value through statement of profit and loss (FVTPL)

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

A financial liability is derecognised 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 recognised in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

k) Property, plant and equipment

Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress and after commissioning the same is transferred / allocated to the respective item of PPE. Pre-operative costs, being indirect in nature, are expensed to the Statement of Profit and Loss as and when incurred.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation methods, estimated useful lives and residual value.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are in accordance with Schedule II to the Companies Act, 2013. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

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 disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other incomes/expenses.

Classes of assets and their estimated useful lives:

Nature	Useful Life
Buildings	30
Plant and Machinery	5-15
Tools and Equipment	5-15
Electrical Installation	10
Furniture & Fixtures	10
Office equipment	5
Computer Hardwares	3
Roads	15
Vehicles	8

l) Intangible assets

Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated recognised i and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is recognised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation

Intangible assets are amortised over the estimated period of benefit i.e. 3 to 10 years.

m) Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is recognised as intangible asset.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

n) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are recognised. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for recognised ion.

Other borrowing costs are expensed in the period in which they are incurred.

o) Provisions, Contingent Liabilities and Contingent Assets

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, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursements.

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.

Contingent liability is disclosed in the case of:

a) A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) A present obligation arising from the past events, when no reliable estimate is possible;

c) A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Final dividend on shares is 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.

p) Employees Benefits

(i) Short-term obligations

Liabilities for wages and salaries and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Long-term obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service and measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund and superannuation fund

a) Defined benefit plans

The employees' gratuity fund scheme managed by HDFC Standard Life Insurance is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements of net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any excluding interest) are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of the contributions and benefit payments.Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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 recognised immediately in profit or loss. The Company recognizes gains and losses on settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation Fund Contribution towards superannuation fund for qualifying employees as per the Company's policy is made to Life Insurance Corporation of India where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from contribution made on monthly basis.

q) Dividend

The Company recognised a liability to pay dividend to equity holders when the distribution is recognised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is recognised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r) Earnings per share

Basic earning per share is calculated by dividing the profit or loss attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

s) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs upto two decimals as per the requirement of Schedule III, unless otherwise stated.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

t) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Standalone statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

u) Derivative and Hedging Activities

The Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Company opts to undertake hedge accounting, the Company documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

v) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement.

When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss. When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Statement of Profit and Loss.

w) Share capital

The paid-up equity capital of the company as on 31st March, 2024 was ₹917.35 Lacs. The said shares are listed on the BSE Limited and the National Stock Exchange of India Limited. There was no change in the paid-up capital of the company, during the year under audit..

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 2 - II: Use of estimates and judgements

The preparation of Standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

The area involving critical estimates or judgements is:

- **Employee benefit plans**

  The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Embedded lease arrangement**

  The Mould required with respect to the arrangement with customer for customize manufacturing, is identified as embedded lease arrangement, as per Note 41, considering commitment by the customer in agreement with the company. Over this period, customer commits to purchase definite quantity of product from the company at fixed price per unit, failing which customer commits to pay to the company for the unsold quantity of the product) at such fixed rate per unit.

- **Useful lives and residual value of property, plant and equipment**

  The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in a change in depreciation expense in future periods.

- **Expected Credit Loss**

  In accordance with Ind AS 109, the Company follows 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

- **Income taxes**

  Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

  Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Standalone notes forming part of the financial statements

as at and for the year ended 31st March, 2024

Note 3 - Property, plant and equipment

(in ₹ lakhs)

Particulars	Freehold Land	Leasehold Land (Refer note i)	Buildings	Plant and Machinery	Plant and Machinery - R&D	Electrical Installations	Electrical Installations - R&D	Tools and Equipment	Tools and Equipment - R&D	Furniture and Fixtures	Office Equipment	Computer Hardwares	Roads	Vehicles	Total	Capital work-progress
Gross carrying amount as at 1st April, 2022	1,880.57	9.20	9,828.89	19,744.33	199.17	1,794.66	3.76	7,069.56	80.95	447.78	206.99	293.82	20.36	632.55	42,212.59	1,612.07
Additions	-	-	680.84	2,237.19	-	81.84	-	2,353.92	-	174.83	31.24	42.33	60.18	-	5,662.36	8,948.10
Disposals/Capitalisation	-	-	-	(79.74)	-	-	-	-	-	-	-	-	-	(42.45)	(122.19)	(5,662.36)
Cost as at 31st March, 2023	**1,880.57**	**9.20**	**10,509.73**	**21,901.78**	**199.17**	**1,876.50**	**3.76**	**9,423.48**	**80.95**	**622.61**	**238.23**	**336.15**	**80.55**	**590.09**	**47,752.76**	**4,897.81**
Accumulated Depreciation as at 1st April, 2022	-	-	994.21	6,764.77	11.01	556.44	0.33	1,004.97	4.04	154.64	83.95	171.99	18.00	237.91	10,002.26	-
Depreciation for the year	-	-	340.70	1,861.41	-	168.97	-	506.81	-	45.65	36.68	64.41	14.41	78.98	3,118.02	-
Disposals	-	-	-	(75.77)	-	-	-	-	-	-	-	-	-	(38.25)	(114.02)	-
Accumulated Depreciation as at 31st March, 2023	**-**	**-**	**1,334.91**	**8,550.41**	**11.01**	**725.41**	**0.33**	**1,511.78**	**4.04**	**200.29**	**120.63**	**236.40**	**32.42**	**278.64**	**13,006.26**	**-**
Net carrying amount as at 31st March, 2023	**1,880.57**	**9.20**	**9,174.82**	**13,351.37**	**188.16**	**1,151.09**	**3.43**	**7,911.70**	**76.91**	**422.32**	**117.60**	**99.75**	**48.13**	**311.45**	**34,746.50**	**4,897.81**
Gross carrying amount as 1st April, 2023	1,880.57	9.20	10,509.73	21,901.78	199.17	1,876.50	3.76	9,423.48	80.95	622.61	238.23	336.15	80.55	590.09	47,752.78	4,897.81
Additions	-	-	3,462.20	5,219.67	-	356.96	-	2,634.44	-	189.20	24.35	92.09	-	-	11,978.91	8,659.09
Disposals/Capitalisation	-	-	-	20.46	-	-	-	-	-	-	-	-	-	-	20.46	(12,024.91)
Cost as at 31st March,2024	**1,880.57**	**9.20**	**13,971.93**	**27,100.99**	**199.17**	**2,233.46**	**3.76**	**12,057.92**	**80.95**	**811.81**	**262.58**	**428.24**	**80.55**	**590.09**	**59,711.22**	**1,532.00**
Accumulated Depreciation as at April 1, 2023	-	-	1,334.91	8,550.41	11.01	725.41	0.33	1,511.78	4.04	200.29	120.63	236.40	32.42	278.64	13,006.26	-
Depreciation for the year	-	-	425.10	1,717.83	-	184.29	-	674.15	-	54.37	33.09	53.31	19.49	69.82	3,231.44	-
Disposals	-	-	-	18.92	-	-	-	-	-	-	-	-	-	-	18.92	-
Accumulated Depreciation as at 31st March, 2024	**-**	**-**	**1,760.01**	**10,249.32**	**11.01**	**909.69**	**0.33**	**2,185.92**	**4.04**	**254.66**	**153.72**	**289.71**	**51.91**	**348.46**	**16,218.79**	**-**
Net carrying amount as at 31st March, 2024	**1,880.57**	**9.20**	**12,211.91**	**16,851.67**	**188.16**	**1,323.78**	**3.43**	**9,871.98**	**76.91**	**557.15**	**108.86**	**138.53**	**28.64**	**241.63**	**43,492.43**	**1,532.00**

Notes:

(i) The company has acquired land for 99 years lease with an option to continue for another 99 years.

(ii) Refer note 38 for assets pledged as security.

(iii) Refer note 35 for disclosure of contractual obligations for acquisition of plant, property and equipment.

(iv) Addition includes borrowing cost of ₹24.93 Lakhs (PY ₹ nil Lakhs) capitalised using the rate base on specific borrowings ranging from 7.20% to 9.06%

(v) Capital Work in progress for the year ended March 31, 2024 and March 31, 2023 includes mainly plant & machinery, tools and equipments, building, electrification and preoperative expenses for New business projects expansion.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 3A - Capital-Work-in Progress (CWIP) ageing Schedule for the year ended:

As on 31st March, 2024

(in ₹ lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,453.83	78.18	-	-	1,532.00
Projects temporarily suspended	-	-	-	-	-
Total	**1,453.83**	**78.18**	**-**	**-**	**1,532.00**

31st March, 2023

(in ₹ lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	4,897.81	-	-	-	4,897.81
Projects temporarily suspended	-	-	-	-	-
Total	**4,897.81**	**-**	**-**	**-**	**4,897.81**

Note:

The projects mentioned above are expected to be completed as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

Note 3B - Right-of-use assets

(in ₹ lakhs)

	Buildings	Total
Gross carrying amount as at 1st April, 2022	-	-
Additions during the year	201.98	201.98
Deductions / Adjustments during the year	-	-
Gross carrying amount as at 31st March, 2023	**201.98**	**201.98**
Accumulated depreciation as at 1st April, 2022	41.73	41.73
Depreciation for the year	47.26	47.26
Deductions during the year	-	-
Translation exchange difference	-	-
Accumulated depreciation as at 31st March, 2023	88.99	88.99
Net carrying amount as at 31st March, 2023	**112.99**	**112.99**
Gross carrying amount as at 1st April, 2023	201.98	201.98
Deductions / Adjustments during the year	22.41	22.41
Gross carrying amount as at 31st March, 2024	**179.57**	**179.57**
Accumulated depreciation as at 1st April, 2023	88.99	88.99
Depreciation for the year	41.63	41.63
Deductions during the year	14.93	14.93
Accumulated depreciation as at 31st March, 2024	115.69	115.69
Net carrying amount as at 31st March, 2024	**63.88**	**63.88**

(i) Lease contracts entered by the Company majorly pertains for building taken on lease to conduct its business in the ordinary course.

(ii) Lease expenses of ₹19.69 Lakhs and ₹17.75 lakhs recognised in statement of profit and loss in other expenses for the year ended 31st March, 2024 and 31st March, 2023 respectively towards short-term leases, lease of low value assets and variable lease rental not included in measurement of lease liability.

(iii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.

(iv) Lease obligations, interest expense on lease, maturity profile of lease obligation and payment of lease obligations are disclosed respectively in Balance Sheet, Finance cost.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 4 - Intangible assets

(in ₹ lakhs)

Particulars	Copyright & Patents	Computer Software	Computer Software (R&D)	Total (A)	Intangible under development (B)	Total (A+B)
Gross carrying amount as at 1st April, 2022	459.10	374.83	28.92	862.85	1,250.19	2,113.05
Additions	1,012.01	32.26	-	1,044.27	363.36	1,407.63
Capitalisation	-	-	-	-	(1,044.27)	(1,044.27)
Cost as at 31st March, 2023	**1,471.11**	**407.09**	**28.92**	**1,907.12**	**569.28**	**2,476.41**
Accumulated Depreciation as at 1st April, 2022	135.92	227.43	8.10	371.46	-	371.46
Amortisation charge for the period	79.43	73.13	-	152.56	-	152.56
Accumulated Depreciation as at 31st March, 2023	**215.35**	**300.57**	**8.10**	**524.02**	**-**	**524.02**
Net carrying amount as at 31st March, 2023	**1,255.75**	**106.52**	**20.82**	**1,383.10**	**569.28**	**1,952.38**
Gross carrying amount as at 1st April, 2023	1,471.11	407.09	28.92	1,907.12	569.28	2,476.41
Additions	501.33	25.84	-	527.17	165.85	693.02
Capitalisation	-	-	-	-	(527.17)	(527.17)
Cost as at 31st March, 2024	**1,972.44**	**432.93**	**28.92**	**2,434.29**	**207.96**	**2,642.26**
Accumulated Depreciation as at 1st April, 2022	215.35	300.57	8.10	524.02	-	524.02
Amortisation charge for the period	148.41	47.23	-	195.64	-	195.64
Accumulated Depreciation as at 31st March, 2024	**363.76**	**347.80**	**8.10**	**719.66**	**-**	**719.66**
Net carrying amount as at 31st March, 2024	**1,608.68**	**85.13**	**20.82**	**1,714.63**	**207.96**	**1,922.60**

Note 4A - Intangible Assets under Development (IAUD) ageing Schedule for the year ended:

As on 31st March, 2024:

(in ₹ lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	131.82	76.14	-	-	207.96
Projects temporarily suspended	-	-	-	-	-
Total	**131.82**	**76.14**	**-**	**-**	**207.96**

As on 31st March, 2023:

(in ₹ lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	301.08	246.81	17.96	3.43	569.28
Projects temporarily suspended	-	-	-	-	-
Total	**301.08**	**246.81**	**17.96**	**3.43**	**569.28**

Note:

The projects mentioned above are expected to be completed as per plan and there are no projects which are overdue or has exceeded its cost compared to its original plan.

Note 5 - Non-current investments

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in Equity Instrument in Subsidiary at cost, unquoted		
2,00,000 (31st March, 2023: 2,00,000) Equity shares of Shaily UK Limited, fully paid up of 1 GBP Each.	205.07	205.07
Investment in equity instruments (fully paid-up) at FVOCI (Unquoted)		
1,19,000 (31st March, 2023: 1,19,000) Shares of Panax Appliances Pvt Ltd fully paid up (PY : 119,000) Equity Shares of ₹10/- each	11.90	11.90

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 5 - Non-current investments *(Contd.)*

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Less : Impairment allowances for investment	(11.90)	(11.90)
325 Shares of The Citizen Co-Operative Credit Society Ltd, fully paid up (31st March, 2023: 325) Equity shares of ₹25 each	0.08	0.08
Total Investment in Equity	**205.15**	**205.15**
Investment in Preference Share in Subsidiary at cost, unquoted		
Class A 9,50,000 (31st March, 2023: 9,50,000) non convertible preference shares of Shaily UK Limited, fully paid up preference Shares of 1 GBP Each	937.40	937.40
Investment in Preference Share in Subsidiary at Cost, unquoted		
Class B 900,000 (31st March, 2023: 400,000) 8% non convertible preference shares of Shaily UK Limited, fully paid up preference Shares of 1 GBP Each	920.08	399.36
Investment in Preference shares (fully paid up) at amortised cost (Unquoted)		
871000 6 % Cummulative Redeemable Preference Shares of ₹4/- each of Panax Appliances Pvt Ltd fully paid up (PY : 871,000 at ₹4/- each)	27.04	27.04
Less : Impairment allowances for investment	(27.04)	(27.04)
Total investment in preference shares	**1,857.47**	**1,336.76**
Total investments	**2,062.62**	**1,541.91**
Aggregate amount of unquoted investments	1,181.49	1,181.49
Aggregate amount of Impairment in value of investment	38.94	38.94

Note 6 - Other financial assets

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Security deposits	47.08	47.08
Total non-current	**47.08**	**47.08**
Current		
Finance lease receivable	18.15	55.46
Other financial assets	18.81	68.77
Derivative asset	154.58	292.71
Total current	**191.54**	**416.94**

Note 7 - Other assets

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Capital advances	1,690.57	1,556.04
Prepaid expenses	9.26	8.23
Balances with government authorities	127.82	156.35
Total Non-Current	**1,827.65**	**1,720.62**
Current		
Prepaid expenses	229.10	269.51
Contract assets*	107.33	57.61
Advance to suppliers	615.49	662.67
Less : Provision for advances	(195.00)	-
Advance to employees	42.18	49.67
Balances with government authorities	2,002.12	2,878.76
Total Current	**2,801.23**	**3,918.23**

Advance to suppliers includes receivable from related parties - refer note 33

*Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 8 - Inventories (Valued at lower of cost and net realisable value)

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw materials and components	3,927.01	3,610.79
(Goods in transit ₹819.13 lakhs 31st March, 2024: ₹871.44 lakhs 31st March,2023)		
Work-in-progress	1,752.19	1,318.15
Finished goods	1,771.24	1,710.75
Stores and spares	615.35	405.34
Packing materials	294.56	252.44
Total	**8,360.35**	**7,297.47**

The Company follows suitable provisioning norms for written down the value of inventories towards slow moving and non moving inventory. Provision for the slow moving and non moving inventories during the year is ₹430 lakhs (31st March, 2023 is ₹128.26 Lakhs).

Refer note 38 for assets pledged as security.

Note 9 - Trade Receivables

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Trade Receivables unsecured considered good*	11,174.68	8,879.39
b) Trade Receivables which have been Significant increase in Credit Risk	600.23	198.33
Less : Allowance for expected credit loss	(600.23)	(198.33)
Total	**11,174.68**	**8,879.39**

*For dues from related parties - refer note 33

Refer note 38 for assets pledged as security.

(i) Trade Receivables ageing schedule for the year ended:

As on 31st March, 2024:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	8,243.46	2,882.79	322.49	80.44	238.95	6.80	11,774.92
Less : Allowance for expected credit loss	(54.09)	(115.81)	(199.85)	(53.55)	(172.04)	(4.89)	(600.23)
Total	**8,189.37**	**2,766.99**	**122.63**	**26.89**	**66.91**	**1.90**	**11,174.68**
Weighted Average loss rate	**0.66%**	**4.02%**	**61.97%**	**66.57%**	**72.00%**	**72.00%**	

As on 31st March, 2023:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	7,692.64	1,051.81	48.03	271.66	7.94	5.64	9,077.72
Less : Allowance for expected credit loss	(30.15)	(16.57)	(19.17)	(125.31)	(4.17)	(2.96)	(198.33)
Total	**7,662.49**	**1,035.24**	**28.86**	**146.35**	**3.77**	**2.68**	**8,879.39**
Weighted Average loss rate	**0.39%**	**1.58%**	**39.91%**	**46.13%**	**52.54%**	**52.48%**	

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 10 - Cash and cash equivalents

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Balances with banks		
In current accounts	325.93	6.11
In EEFC accounts	111.65	55.03
b) Cash on Hand	4.32	7.43
c) Deposits with bank (Original maturity less than 3 Months)	-	1,700.00
Total	**441.91**	**1,768.57**

Note 11 - Bank balances other than cash and cash equivalents

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
In earmarked accounts		
Unpaid dividend accounts	1.58	2.10
Balances held as margin money (less than 12 months but more than 3 months maturity)*	412.89	388.38
Total	**414.46**	**390.48**

* Balance held as margin money are pertaining to deposits marked as lien against letter of credit and bank guarantee.

Note 12 - Loans

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Loan to Employees - (Unsecured, considered good)	62.60	45.34
Intercorporate Deposit - (Secured, Considered Good) Loan to Corvi Led Pvt Ltd.	580.54	520.38
Total	**643.14**	**565.72**

Note 13 (a) - Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(i) Authorised share capital

(in ₹ lakhs)

Particulars	Number of shares	Amount
As at 31st March, 2024 (Equity shares of ₹2 each)	1,60,00,000	1,600.00
As at 31st March, 2023 (Equity shares of ₹10 each)	1,60,00,000	1,600.00

(ii) Issued,Subscribed and fully paid up

(in ₹ lakhs)

Particulars	Number of shares	Amount
As at 31st March, 2024 (Equity shares of ₹2 each) *	4,58,67,510	917.35
As at 31st March, 2023 (Equity shares of ₹10 each)	91,73,502	917.35

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 13 (a) - Share capital *(Contd.)*

(iii) Reconciliation of number of shares

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount ₹ Lakhs	Number of shares	Amount ₹ Lakhs
Equity shares				
Opening balance	91,73,502	917.35	91,73,502	917.35
Sub-division of equity shares *	3,66,94,008	-	-	-
Closing balance	**4,58,67,510**	**917.35**	**91,73,502**	**917.35**

*Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") , the Board of Directors of the Company, at its meeting held on 2nd September, 2023, has approved Subdivision of existing Equity Share of the Company from one (1) equity share having a face value of ₹10/- each fully paid-up into five (5) Equity Shares of face value of ₹2/- (Rupees Two only) each fully paid-up.

(iv) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹10 each. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Details of shareholders holding more than 5% shares in the Company

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	% Holding	Number of shares*	% Holding
Mahendra Sanghvi	41,81,675	9.12%	10,36,335	11.30%
Tilottama Sanghvi	64,38,575	14.04%	12,87,715	14.04%
Laxman Sanghvi	23,82,120	5.19%	4,76,424	5.19%
Jayessh Shah	38,11,155	8.31%	7,62,231	8.31%
Ashish Kacholia	25,43,480	5.55%	5,99,696	6.54%
HDFC Small Cap Fund	9,93,357	2.17%	6,88,502	7.51%
Light house India III Equity Investors Limited	20,20,105	4.40%	5,07,198	5.53%

* These are considered at face value of ₹10 considering subdivision of shares has happended in current financial year.

(vi) Disclosures of Shareholding of Promoters - Shares held by the Promoters:

(in ₹ lakhs)

Promoter name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	Number of shares	% of total shares	Number of shares*	% of total shares	
Mahendra Sanghvi	41,81,675	9.12%	10,36,335	11.30%	-2.18%
Laxman Sanghvi	23,82,120	5.19%	4,76,424	5.19%	0.00%
Tilottama Sanghvi	64,38,575	14.04%	12,87,715	14.04%	0.00%
Amit Sanghvi	13,03,290	2.84%	60,658	0.66%	2.18%
Jayessh Shah	38,11,155	8.31%	7,62,231	8.31%	0.00%
Kalpana Sanghvi	3,76,500	0.82%	75,300	0.82%	0.00%
Ramesh Shah	55,840	0.12%	11,178	0.12%	0.00%
Purnima Shah	50,040	0.11%	10,008	0.11%	0.00%
Lax Nagda	10,43,510	2.28%	2,08,702	2.28%	0.00%
Shaily Sanghvi	4,50,000	0.98%	90,000	0.98%	0.00%
Total	**2,00,92,705**	**43.81%**	**40,18,551**	**43.81%**	**-**

No. of shares as at 31st March, 2023 - These are considered at face value of ₹10 considering subdivision of shares has happended in current financial year.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 13 (a) - Share capital *(Contd.)*

(vii) No equity shares are issued as bonus shares or for consideration other than cash or have been bought back in previous five financial years

Note 13 (b) - Other Equity

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Securities premium		
Opening balance	18,088.52	18,088.52
Addition During the Year	-	-
Utilised	-	-
Closing balance	**18,088.52**	**18,088.52**
(b) Capital reserve		
Opening balance	92.91	92.91
Transfer from/to retained earnings	-	
Closing balance	**92.91**	**92.91**
(c) General reserve		
Opening balance	191.58	191.58
Transfer from/to retained earnings	-	
Closing balance	**191.58**	**191.58**
(d) Share based payment reserve		
Opening balance	-	-
Addition during the year	109.71	-
Closing balance	**109.71**	**-**
(e) Cash flow hedge reserve		
Opening balance	61.75	84.94
(Addition) during the year	(67.93)	(23.19)
Closing balance	**(6.18)**	**61.75**
(f) Retained earnings		
Opening balance	20,211.26	17,323.72
Profit for the year	3,612.98	2,999.41
Item of other comprehensive income	(69.89)	(111.87)
Closing balance	**23,754.35**	**20,211.26**
Total	**42,230.89**	**38,646.02**

The Board of Directors in their meeting held on 24th May, 2024 recommended a final dividend of ₹1 per equity share for the financial year ended 31st March, 2024. The payment is subject to the approval of shareholders in the AGM of the Company and if approved, would result in a net cash outflow of approximately ₹458.68 Lakhs.

For details of nature and purpose of each reserve, please refer Statement of changes in equity.

Note 14 - Non-Current borrowings

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term loans:		
Rupee currency from banks	6,842.34	5,103.50
Foreign currency from banks	140.97	1,148.10
Vehicle loan	-	1.86
Total	**6,983.30**	**6,253.46**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 14 - Non-Current borrowings *(Contd.)*

(in ₹ lakhs)

Particulars	Maturity and terms of repayment	Coupon Rate	As at 31st March, 2024	As at 31st March, 2023
Term loans				
Rupee Currency		8.95% to 10.05% PY 7.20% to 9.55%	9,668.47	8,102.06
HDFC Term loan	TL-3 Quarterly installment of ₹166.67 lakhs till Jan 2025 TL-4 Quarterly installment of ₹111.11 lakhs from Apr 2021 till Jul 2025 TL New - Quarterly installment of ₹83.31 lakhs from Apr 2021 till Jul 2025 GECL WCDL Loan - Monthly installment of ₹30.94 lakhs from Apr 2022 till Mar 2026	-	-	-
State Bank of India	TL-2 Quarterly installment of ₹190 lakhs from Dec 2021 to Mar 2022, remaining quarterly installments of ₹195 lakhs from Jun 2022 to Mar 2026 TL 8 Cr - Quarterly installment of ₹4.00 lakhs from Mar 2022 till Dec 2026 GECL WCDL Loan - Monthly installment of ₹12.08 lakhs from Oct 2022 till Sep 2026	-	-	-
Standard Chartered Bank	GECL WCDL Loan - Monthly installment of ₹7.91 lakhs from Apr 2022 till Mar 2026	-	-	-
Foreign Currency	-	-	-	-
Standard Chartered Bank	ECB-1 Quarterly installment of Euro 1.25 lakhs From May 2021 till Feb 2025 ECB-2 Quarterly installment of Euro 1.56 lakhs from Aug 2021 till May 2025	3 months EURIBOR + 3% March 31, 2023: 3 months EURIBOR + 3%	1,155.92	2,156.18
Other Loans (Vehicle Loans)	Monthly installment of ₹2.99 lakhs till Nov 2022 Monthly installment of ₹0.91 lakhs till Dec 2023 Monthly installment of ₹0.62 lakhs till Jun 2024	7.81% to 9.06% March 31, 2023: 8.76% to 9.06%	1.86	16.83
Total long-term borrowings	-	-	**10,826.25**	**10,275.07**
Less: Current maturities of long-term borrowings (included in note 15)	-	-	(3,842.95)	(4,021.61)
Total non-current borrowings	**-**	**-**	**6,983.30**	**6,253.46**

Security-

Security- Term loans from banks are secured by first pari passu charge over entire property, plant and equipments of the Company and second pari passu charge over entire current assets of the company. Foreign Currency Loan from Bank is secured by first pari passu charge with existing term lender over entire property, plant and equipment of the Company and second pari passu charge on all the current assets with all existing working capital lenders. Also refer to Note No. 38 for further details.

In case of other loans (Vehicle Loans), Vehicles purchased are hypothecated with the lender.

Note 15 - Current borrowings

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Loans repayable on demand (Secured)		
From banks		
Cash credit /Packing credit	9,316.00	7,707.63
Current maturities of long-term borrowing (Refer note 14) (Including interest accrued ₹128.83 lakhs and in previous year ₹103.28)	3,971.78	4,124.89
Bill discounting	564.10	595.59
Total	**13,851.88**	**12,428.11**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 15 - Current borrowings *(Contd.)*

Cash credit /Packing credit and bill discounting facilities from banks are secured by hypothecation of all current assets of the Company, present and future, such as inventories,receivables, loans and advances, etc. Cash credit /Packing credit and bill discounting are further secured by second pari passu charges over entire property, plant and equipments of the Company.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

Note 16 - Provisions

Employee Benefit Provisions

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Provision for compensated absences	218.49	214.44
Provision for litigations	-	18.72
Total Non-Current	**218.49**	**233.16**
Current		
Provision for compensated absences	127.93	120.08
Total Current	**127.93**	**120.08**

Movement in provision :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	18.72	-
Provided during the year	-	18.72
Settled during the year	(18.72)	-
Closing balance	**-**	**18.72**

Defined contribution plans

The Company makes Provident Fund and Superannuation Fund Contributions to defined contribution plans for qualifying employees. The Provident fund plan is operated by the Regional provident fund Commissioner. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary (i.e @12% is employer's contribution and @12% employee's contribution) as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised for year ended 31st March, 2024 ₹423.76 lakhs (Year ended 31st March, 2023 ₹385.42 lakhs) for Provident Fund contributions, contribution towards Employee State Insurance scheme and other funds in the Statement of Profit and Loss.

Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Compensated absences

Provision for compensated absences covers the liability for sick and earned leave. Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders the related services are measured at the present value of expected future payments to be made in respect of such services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The amount recognised towards compensated absenses in statement of Profit and Loss during the year is ₹167.64 lakhs (Previous Year ₹136.68 lakhs).

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

(ii) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(iv) Investment Risk : The Company has funded with HDFC Insurance fund, therefore there is no significant Investment risk.

Gratuity

(in lakhs)

Particulars	As at 31st March, 2024 Gratuity (Funded)	As at 31st March, 2023 Gratuity (Funded)
(i) Change in defined benefit obligation		
Balance at the beginning of the year	769.24	584.29
Adjustment of:		
Current Service Cost	43.69	35.38
Interest Cost	47.84	33.86
Actuarial (gains) losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	8.81	(29.25)
- Experience Changes	111.66	170.51
Benefits Paid	(21.86)	(25.55)
Balance at the end of the year	**959.38**	**769.24**

(in lakhs)

Particulars	As at 31st March, 2024 Gratuity (Funded)	As at 31st March, 2023 Gratuity (Funded)
(ii) Change in fair value of assets		
Balance at the beginning of the year	769.24	532.27
Re-measurements due to:		
Actual Return on plan assets less interest on plan assets	27.07	(8.23)
Interest income	35.69	31.55
Contribution by the employer	149.24	239.20
Benefits Paid	(21.86)	(25.55)
Balance at the end of the year	**959.38**	**769.24**
(iii) Net asset / (liability) recognised in the Balance sheet		
Present value of defined benefit obligation	959.38	769.24
Fair value of plan assets	(959.38)	(769.24)
Net (asset) / liability in the Balance sheet	**-**	**-**
(iv) Expenses recognised in the statement of Profit and loss		
Current service cost	43.69	35.38
Interest cost	12.15	2.31
Total expense charged to statement of Profit and loss	**55.84**	**37.69**
(v) Re-measurements recognised in other comprehensive Income (OCI):		
Changes in financial assumptions	8.81	(29.25)
Experience adjustments	111.66	170.51
Actual return on plan assets less interest on plan assets	(27.07)	8.24
Amount recognised in other comprehensive Income (OCI):	**93.40**	**149.50**

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Present value of funded obligations	959.38	769.24
Fair value of plan assets	(959.38)	(769.24)
(Surplus) of funded plan	**-**	**-**
Unfunded plan	-	-
(Surplus) of Gratuity plan	**-**	**-**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

Fair value of plan assets at the balance sheet date for defined benefit obligations:

Gratuity

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Insurer managed funds (funded with HDFC Insurance fund)	(959.38)	(769.24)
Total	**(959.38)**	**(769.24)**

Major category of plan assets as a % of plan assets :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Debentures/Bonds	36.94%	49.86%
Govt Securities	60.36%	49.90%
Deposits, Money Market Securities and Net Current Assets	2.69%	0.24%
Total	**100.00%**	**100.00%**

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Gratuity

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount rate	7.25%	7.40%
Salary escalation rate	5.00%	5.00%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

The Expected contribution for the next year in ₹60.32 lacs.

Weighted average duration of Defined Benefit Obligation as at valuation date is 7.13 years (for PY 6.73 years).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(in ₹ lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation Increase /(decrease) in assumption	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Discount rate	+/ -0.5%	+/- 0.5%	(28.69) / 30.67	(22.66) / 24.21
Salary escalation rate	+/ -0.5%	+/- 0.5%	32.53 / (30.64)	23.59 / (22.28)
Withdrawal Rate	+/ -10%	+/- 10%	(1.18) / 1.57	(0.84) / 1.18

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Maturity Analysis

(in ₹ lakhs)

Particulars	Year 1	Year 2	Year 3 - 5	Year 6 - 10
31st March, 2024				
Defined Benefit Obligation	277.51	103.99	136.89	367.15
31st March, 2023				
Defined Benefit Obligation	254.50	27.46	162.84	253.14

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

Compensated absences

The summary of the assumptions used in the valuations is given below:

Financial Assumptions (in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount Rate (p.a)	7.25%	7.40%
Salary Growth Rate (p.a)	5.00%	5.00%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

Leave Availment & Encashment Rate (in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Leave Availment Rate (p.a.)	1.00%	1.00%

Note 17 - Other liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Advance from customers	72.63	-
Deferred income	8.49	10.19
Total Non-Current	**81.12**	**10.19**
Current		
Advance from customers	758.71	1,810.91
Liability towards corporate social responsibility	52.43	44.88
Deferred income	1.46	1.13
Statutory dues	121.75	100.85
Total Current	**934.36**	**1,957.77**

Note 18 - Trade payables

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) total outstanding dues of micro enterprises and small enterprises	1,139.09	505.98
(b) total outstanding dues of creditors other than micro enterprises and small enterprises *	5,577.71	4,623.44
Total	**6,716.80**	**5,129.42**

*For dues to related parties - refer note 33

(i) Trade Payables ageing schedule for the year ended:

As at 31st March, 2024: (in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	924.82	209.39	4.55	0.33	-	1,139.09
(ii) Others*	4810.71	673.00	15.00	21.00	58.00	5,577.71
Total	**5,735.53**	**882.39**	**19.55**	**21.33**	**58.00**	**6,716.80**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 18 - Trade payables *(Contd.)*

As at 31st March, 2023:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	389.54	115.08	0.48	0.88	-	505.98
(ii) Others*	3,058.28	1,438.49	11.73	94.91	20.03	4,623.44
Total	**3,447.82**	**1,553.57**	**12.21**	**95.79**	**20.03**	**5,129.42**

* This also includes accruals

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the company and relied by the auditors.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,267.91	505.98
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.78	6.29
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	4,788.31	1,713.21
- Amount of principal payments made to the supplier beyond the appointed day	4,788.31	1,713.21
- Amount of interest payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	55.94	13.77
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	58.72	55.65
(vi) The amount of further interest due and payable even in the succeeding year, 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	114.37	55.65

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

Note 19 - Other financial liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Deferred premium on derivative instrument	-	33.86
Total Non-Current	**-**	**33.86**
Current		
Unpaid dividends	1.58	2.10
Capital creditors	466.47	394.41
Trade/Security deposit received	-	1.00
Accrued expense	6.91	3.23
Employee liabilities	517.94	460.05
Deferred premium on derivative instrument	32.41	71.70
Derivative liability	8.25	-
Total Current	**1,033.55**	**932.49**

Capital creditors includes total outstanding dues of micro enterprises and small enterprises of ₹128.82 lakhs. (previous year Nil)

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 20 - Revenue from operations

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of products	60,392.60	59,242.10
Sale of services	970.91	555.52
Other operating revenue		
Sale of scrap	170.55	157.09
Export incentives	17.60	1.16
Others.	45.70	14.95
Total other operating revenue	**233.85**	**173.20**
Total	**61,597.36**	**59,970.82**

Note 21 - Other income

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Income on deposits	155.71	282.05
Interest Income on Income Tax refund	-	7.88
Profit on sale of Asset	3.81	-
Net gain on foreign currency transactions	206.19	-
Interest component on account of Fair valuation of loan*	147.64	134.70
Other non-operating income	135.91	25.81
Total	**649.25**	**450.44**

*Interest income is recognised using effective interest rate.

Note 22(a) - Cost of material consumed

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening stock	3,863.23	5,954.78
Add:Purchases	37,862.48	34,730.99
Less :Closing stock	(4,221.57)	(3,863.23)
Total	**37,504.14**	**36,822.55**

Note 22(b) - Changes in inventories of finished goods and work in progress

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Inventories at the end of the year		
Finished goods	1,771.24	1,710.75
Work in progress	1,752.19	1,318.15
	3,523.43	**3,028.90**
Inventories at the beginning of the year		
Finished goods	1,710.75	3,127.37
Work in progress	1,318.15	1,727.17
	3,028.88	**4,854.54**
Net (increase) /decrease	**(494.54)**	**1,825.64**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 23 - Employee benefit expenses

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	4,901.77	4,098.15
Contributions to provident and other funds	423.76	385.42
Staff welfare expenses	264.14	237.63
Total	**5,589.67**	**4,721.20**

Note 24 - Finance costs

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense on:		
Borrowings	1,575.94	1,497.69
Loans from related parties	-	1.11
Exchange difference on restatements of ECB to the extent considered as interest cost	-	107.81
Interest component on account of Fair valuation of loan*	141.36	143.64
Interest expense on lease	7.77	11.39
Others	64.56	26.59
Total	**1,789.63**	**1,788.23**

*Interest expense is recognised using effective interest rate.

Note 25 - Depreciation and amortisation expense

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation of property, plant and equipment	3,231.44	3,118.02
Amortisation of intangible assets	195.64	152.56
Depreciation on right to use assets	41.63	47.26
Total	**3,468.72**	**3,317.84**

Note 26 - Other expenses

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Stores and spares consumed	405.81	205.44
Subcontracting and labour charges	2,103.26	1,562.30
Repairs & maintenance		
- Building	24.73	23.40
- Plant & Machinery	420.17	656.94
- Others	117.98	103.76
Rent (Refer note 28)	19.69	17.75
Rates and taxes	150.68	20.22
Insurance	262.96	240.12
Conveyance expense	39.41	36.04
Postage and telephone expense	42.86	39.76
Printing and stationery	69.69	35.77
Vehicle expense	112.53	108.05
Legal and professional	258.39	138.30
Directors' sitting fees	47.00	32.38
Sales commission and Fees	194.49	101.06

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 26 - Other expenses *(Contd.)*

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Payments to auditors (Refer Note (i) below)	38.18	34.94
Travelling expense	302.28	237.81
Carriage outwards	409.96	441.30
Advertisement	70.47	140.84
Corporate social responsibility (Refer note (ii) below)	77.56	71.39
Royalty	89.10	-
Expected credit loss allowance	401.90	35.36
Testing fees	173.38	221.33
Bank charges	106.37	118.08
Loss on sale of Property plant and equipment	-	0.83
House Keeping Expense	113.44	46.72
Net loss on foreign currency transactions and translation	-	297.50
Provision for advances	195.00	-
Miscellaneous expenses	354.17	334.37
Total	**6,601.48**	**5,301.75**

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i) Details of payment to auditors		
As auditors		
(A) Statutory Audit	19.25	17.75
(B) Limited Review	14.25	10.25
(C) Tax Audit	1.50	1.00
Reimbursement for expenses	3.18	5.94
Total	**38.18**	**34.94**
(ii) Corporate Social Responsibility		
Corporate Social Responsibility (CSR) expenses for the period	77.56	71.39
Gross amount required to be spent by the Company during the year	77.56	71.33
Amount spent during the year on	25.12	64.14
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	25.12	64.14
	25.12	**64.14**
Provision For CSR expenses		
Opening Balance	44.88	37.63
Add-Provision Created during the year	77.56	71.39
Less-Provision Utilised during the year	(25.12)	64.14
Less - Opening transferred to special bank account as required*	(44.88)	-
Closing Balance	**52.43**	**44.88**
The amount of shortfall at the end of the year out of the amount required to be spent by the company during the year for ongoing project*	**52.43**	**44.88**
The total of previous year's shortfall amount	-	-
The nature of CSR activites undertake by the Company	Contribution to charitable trust, education, healthcare / sanitaion / cleanliness and women empowerment	

*Unspent amount as at 31st March, 2024 is ₹52.43 lakhs (PY ₹44.88 lakhs already transferred) is already transferred to special bank account u/s 135 (6) of the Companies Act, 2013 within 30 days from end of the financial year for ongoing project.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 27 - Taxation

27 (a) - Income tax expense

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax		
Tax expense for current year	854.09	595.45
Total current tax expense	**854.09**	**595.45**
Deferred tax		
Defered tax (benefit) / expense pertaining to current year	401.56	410.31
Total deferred tax expense/(benefit)	401.56	410.31
Total income tax expense recognised in current year	**1,255.65**	**1,005.76**

Income Tax Recognised in other comprehensive Income

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Deferred Tax on items recognised in other comprehensive Income		
- Remeasurements of post employment benefit obligations - Items that will not be reclassified to profit or loss	23.51	37.63
- Effective portion of gains on hedging instrument in cash flow hedges - Items that will be reclassified to profit or loss	22.85	7.80
Total current tax expense	**46.36**	**45.43**

27 (b) - Reconciliation of Estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the period	4,868.63	4,005.17
Statutory tax rate applicable to Shaily Engineering Plastics Limited	25.17%	25.17%
Tax expense at applicable tax rate	**1,225.43**	**1,008.10**
Tax effects of following in calculating taxable income:		
Additional deduction claimed under Income tax Act	-	(36.10)
Expenses not allowed as per Income tax Act	34.88	23.02
Others	(4.65)	10.74
Income tax expense	**1,255.66**	**1,005.76**
Effective tax rate	**25.79%**	**25.11%**

27 (c)- Deferred tax liabilities

The balance comprises temporary differences attributable to:

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax liabilities:		
Difference between accounting and tax written down value of PPE & Intangible assets	2,664.03	1,952.66
Other timing differences	10.74	11.71
Total deferred tax liabilities	**2,674.77**	**1,964.37**
Deferred tax assets:		
Adjustment on account of provision for expected credit loss, inventory and advances	308.39	49.92
Other timing differences	324.71	227.98
Total deferred tax assets	**633.10**	**277.90**
Net deferred tax liabilities	**2,041.67**	**1,686.47**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

27 (c)- Deferred tax liabilities *(Contd.)*

Movement in deferred tax balances

(in ₹ lakhs)

Particulars	As at 31st March, 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehensive income	Adjustment	As at 31st March, 2024
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	1,952.66	711.38	-	-	2,664.03
Other timing difference	11.71	(0.97)	-	-	10.74
Total deferred tax liabilities	**1,964.37**	**710.41**	**-**	**-**	**2,674.77**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	49.92	258.47	-	-	308.39
Other timing differences	227.98	50.37	46.36	-	324.71
Total deferred tax assets	**277.90**	**308.84**	**46.36**	**-**	**633.10**
Net deferred tax liabilities	**1,686.47**	**401.56**	**(46.36)**	**-**	**2,041.67**

(in ₹ lakhs)

Particulars	As at 31st March, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehensive income	Adjustment	As at 31st March, 2023
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	1,472.92	479.74	-	-	1,952.66
Other timing difference	56.16	(44.45)	-	-	11.71
Total deferred tax liabilities	**1,529.08**	**435.29**	**-**	**-**	**1,964.37**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	41.02	8.90	-	-	49.92
Other timing differences	166.47	16.08	45.43	-	227.98
Total deferred tax assets	**207.49**	**24.98**	**45.43**	**-**	**277.90**
Net deferred tax liabilities	**1,321.59**	**410.31**	**(45.43)**	**-**	**1,686.47**

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax recognised in OCI related to Remeasurement of post employment	**23.51**	**37.63**
Deferred tax recognised in OCI related to effective portion of gains/(losses) on hedging instrument in cash flow hedges	22.85	7.80
Total	**46.36**	**45.43**

Note 28 - Lease

The Company's significant leasing arrangements are mainly in respect of office & godown. Leases typically run in a range from 11 months to 5 years, with an option to renew the lease after that date. The Company previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

The Company has adopted Ind AS 116 "Leases" with effect from 1st April, 2019 i.e. date of transition with modified prospective approach. The Company has elected to account for short-term and low value leases using the practical expedient as given in the standard. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss. The weighted average incremental borrowings rate of 7.86% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. Company's short term and low value consists of office premises taken on lease for a period of 11 months months which are renewable by mutual consent or mutually agreed terms. The aggregate of such lease rentals are charged as "Rent".

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 28 - Lease *(Contd.)*

The Company used following practical expedients when applying Ind AS 116 :

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term."

Accordingly, Right-of-Use asset and lease liability of ₹201.98 Lakhs has been recognised.

A. Amount recognised in Statement of Profit and Loss

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on lease liabilities	7.77	11.39
Amortisation of ROU Assets	41.63	47.26
Expenses relating to short term and low value leases charged as Rent	19.69	17.75

B. Amount recognised in the Statement of Cash Flows

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest component	7.77	11.39
Lease component	41.65	49.03

C. Maturity Analysis of Lease Liabilities

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Maturity Analysis - Undiscounted		
Less than one year	49.22	38.20
One to five years	39.00	77.76
More than five years	-	-

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Lease liabilities included in Balance Sheet		
- Current	31.55	38.20
- Non Current	39.00	77.76

D. Movement of Right of Use Assets

Forming part of note to "Right of Use Assets" (refer note 3B).

E. Movement of Lease Liability

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance as at the beginning of the year	115.96	164.99
Deduction	(11.53)	-
Finance cost accrued	7.77	11.39
Payment of lease liabilities	(41.65)	(60.42)
Balance as at the end of the year	**70.55**	**115.96**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 29 - Financial Instruments

29 a) - Fair Value Measurement - Financial instruments by category

(in ₹ lakhs)

Particulars	Amortised cost	
	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Trade receivables	11,174.69	8,879.39
Cash and cash equivalents	441.91	1,768.57
Bank balances other than cash and cash equivalent above	414.46	390.48
Investment in Preference shares (Gross of allowance for impairment) (Refer note below) *	27.04	27.04
Loans and advances	643.14	545.34
Other Financial Assets	84.04	191.69
Total financial assets - At amortised cost	**12,785.27**	**11,802.51**
Financial liabilities		
Borrowings	20,835.18	18,681.57
Trade Payables	6,716.80	5,129.42
Lease liabilities	70.55	115.96
Other Financial liabilities	1,033.55	1,069.63
Total financial liabilities - At amortised cost	**28,656.08**	**24,996.58**

(in ₹ lakhs)

Particulars	FVOCI	
	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Equity shares of Panax Appliances Pvt. Ltd.(Gross of allowance for impairment)	11.90	11.90
Equity shares of Citizen Co-operative Society Ltd	0.08	0.08
Derivative Asset	154.58	292.71
Total financial assets - At FVOCI	**166.56**	**304.69**
Financial liabilities		
Derivative liability	8.25	-
Total financial liabilities - At FVOCI	**8.25**	**-**

*Note:- Investment in subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same have not been disclosed in tables above.

29 b) Fair Value Measurement - Hierarchy

Financial assets and liabilities measured at fair value -recurring fair value measurements

(in ₹ lakhs)

As at 31st March, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	154.58	-	154.58
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets	**-**	**-**	**154.58**	**11.98**	**166.56**
Financial liabilities					
Derivative Instruments	-	-	-	-	-
Designated as Cash Flow Hedge	19	-	8.25	-	8.25
Total Financial liabilities	**-**	**-**	**8.25**	**-**	**8.25**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 29 - Financial Instruments *(Contd.)*

Financial assets and liabilities measured at fair value -recurring fair value measurements

(in ₹ lakhs)

As at 31st March, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	292.71	-	292.71
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets	**-**	**-**	**292.71**	**11.98**	**304.69**
Financial liabilities					
Derivative Instruments	-	-	-	-	-
Designated as Cash Flow Hedge	19	-	-	-	-
Total Financial liabilities	**-**	**-**	**-**	**-**	**-**

There is no movement in Level 3 investment.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures are included in level 3.

29 c) Fair Value Measurement - Technique

Valuation technique used to determine fair value.

Specific valuation techniques used to value financial instruments include:

The fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

29 d) Derivative Financial Instruments

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

(i) The details of various outstanding derivative financial instruments are given below :

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Derivatives designated in cash flow hedges				
- Option contract	154.58	-	210.19	-
- Interest rate swap	-	8.25	82.52	-
Total designated derivatives	**154.58**	**8.25**	**292.71**	**-**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 29 - Financial Instruments *(Contd.)*

(ii) The details of the gross notional amounts of derivative financial instrument outstanding :

(in ₹ lakhs)

Derivative instruments	Underlying	As at 31st March, 2024	As at 31st March, 2023
- Option contract	EUR/INR	€ 12.81 Lakhs	€ 24.06 Lakhs
- Interest rate swap	Floating to Fixed	€ 12.81 Lakhs	€ 24.06 Lakhs

(iii) The movement of cash flow hedges in other comprehensive income is as follows :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	61.75	84.94
Change in the fair value of effective portion of cash flow hedges	(90.78)	(31.00)
Deferred tax on fair value of effective portion of cash flow hedges	22.85	7.80
Balance at the end of the year	**(6.17)**	**61.75**

Note 30 -Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. 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 Risk Management Framework of the Company is enforced by the finance team and experts of business division that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and

The finance department is responsible to maximise the return on companies internally generated funds.

30 a) Management of credit risks

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited. This is due to the Company's policy of strict credit worthiness tests it performs for all its sales. Company deals with limited number of customers with highest credit ratings. Company acts as institutional supplier to its customers without any channel distribution model. Most of the company products are plastic moulded components, specially created as per the designs of its customer and are either semi finished goods or critical to business operations of its customers, making it business prudent for customers for not to dispute or delay payment of any receivable to the Company. All trade receivables are regularly reviewed and assessed for default on an ongoing basis.

Expected credit loss for trade receivable under simplified approach

(in ₹ lakhs)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
For year ended 31st March, 2024							
Gross carrying amount	8,243.46	2,510.12	372.67	55.52	266.97	326.19	11,774.92
Expected credit losses (Loss allowance provision)	(54.09)	(56.30)	(59.51)	(22.13)	(177.72)	(230.47)	(600.23)
Carrying amount of trade receivables	**8,189.37**	**2,453.82**	**313.16**	**33.39**	**89.25**	**95.72**	**11,174.68**

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

(in ₹ lakhs)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
For year ended 31st March 2023							
Gross carrying amount	7,692.64	1,026.32	25.49	14.23	33.80	285.24	9,077.72
Expected credit losses (Loss allowance provision)	(30.15)	(13.72)	(2.85)	(3.58)	(15.59)	(132.44)	(198.33)
Carrying amount of trade receivables	**7,662.49**	**1,012.60**	**22.64**	**10.65**	**18.21**	**152.80**	**8,879.39**

30 b) Management of liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

(in ₹ lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2024				
Borrowings	20,835.18	13,852.82	6,982.36	20,835.18
Trade Payables	6,716.80	6,716.80	-	6,716.80
Lease Liabilities	70.55	31.55	39.00	70.55
Other Financial liabilities	1,025.30	1,025.30	-	1,025.30
	28,647.83	**21,626.47**	**7,021.36**	**28,647.83**

(in ₹ lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2023				
Borrowings	18,681.57	12,428.11	6,253.46	18,681.57
Trade Payables	5,129.42	5,129.42	-	5,129.42
Lease Liabilities	115.96	38.20	77.76	115.96
Other Financial liabilities	966.35	932.49	33.86	966.35
	24,893.30	**18,528.22**	**6,365.08**	**24,893.30**

30 c) Management of market risks

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including receivables, payables and borrowings denominated in foreign currency. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

30 d) (i) Foreign currency risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency (INR) of the Company. The management does not undertake any hedging activities or otherwise to

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

offset or mitigate the foreign currency and interest rate risk that it is exposed to other than the hedging EUR ECB loan. The Company undertakes significant of its foreign currency transaction in United States Dollar ('USD'). To the extent of lower of exports and imports that the Company undertakes in USD, the Company has a natural hedge against the exposure to foreign currency risks. However the Company has taken a EUR ECB Loan for which Currency Call Hedge has been undertaken.

The Company is exposed to foreign currency risks on accounts of foreign currency denominated receivables and payables as below:

(in ₹ lakhs)

As at 31st March, 2024	USD	INR	EURO	INR	HKD	INR	GBP	INR	JPY	INR
Financial assets										
Trade receivables	19.71	1,599.43	6.59	576.97	-	-	-	-	-	-
Bank balance in EEFC accounts	1.34	111.65	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**21.05**	**1,711.08**	**6.59**	**576.97**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities										
Trade payables	16.07	1,360.13	0.06	5.87	1.99	19.49	3.29	333.09	-	-
Borrowings	-	-	12.81	1,155.92	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(12.81)	(1,155.92)	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.11	10.04	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**16.07**	**1,360.13**	**0.17**	**15.91**	**1.99**	**19.49**	**3.29**	**333.09**	**-**	**-**

(in ₹ lakhs)

As at 31st March, 2023	USD	INR	EURO	INR	HKD	INR	GBP	INR	JPY	INR
Financial assets										
Trade receivables	19.19	1,578.12	-	-	-	-	-	-	-	-
Bank balance in EEFC accounts	0.67	55.03	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**19.86**	**1,633.15**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities										
Trade payables	5.86	481.94	1.02	91.09	-	-	0.20	20.06	1,198.00	740.84
Borrowings	-	-	24.06	2,156.18	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(24.06)	(2,156.18)	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.23	20.26	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**5.86**	**481.94**	**1.25**	**111.35**	**-**	**-**	**0.20**	**20.06**	**1,198.00**	**740.84**

The outstanding HKD denominated balance being insignificant has not been considered.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises from above referred outstanding balances.

(in lakhs)

Currency Sensitivity	Impact on profit before tax	
	As at 31st March, 2024	As at 31st March, 2023
USD sensitivity		
INR/USD -Increase by 1%*	4.14	11.51
INR/USD -decrease by 1%*	(4.14)	(11.51)
EURO sensitivity		
INR/EURO -Increase by 1%*	5.79	(1.12)
INR/EURO -decrease by 1%*	(5.79)	1.12
GBP sensitivity		
INR/GBP -Increase by 1%*	(3.46)	(0.20)
INR/GBP -decrease by 1%*	3.46	0.20
HKD sensitivity		
INR/HKD -Increase by 1%*	0.21	0.24
INR/HKD -decrease by 1%*	(0.21)	(0.24)
JPY sensitivity		
INR/JPY -Increase by 1%*	-	(7.40)
INR/JPY -decrease by 1%*	-	7.40

*Holding all other variables constant

The outstanding HKD & TWD denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

30 d) (ii) Interest rate risk

Interest rate risk arises on account of variable interest rate borrowings held by the Company. The uncertainties about the future market interest rate of these borrowings exposes the Company to the interest rate risk.

Currently, Interest rate on Term Loans are linked with Marginal Cost of funds based Lending Rate (MCLR) and to the extent of variation in MCLR, interest rates on terms loans are expected to be changed. The interest rates on Term loans which are linked with MCLR are reported in Note 14 - Non-current Borrowings.

The Company has taken a ECB loan of € 4.5Mn from the Standard chartered Bank, Dubai International Financials Branch, First of its drawdown being of € 2.0 Mn & the second drawdown being of €2.50 Mn. We have taken Interest rate swap for converting the floating interest rate to fixed rate and thus hedging against risk of upward movement of EURIBOR rates.

For the year ended 31st March, 2024 and 31st March, 2023 a 10 basis point increase / decrease in interest rate on floating rate liabilities would impact Company's profit before tax by approximately 0.28 % and 0.43% respectively.

Note 31 - Details of Government Grants

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Government grants received by the Company during the year towards		
i.) Duty drawback (recognised under Export Incentive under Other revenue from operations)	0.15	1.16
ii.) Other incentives (Remition of Duties and Taxes on Export Products and Focus Product Scheme the revenue of which has been recognised under Export Incentive)	17.45	-
iii.) Other Government Grant include grant received by the Company in respect to investment made by the Company in plant and equipment.		
A) Amount of grant received during the year	-	-
B) Amortised in statement of Profit and Loss	1.35	1.10
C) Unamortised portion of grant recorded as deferred income in current and non current liabilities	9.94	11.29

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 32 - Operating Segment

In accordance with the requirement of Ind AS 108 - "segment reporting", the Company is primarily engaged in the business of manufacturing of customized components made up of plastic and other materials and has no other primary reportable segments. The Board of Directors of the Company allocates the resources and assess the performance of the Company, thus Chief Operating Decision Maker("CODM"). The CODM monitors the operating results of the business as a single segment hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation and amortization during the year are all as reported in the financial statements for the year ended 31st March, 2024 and as on that date.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(in ₹ lakhs)

Revenue from sale of products and services	As at 31st March, 2024	As at 31st March, 2023
India	16,025.93	13,599.47
Outside India	45,337.57	46,198.15
Total Revenue from sale of products and services	**61,363.50**	**59,797.62**

The amount of its non-current assets broken down by location of the customers is shown in the table below. (in ₹ lakhs)

Non-current assets	As at 31st March, 2024	As at 31st March, 2023
India	51,180.58	45,227.54
Outside India	-	-
Total non-current assets	**51,180.58**	**45,227.54**

The Company earns revenue from one major customer of ₹42,656.24 lakhs (previous year ₹44,893.57 lakhs) who individually contribute more than 10 percent of the Company's revenue.

Note 33 - Related Party Transactions

33 a) Details of related parties

Description of relationship	Names of related parties
Key Management Personnel and Directors	
Executive Chairman	Mr. Mahendra Sanghvi
Managing Director	Mr. Amit Sanghvi
Executive Director	Mr. Laxman Sanghvi
Whole Time Director	Mrs. Tilottama Sanghvi
Independent Director	Mr. Milin Mehta
Independent Director	Mr. Ranjit Singh
Independent Director	Mr. Shailesh Ayyangar
Independent Director	Mr. Samaresh Parida
Independent Director	Mrs. Sangeeta Singh
Independent Director	Mrs. Varsha Purandare (till 29th April, 2022)
Other Related Parties	
Wholly Owned Subsidiary Company	Shaily (UK) Limited
	Panax Appliances Pvt. Ltd.
Entities in which KMP have significant influence	Shaily-IDC India Pvt. Ltd.
Entities in which KMP have significant influence	Shaily Medical Plastics Pvt.Ltd.
Relative of key management personnel	Mrs.Kinjal S Bhavsar
Relative of key management personnel	Mrs. Kalpana L Sanghvi
Firm owned by relative of key management personnel	Jariwala Shah Kanji Raichand & Co
Entities in which Independent Directors have significant influence	Tiivra Ventures Private Limited

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 33 - Related Party Transactions *(Contd.)*

33 b) Key management personnel compensation

(in ₹ lakhs)

Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Short term benefits	805.21	565.91
Post employment benefits	7.30	155.93
Share based payments	-	-

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

33 c) Transactions with related parties

(in ₹ lakhs)

Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent paid for lease arrangements		
Mrs. Tilottama Sanghvi	8.40	8.40
Jariwala Shah Kanji Raichand & Co	7.50	7.08
Interest paid on loans		
Mr. Laxman Sanghvi	-	1.11
Investment		
Shaily (UK) Ltd	520.71	630.03
Sales transactions		
Tiivra Ventures Private Limited	25.39	-
Repayment of loan		
Mr. Laxman Sanghvi	-	13.85
Sitting fees to Independent Director	47.00	32.38

33 d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions;

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in Shaily (UK) Limited	2,062.55	1,541.83
Investment in Panax Appliances Pvt. Ltd *	27.04	27.04
Advance to supplier		
Shaily Medical Plastics Pvt Ltd.	9.50	9.50
Trade Receivables		
Tiivra Ventures Private Limited	20.11	-
Total receivables to related parties	**29.61**	**9.50**
Trade Payables		
Panax Appliances Pvt. Ltd	20.03	20.03
Total payables to related parties	**20.03**	**20.03**

*The entire investment is provided for as impairment allowance

33 e) Terms and conditions :

(i) All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on an arms lengh basis.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 34 - Contingent liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Income Tax	2.46	4.24
(b) Sales Tax	-	5.74
(c) Custom Duty	97.84	97.84
(d) Service Tax	193.93	193.93
(e) Excise Duty	3.22	3.22
(f) Workmen compensation	Amount Not determinable	Amount Not determinable

It is not practical for the Company to estimate the closure of these issue and the consequential timing of cash flows, if any.

1) The Company has ongoing disputes with various tax authorities (income tax, customs duty, service tax and excise) in India. The Company have disclosed contingent liability of ₹297.45 lakhs and ₹304.98 lakhs as at 31st March, 2024 and 2023, respectively, in respect of various tax demands, which are being contested by the Company based on the management evaluation and advice of tax consultants

2) The Company periodically receives notices and inquiries from tax authorities related to the Group's operations in the jurisdictions it operates in. The Company has assessed these notices and inquiries and estimated that any consequent tax claims or demands by the tax authorities will not succeed on ultimate resolution.

3) The company does not expect any reimbursement in respect of the above contingent liabilities.

Note 35 - Commitments

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	852.96	5,633.11

Note 36 - Disclosure under Ind AS 115

(A) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue as per contracted price	61,648.40	60,907.70
Adjustments :		
Rebates & Discounts	284.90	1,110.08
Revenue from contract with customers	**61,363.50**	**59,797.62**

(B) Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables (net of allowances for expected credit loss)(Note 9)	11,174.68	8,879.39
Contract assets e.g. Unbilled Revenue (Note 7)	107.33	57.61

Changes in contract assets and liabilities are mainly on account of contractual right to consideration and is dependent on completion of contractual milestones.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 36 - Disclosure under Ind AS 115 *(Contd.)*

(C) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Amounts included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in previous years, not previously recognised	-	-

(D) Unsatisfied or partially satisfied Performance Obligation

Revenue to be recognised in future related to the performance obligations that are unsatisfied or partially satisfied as at 31st March, 2024 and expected to be recognised within one year is of Nil (P.Y. Nil) and for more than one year is Nil (P.Y. Nil).

(E) Disaggregation of revenue

The management determines that the segment information reported under Note 32 - Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers.

(in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumer	48,123.82	50,337.45
Industrial	5,496.94	4,613.86
Pharma	7,976.60	5,019.51
	61,597.36	**59,970.82**

(F) Significant payment terms

Generally, the Company provides credit period in the range of 30 -120 days for customers.

Note 37 - Earnings per share

(in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit attributable to the equity holders of the Company	3,612.98	2,999.41
Less: Share issue expenses (net of taxes)	-	-
Profit attributable to the equity holders of the Company	3,612.98	2,999.41
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share*	4,58,67,510	4,58,67,510
Total basic & diluted earnings per share attributable to the equity holders of the Company	**7.88**	**6.54**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	4,58,77,120	4,58,67,510
Total basic & diluted earnings per share attributable to the equity holders of the Company	**7.88**	**6.54**

*Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") , the Board of Directors of the Company, at its meeting held on 2nd September, 2023, has approved Subdivision of existing Equity Share of the Company from one (1) equity share having a face value of 10/- each fully paid-up into five (5) Equity Shares of face value of 2/- (Rupees Two only) each fully paid-up.

Collateral against borrowings

The Company has hypothecated / mortgaged financial instruments as collateral against a number of its borrowings. Refer note 38 (assets pledged) for further information on financial and non-financial collateral hypothecated.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 38 - Assets pledged as security

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current (Present and Future)		
Second pari passu charge for all term loans and foreign currency loans from banks		
Inventories	8,360.35	7,297.47
Trade receivables	11,174.69	8,879.39
Cash and cash equivalents	441.91	1,768.57
Bank balances other than cash and cash equivalents	414.46	390.48
Balances with government authorities	2,002.12	2,878.76
Advance to suppliers	615.49	662.67
Advance to Employees	42.18	49.67
Other financial assets	18.81	68.77
Loans	643.14	545.34
Finance Lease receivables	18.15	55.46
Derivative asset	154.58	292.71
Prepaid expense	229.10	269.51
Contract assets	107.33	57.61
Total current assets pledged as security	**24,222.31**	**23,216.40**
Non-Current		
First pari passu charge for all term loans and foreign currency loans from banks:		
Property, plant and equipment	43,492.43	34,746.50
Capital work-in-progress	1,532.00	4,897.81
Total	**45,024.43**	**39,644.31**

Note 39A - Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013

(in lakhs)

Name of the party	Relationship	Nature	As at 31st March, 2024	As at 31st March, 2023
Shaily Medical Plastics Private Limited	Significant Influence of KMP	Outstanding Balance	9.50	9.50
		Maximum Balance Outstanding	9.50	9.50

The above advance has been given for business purpose.

Note 39B - Disclosures under rule 16A of the Companies (Acceptance of Deposits) Rule 2014. Disclosures under rule 16A of the companies (acceptance of deposits) rule 2014.

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance outstanding at the beginning of the year	-	13.85
Money (repaid) during the year	-	(13.85)

Notes forming part of the Standalone financial statements

as at and for the year ended 31st March, 2024

Note-39 Analyical ratios

Sr. No.	Particulars	Parameter for Calculation	For year ended 31st March, 2024	For year ended 31st March 2023	Movement	Variance	Remarks *
1	Current Ratio	Current assets / Current liabilities	1.06	1.13	-0.07	-6.12%	
2	Return on Equity Ratio	Net profit after taxes / Average shareholder's equity	8.41%	7.87%	0.01	6.92%	
3	Net profit ratio	Net Profit/Net Sales	5.83%	5.00%	0.01	16.57%	
4	Return on Capital employed	EBIT/Capital Employed	15.46%	14.6%	0.01	5.58%	
5	Inventory turnover	Cost of goods sold or Sales / Average Inventories	4.73	3.99	0.74	18.43%	
6	Trade receivables turnover	Net credit sales / Average trade receivables	5.51	6.34	-0.83	-13.08%	
7	Trade payables turnover	Net Credit Purchases / Average trade payables	5.56	5.12	0.43	8.40%	
8	Net capital turnover ratio	Net Sales/Working Capital	47.45	22.80	24.66	108.19%	Spike in Current Assets as funds from Preferential proceeds from fixed deposit utilized in current year
9	Debt equity ratio	Total debt / Net worth Total debt= Long term borrowings (incl. current maturities of long term borrowings) + Short tem borrowings Net worth: Equity share capital + Other equity	0.48	0.47	0.00	0.70%	
10	Debt service coverage ratio	Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease / Interest on debt and lease + Principal repayments of long term debt including lease payment	1.65	1.47	0.18	11.90%	
11	Return on Investment (%)	Profit after tax/Average total assets	5.03%	4.41%	0.01	14.06%	

*In accordance with amended Schedule III, explanation shall be provided for any change in the ratio by more than 25% as compared to the ratio of preceding year.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 40 - Note on Finance Leases

The Company has entered into Purchase Agreements with its customers for Various Moulds.The agreements with customers for these assets Provide for take or pay agreements as per which Customers are Committed to purchase committed Quantity of the Component from the Company over defined period of the time Faling which customers are obliged to reimburse the company for the shortage in minimum Committed quantity. The arrangement analysis pursuant to IND As 116 “lease” Identified an embedded finance lease and accordingly, the said arrangement has been accounted accordingly (Refer Note 3)

Amount receivable under Finance Lease

(in ₹ lakhs)

Particulars	Minimum Lease receivable		Present value of minimum lease payments	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Not later than one year	23.75	61.83	18.15	55.46
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	23.75	61.83	18.15	55.46
Unearned finance income	5.60	6.37	0.77	-
Present value of minimum lease payments receivable	18.15	55.46	18.15	55.46
Allowance for uncollectible lease payments	-	-	-	-

The interest rate inherent in the leases is fixed at the contract for the entire lease term.

The average effective interest rate contracted is about 37.50 % per annum.

Note-41 Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management’s judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company’s policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Debt (Bank and other borrowings)	20,835.18	18,578.29
Less: Liquid Investments and bank deposits	856.37	2,159.04
Net Debt	19,978.81	16,419.25
Total Equity	**43,148.24**	**39,563.38**
Net Debt to Equity (Net)	0.46	0.42

Note-42 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note-42 Other Statutory Information *(Contd.)*

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any such 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 or any other relevant provisions of the Income Tax Act, 1961.

Note 43: SHARE BASED PAYMENTS (Ind AS 102)

The Company implemented "Shaily Employee Stock Option Plan 2019" (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee).

The Committee determines which eligible employees will receive options, the number of options to be granted, the vesting period and the exercise period. The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹2 each (post sub-division). The options issued under the above schemes vest in a phased manner after completion of the minimum period of one year with an exercise period of four years from the respective grant dates.

(A) The Company has granted two grants during the FY 2023-24 i.e. "Grant 1" of 2,55,500 options and "Grant 2" of 11,000 options to its eligible employee under ESOP, details are as under:

Particulars	Grant 1			Grant 2		
	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III
Vesting plan	33.33%	33.33%	33.33%	33.33%	33.33%	33.33%
No. of Options (Refer Note 44(D))	85,166.67	85,166.67	85,166.67	3,666.67	3,666.67	3,666.67
Vesting period	1	2	3	1	2	3
Exercise period	4	4	4	4	4	4
Time to expiration	4	4	4	4	4	4
Grant Date	01-10-2023	01-10-2023	01-10-2023	14-02-2024	14-02-2024	14-02-2024
Exercise Date	01-10-2024	01-10-2025	01-10-2026	14-02-2025	14-02-2026	14-02-2027
Exercise price (₹ per share)	549.00	254.07	325.13	749.12	345.60	441.50
Fair Value per Stock Option (₹ per share)	84.23	205.92	195.01	75.71	216.45	205.91
Share price as on grant date (₹ per share)	359.66	359.66	359.66	452.65	452.65	452.65

Note : Options would be vested based on Company's and individual performance and time as per Grant Letter.

(B) Fair Valuation

Share options were granted during the year 2023-24 having vesting plan of 1/3 of the options granted shall vest on completion each respective Year. Weighted average fair value of the options granted during the year 2023-24 is ₹161.72 per share for Grant 1 and ₹166.03 per share for Grant 2.

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grants using the Black-Scholes Model.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 43: SHARE BASED PAYMENTS (Ind AS 102)*(Contd.)*

(C) The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

Particulars	Grant 1			Grant 2		
	Tranche I	Tranche II	Tranche III	Tranche I	Tranche II	Tranche III
Risk Free Rate	7.09	7.11	7.12	7.00	7.03	7.05
Expected annual volatility	45.13	48.82	47.78	45.08	49.20	48.45
Dividend Yield	Nil	Nil	Nil	Nil	Nil	Nil

(D) Movement of Options Granted :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Outstanding at the beginning of the year	-	-
Granted during the year	2,66,500.00	-
Vested during the year	-	-
Exercised during the year	-	-
options expired (due to resignation & retirement)	-	-
Outstanding at the end of the year	**2,66,500.00**	**-**
Options exercisable at the end of the year	88,833.33	-

(E) Expenses recognised in profit or loss :

Expenses recognised in profit or loss related to employee benefits expense for the period ended 31st March, 2024 is ₹109.71 lakhs

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

A. Stock price

The closing market price one day prior to the date of grant on National Stock Exchange (NSE) has been considered for the purpose of Option valuation. Under the Equity Based Compensation Plan, one Option entitles an employee to one equity share of the Company.

B. Volatility

The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

C. Risk free interest rate

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the Options based on the zero-yield curve for Government Securities.

D. Exercise Price

We have considered the exercise price as per the information provided by the Company.

Exercise price on first tranche is at Par (market price) and Second and third tranche is at 1/3rd of market price as on the date of vesting.

E. Time to Maturity / Expected Life of Options

Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

F. Expected dividend yield:

Expected dividend yield has been calculated based on the dividend declared for one financial year prior to the date of grant. The dividend yield has been derived by dividing the dividend per share by the market price per share on the date of grant.

Standalone Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 44

The Indian Parliament has approved the Code on Social Security, 2021 ('Code') which may likely to impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the standalone financial statements in the period in which the Code becomes effective and the related rules are notified.

Note 45

All material events occurring after the balance sheet date upto the date of approval of financial statements by the Board of Directors on 24th May, 2024 have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

Note 46

The financial statements are approved for issue by the Board of Directors in their meeting held on 24th May, 2024.

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754
Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Consolidated Financial Statements

Independent Auditor's Report

To
the Members of
Shaily Engineering Plastics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Shaily Engineering Plastics Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, 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 material 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, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as were audited by the other auditor, 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 as at 31 March 2024, of its consolidated profit and other comprehensive income, 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 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 obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

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 20 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Revenue from the sale of goods and sale of service has been recognised when the control of the goods and service is transferred which is generally in accordance with the terms of sales and service contracts. We have identified the recognition of revenue as key audit matter because revenue is a key performance indicator of the Company, and therefore there is an inherent risk that revenue is overstated to meet financial expectations or targets. The company has various customers with different terms of trade which increase the risk of error in the timing of revenue recognition.	Our procedures included the following: 1. Obtain understanding of and assessing the design implementation and operating effectiveness of the Company's key internal financial controls in relation to revenue recognition. 2. Inspecting customer contracts, on random sample basis to identify the terms and conditions relating to the transfer of control of the products sold and services provided and assessing the Company's timing of revenue recognition. 3. Identified significant terms and deliverables in contract to assess management's conclusion regarding the (i) Identification of distinct performance obligation (ii) Allocating the transaction price to the performance obligation in the contract. 4. Comparing on test check basis revenue transaction recorded throughout the year and before the financial year end with relevant underlying documents including gate outward register and shipping documents to assess whether revenue from sale of goods has been recognised in the appropriate financial period; and 5. Circulation of selected balance confirmation to customers on test check basis and reconciling the differences if any on amounts confirmed by customer and amounts recorded by management.

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 Company's other information, but does not include the financial statements and auditor's report thereon. The Holding Company's other information 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 Holding 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 actions, 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 and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group 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 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 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

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

Other Matters

We did not audit the financial statements of subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹5,099.97 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of ₹2,789.15 lakhs and net cash outflows (before consolidation adjustments) amounting to ₹1,634.64 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

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, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as were audited by other auditor, as noted in the "Other Matters" paragraph, 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 and the report/reports of the other auditor(s) except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   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

01 April 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company being the only 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the “Other Matters” paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 34 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 2024.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company being the only company incorporated in India during the year ended 31 March 2024.

d (i) The respective management of the Holding Company whose financial statements have been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 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 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 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company whose financial statements have been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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 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. As stated in Note 13(b) to the consolidated financial statements, the respective Board of Directors of the Holding Company incorporated in India has proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Holding Company, being the only company incorporated in India, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has been enabled from 1 January 2024 onwards. Except for the period from 1 April 2023 to 31 December 2023, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

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 being the only company to which such requirements of the Act are applicable, 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 being the only company to which such requirements of the Act are applicable, 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 and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVJZ9758

Place: Vadodara
Date: 24 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Shaily Engineering Plastics Limited for the year ended 31 March 2024

(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 its respective auditor in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Shaily Engineering Plastics Limited	L51900GJ1980PLC065554	Holding Company	3(iii)(c) and 3(iii)(d)

For B S R and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVJZ9758

Place: Vadodara
Date: 24 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Shaily Engineering Plastics Limited for the year ended 31 March 2024

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)(g) 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 Shaily Engineering Plastics Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company , as of that date.

In our opinion, the Holding 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 2024, 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 and Co
Chartered Accountants
Firm's Registration No.:128510W

Jeyur Shah
Partner
Membership No.: 045754
ICAI UDIN:24045754BKFVJZ9758

Place: Vadodara
Date: 24 May 2024

Consolidated Balance Sheet as at 31st March, 2024

(in ₹ lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	43,542.72	34,791.42
b) Capital work-in-progress	3A	1,532.00	4,897.81
c) Right-of-use asset	3B	63.88	112.98
d) Intangible assets	4	3,733.87	1,789.77
e) Intangible assets under development	4A	507.02	1,928.32
f) Financial assets			
i. Investments	5	0.08	0.08
ii. Other financial assets	6	47.08	47.08
g) Income tax assets (net)		271.10	208.24
h) Other non-current assets	7	1,827.65	1,720.62
Total non-current assets		**51,525.41**	**45,496.33**
Current assets			
a) Inventories	8	8,360.35	7,297.46
b) Financial assets			
i. Trade receivables	9	11,735.50	9,192.50
ii. Cash and cash equivalents	10	2,221.74	1,913.76
iii. Bank balances other than cash and cash equivalents	11	414.47	390.48
iv. Loans	12	643.14	565.72
v. Other financial assets	6	191.54	427.53
c) Other current assets	7	3,153.52	3,983.95
Total current assets		**26,720.25**	**23,771.40**
TOTAL ASSETS		**78,245.66**	**69,267.73**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	13(a)	917.35	917.35
b) Other equity	13(b)	44,999.93	39,222.47
TOTAL EQUITY		**45,917.28**	**40,139.82**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i. Borrowings	14	6,983.30	6,253.46
ii Lease Liability	28	39.00	77.76
iii. Other financial liabilities	19	-	33.86
b) Provisions	16	218.49	233.16
c) Deferred tax liabilities (Net)	27(c)	2,083.64	1,702.71
d) Other non-current liabilities	17	81.12	10.19
Total non-current liabilities		**9,405.55**	**8,311.14**
Current liabilities			
a) Financial liabilities			
i. Borrowings	15	13,851.88	12,428.11
ii. Lease Liability	28	31.55	38.20
iii. Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	18	1,139.09	505.98
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	5,726.55	4,834.17
iv. Other financial liabilities	19	1,033.56	932.49
b) Other current liabilities	17	1,012.27	1,957.74
c) Provisions	16	127.93	120.08
Total current liabilities		**22,922.83**	**20,816.77**
TOTAL LIABILITIES		**32,328.38**	**29,127.91**
TOTAL EQUITY AND LIABILITIES		**78,245.66**	**69,267.73**
Notes forming part of the Financial Statements	1-46		

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Statement of Consolidated Profit & Loss for the year ended 31st March, 2024

(in ₹ lakhs)

Particulars	Note	For the year ended 31st March, 2024	For the year ended 31st March , 2023
INCOME			
Revenue from operations	20	64,387.06	60,706.59
Other income	21	649.25	450.44
Total income		**65,036.31**	**61,157.03**
Expenses			
Cost of materials consumed	22(a)	37,504.14	36,822.61
Changes in inventories of finished goods and work-in-progress	22(b)	(494.55)	1,825.65
Power and fuel		2,923.82	2,646.30
Employee benefits expense	23	5,730.16	4,793.78
Finance costs	24	1,789.63	1,788.23
Depreciation and amortization expense	25	3,568.88	3,330.56
Other expenses	26	7,029.53	5,429.19
Total expenses		**58,051.60**	**56,636.31**
Profit before tax		**6,984.71**	**4,520.72**
Income tax expense			
- Current tax	27	854.09	595.45
- Deferred tax	27	401.56	410.31
Total tax expense		**1,255.65**	**1,005.76**
Profit for the year		**5,729.06**	**3,514.96**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Reameasurements of post employment benefit obligations		(93.40)	(149.50)
- Income tax relating to above.		23.51	37.63
Items that will be reclassified to profit or loss			
- Effective portion of gains on hedging instrument in cash flow hedges		(90.78)	(31.00)
- Exchange differences in translating the financial statements of foreign operations		102.24	80.53
- Income tax relating to above		(2.89)	(12.47)
Other Comprehensive Income net of income tax for the year		**(61.31)**	**(74.81)**
Total Comprehensive Income for the year		**5,667.75**	**3,440.15**
Earning per Equity Share (Face value of ₹2 each)			
Basic	37	12.49	7.66
Diluted	37	12.49	7.66
Notes forming part of the Financial Statements	1-46		

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Consolidated Cash Flow Statement for the year ended 31st March 2024

(in ₹ lakhs)

	Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March , 2023
A	**Cash flow from operating activities**			
	Profit before tax		6,984.71	4,520.72
	Adjustments for:		-	-
	Depreciation and amortization expense	3	3,568.88	3,330.56
	Gain on sale of property, plant and equipment	21	(3.81)	0.83
	Interest income	21	(155.71)	(282.05)
	Interest income on Income tax refund		-	(7.88)
	Interest component on account of Fair valuation of loan	21	(147.64)	(134.70)
	Provision of slow and non moving inventory	8	430.00	128.26
	Finance costs	24	1,789.63	1,788.23
	Allowance for expected credit losses (Impairment loss)	26	401.90	35.36
	Mark to Market Loss on Derivative Contracts (Cashflow hedge)	26	55.61	149.29
	Profit on Sale of mutual funds	21	-	-
	Net unrealised exchange gain	21	(316.20)	128.72
	Sundry balances written off		0.44	-
	Provision for doubtful advances to supplier		195.00	-
	Operating profit before working capital changes		**12,802.81**	**9,657.34**
	Adjustments for:			
	(Increase) / decrease in trade receivables	9	(2,945.26)	941.26
	Decrease / (Increase) in other receivables and advances	7	554.09	(1,004.17)
	(Increase) / decrease in inventory	8	(1,492.88)	3,716.80
	Decrease in other financial assets	6	215.33	200.55
	Increase / (decrease) in trade payables	18	1,950.32	(3,276.38)
	(Decrease) in other liabilities and provisions	17	(979.75)	(638.92)
	Cash generated from operations		**10,104.66**	**9,596.49**
	Taxes paid (net of refunds)		(878.18)	(598.36)
	Net cash generated from operating activities		**9,226.47**	**8,998.12**
B	**Cash flow from investing activities**			
	Payment for purchases of property, plant and equipment (including capital advances and capital creditors)	3	(8,703.53)	(9,441.60)
	Payment for purchases of intangibles and Intangibles under development		(803.04)	(1,722.40)
	Proceeds from disposal of property, plant and equipment	3	5.35	7.36
	Interest received	21	142.51	269.65
	(Investment)/ Proceeds from fixed deposit	11	(23.47)	800.68
	Net cash flow (used in) investing activities		**(9,382.18)**	**(10,086.31)**
C	**Cash flow from financing activities**			
	Proceeds from long term borrowings		4,940.00	-
	(Repayment) of long term borrowings		(4,312.95)	(3,817.24)
	Repayment from working capital loans (net)		1,477.17	4,997.37
	(Repayment) on lease liabilities		(49.42)	(60.42)
	Finance costs paid	24	(1,591.12)	(1,632.44)
	Net cash flow generated from / (used in) financing activities		**463.67**	**(512.73)**
D	**Net increase in cash and cash equivalents.**		**307.97**	**(1,600.93)**
	Cash & cash equivalents as at the beginning of the year		1,913.77	3,514.72
	Impact of exchange loss		-	(0.04)
	Cash and cash equivalents as at the end of the year		**2,221.74**	**1,913.76**

Consolidated Cash Flow Statement for the year ended 31st March 2024

(in ₹ lakhs)

Particulars	Notes	For the year ended 31st March, 2024	For the year ended 31st March , 2023
Reconciliation of cash & cash equivalents as per financial statement :			
Cash & cash equivalents comprise :			
a) Balances with banks			
In current accounts		2,105.77	151.31
In EEFC accounts		111.65	55.03
b) Cash on Hand		4.32	7.43
c) Deposits with bank (Original maturity less than 3 Months)		-	1,700.00
Total		**2,221.74**	**1,913.76**

(i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows

(ii) Change in Liabilities arising from Financing Activities:

Analysis of changes in net debt	As at 31st March, 2023	Cash inflow/ (outflow)	Non - cash		As at 31st March, 2024
			Fair Value adjustments (including foreign exchange rate movement)	Others	
Current Borrowings (including Cash Credit/ Packing Credit)	8,406.51	1,477.17	-	-	9,883.69
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	10,275.06	627.05	-	49.38	10,951.50
Net debt	**18,681.58**	**2,104.22**	**-**	**49.38**	**20,835.18**

Analysis of changes in net debt	As at 31st March, 2022	Cash inflow/ (outflow)	Non - cash		As at 31st March, 2023
			Fair Value adjustments (including foreign exchange rate movement)	Others on	
Current Borrowings (including Cash Credit/ Packing Credit)	3,305.87	5,100.64	-	-	8,406.51
Non-Current Borrowings (including current maturities of Non-Current Borrowings)	14,073.96	(3,817.24)	-	18.34	10,275.06
Net debt	**17,379.83**	**1,283.41**	**-**	**18.34**	**18,681.58**

(iii) Also refer note 10 for details of Cash and cash equivalents

In terms of our report attached
For B S R and Co
Chartered Accountants
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Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754

Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Consolidated Statement of Changes in Equity for the year ended 31st March, 2024

Equity share capital

(in ₹ lakhs)

Particulars	Amount
As at 31st March, 2022	917.35
Changes in equity share capital	-
As at 31st March, 2023	**917.35**
Changes in equity share capital	-
As at 31st March, 2024	**917.35**

Other equity

(in ₹ lakhs)

Particulars	Reserves and surplus						Currency translation reserve	Total other equity
	Securities premium	General reserve	Capital reserve	Retained earning	Share based payment reserve	Cash flow hedge reserve		
As at 1st April, 2022	**18,088.52**	**191.58**	**92.91**	**17,336.34**	**-**	**84.94**	**(12.00)**	**35,782.29**
Addition during the Year								
Profit for the year	-	-	-	3,514.98	-	-	-	3,514.98
Other comprehensive income/ (Loss) (Net of tax)	-	-	-	(111.87)	-	(23.19)	60.26	(74.81)
Total comprehensive income for the year	**-**	**-**	**-**	**3,403.11**	**-**	**(23.19)**	**60.26**	**3,440.17**
As at 31st March, 2023	**18,088.52**	**191.58**	**92.91**	**20,739.44**	**-**	**61.75**	**48.26**	**39,222.47**
As at 1st April, 2023	18,088.52	191.58	92.91	20,739.44	-	61.75	48.26	39,222.47
***Addition during the Year**	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	5,729.06	109.71	-	-	5,838.77
Other comprehensive income/ (Loss) (Net of tax)	-	-	-	(69.89)	-	(67.93)	76.51	(61.31)
Total comprehensive income for the year	**-**	**-**	**-**	**5,659.17**	**109.71**	**(67.93)**	**76.51**	**5,777.46**
As at 31st March, 2024	**18,088.52**	**191.58**	**92.91**	**26,398.62**	**109.71**	**(6.18)**	**124.77**	**44,999.93**

Nature and purpose of other reserves

1. **Securities premium**
   Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act,2013.

2. **General reserve**
   The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

3. **Capital reserve**
   Capital reserve relates to the balance towards merger of Anmol Trading Company on 1st April, 2001.

Consolidated Statement of Changes in Equity for the year ended 31st March, 2024

4. **Cash flow hedge reserve**

   The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

5. **Retained earnings**

   Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

6. **Share Based Payment Reserve***

   The Company implemented "Shaily Employee Stock Option Plan 2019" (ESOP 2019), as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee).

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

Jeyur Shah
Partner
Membership No: 045754
Vadodara
24 May 2024

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

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DIN: 00022444

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Company Secretary

Vadodara
24 May 2024

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 1: Corporate Information

Shaily Engineering Plastics Limited ("the Group" or "the Company") is a Public Company, limited by shares, incorporated and domiciled in India under the provisions of Companies Act, applicable in India, with its registered office in Savli, District Vadodara, Gujarat. Its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The Group is engaged in the manufacture of customized components made up of plastic and other materials and sale of design and development of medical equipments.

Note 2 - I: Material accounting policies

a) Basis of preparation and measurement

i) Compliance with Ind AS

These consolidated financial statements of the group have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provision of the act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

ii) Basis of measurement

These financial statements have been prepared on the historical cost basis except for defined benefit plans - net defined benefit (asset) / liabilities which have been measured at fair value based on principles of Ind AS 19 -"Employee benefits" and certain financial assets and liabilities are measured at fair value (refer note 29 (b) for list of financial assets and liabilities measured at fair value)..

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group adopted Disclosures of Accounting policies (Amendments to Ind As 1) from 1st April, 2023, although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statement.

Current / Non-current classification:

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

b) Operation segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assesses the financial performance and position of the Group and makes strategic decisions. The managing director has been identified as being the chief operating decision maker. Refer Note 32 for segment information.

c) Foreign currency transactions and translations

(i) Functional and presentation currency

Items included in consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Indian rupee (₹), which is the group's functional and presentation currency.

(ii) Transactions and balances

Monetary items denominated in foreign currencies at the year-end are translated into the functional currency at the exchange rate prevailing on the balance sheet date.

Consolidated Notes forming part of the Financial Statements
as at and for the year ended 31st March, 2024

Non-monetary items are carried at historical cost using the exchange rates on the date of transaction, other than those measured at fair value. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other incomes/expenses.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31st March, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March, 2024 . When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

e) Revenue and income recognition

Revenue from contracts with customers

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

The Group assesses promises in the contract that are separate performance obligations to which a portion of the transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Group considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It 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. It is reassessed at the end of each reporting period.

Contract balances

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional i.e., only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group delivers performance obligation under the contract.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Export incentives

Export incentive available under prevalent scheme is accrued in the year when the right to receive credit as per the term of scheme is established in respect of exports made and accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India.

Deferred tax is provided on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

g) Leases

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e., Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use 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 site on which it is located, less any lease incentives received. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using an incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension, or termination option.

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 the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Group recognises the lease payments associated with these leases as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

h) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the 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 the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, 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.

j) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventory	Cost Formula
Raw materials, components and packing materials	Weighted average cost basis.
Raw material in transit	At Cost to date
Work-in-process and Finished goods	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Stores and Spares	First in first out.

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The Group considers various factors like shelf life, ageing of inventory, product discontinuation, price changes and any other factor which impact the Group's business in determining the allowance for obsolete, non-saleable and slow moving inventories. The Group considers the above factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

k) Financial assets and liabilities

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

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Group becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income (FVTOCI);

c) Financial assets measured at fair value through statement of profit and loss (FVTPL).

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

a) The Group's business model for managing the financial assets;

b) The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

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

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets; and

b) The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

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a) The contractual rights to the cash flows from the financial asset have expired, or

b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through 'arrangement; and either:

   i) The Group has transferred substantially all the risks and rewards of the asset, or

   ii) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model to the following:

a) Financial assets measured at amortised cost;

b) Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12 month's expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows a 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value.

The Group's financial liabilities include trade and other payables.

Subsequent measurement

a) Financial liabilities measured at amortised cost;

b) Financial liabilities subsequently measured at fair value through statement of profit and loss (FVTPL)

Trade and other payables

These amounts represent liability for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Consolidated Notes forming part of the Financial Statements

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Derecognition

A financial liability is derecognised 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 recognised in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

I) Property, plant and equipment

Recognition and measurement

Items of PPE are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Capital work-in-progress is stated at cost. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work-in-progress and after commissioning the same is transferred / allocated to the respective item of PPE. Pre-operative costs, being indirect in nature, are expensed to the Statement of Profit and Loss as and when incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Any gain or loss on disposal of an item of PPE is recognized in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation methods, estimated useful lives and residual value.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives which are in accordance with Schedule II to the Companies Act, 2013. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

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 disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other incomes/expenses.

Classes of assets and their estimated useful lives:

Nature	Useful Life
Building	30
Plant and Machinery	5-15
Tools and Equipments	5-15
Electrical Installation	10
Furniture & Fixtures	10
Office equipment	5
Computer Hardwares	3
Roads	15
Vehicles	8

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as at and for the year ended 31st March, 2024

m) Intangible assets

Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

Amortisation

Intangible assets are amortised over the estimated period of benefit i.e. 3 to 10 years.

n) Intangible assets under development

The Group expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as an intangible asset.

o) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

p) Provisions, Contingent Liabilities and Contingent Assets

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, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursements.

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.

Contingent liability is disclosed in the case of:

a) A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

b) A present obligation arising from the past events, when no reliable estimate is possible;

c) A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Final dividend on shares is 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.

q) Employees Benefits

(i) Short-term obligations

Liabilities for wages and salaries and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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(ii) Long-term obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service and measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans such as gratuity, and
- defined contribution plans such as provident fund and superannuation fund

a) Defined benefit plans

The employees' gratuity fund scheme managed by HDFC Standard Life Insurance is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Remeasurements of net defined benefit liability which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of asset ceiling (if any excluding interest) are recognized in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of the contributions and benefit payments.Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

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 profit or loss. The Group recognizes gains and losses on settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds and employee state insurance corporation (ESIC) as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation Fund Contribution towards superannuation fund for qualifying employees as per the Group's policy is made to Life Insurance Corporation of India where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from contribution made on monthly basis.

r) Dividend

The Group recognises a liability to pay dividend to equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Group by the weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Consolidated Notes forming part of the Financial Statements

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Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

t) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs up to two decimals as per the requirement of Schedule III, unless otherwise stated.

u) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

v) Derivative and Hedging Activities

The Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Group opts to undertake hedge accounting, the Group documents, at the inception of the hedging transaction, the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows or fair values of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

u) Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, is recognized through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement.

When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss. When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the Statement of Profit and Loss.

Consolidated Notes forming part of the Financial Statements

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v) Share capital

The paid-up equity capital of the company as on 31st March, 2024 was 917.35 Lacs. The said shares are listed on the BSE Limited and the National Stock Exchange of India Limited. There was no change in the paid-up capital of the company, during the year under audit.

Note 2 - II: Use of estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

The area involving critical estimates or judgements is:

- **Employee benefit plans**

  The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

- **Embedded lease arrangement**

  The Mould required with respect to the arrangement with customer for customised manufacturing, is identified as embedded lease arrangement, as per Note 41, considering commitment by the customer in agreement with the group. Over this period, customer commits to purchase definite quantity of product from the group at fixed price per unit, failing which customer commits to pay to the group for the unsold quantity of the product) at such fixed rate per unit.

- **Useful lives and residual value of property, plant and equipment**

  The Group reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in a change in depreciation expense in future periods.

- **Expected Credit Loss**

  In accordance with Ind AS 109, the Group follows 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

- **Income taxes**

  Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid / recovered for uncertain tax positions.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Consolidated Notes Forming Part of the Financial Statements

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Note 3 - Property, plant and equipment

(in lakhs)

Particulars	Freehold Land	Leasehold Land (Refer note i)	Buildings	Plant and Machinery	Plant and Machinery - R&D	Electrical Installations	Electrical Installations - R&D	Tools and Equipment	Tools and Equipment - R&D	Furniture and Fixtures	Office Equipment	Computer Hardwares	Roads	Vehicles	Total	Capital work-progress
Gross carrying amount as 1st April, 2022	1,880.57	9.20	9,828.89	19,744.33	199.17	1,794.66	3.76	7,069.56	80.95	457.36	206.99	314.44	20.36	632.55	42,242.79	1,612.07
Additions	-	-	680.84	2,237.19	-	81.84	-	2,353.92	-	183.24	31.24	65.67	60.18	-	5,694.11	8,979.86
Disposals/Capitalisation	-	-	-	-	(79.74)	-	-	-	-	-	-	-	-	(42.45)	(122.19)	(5,694.12)
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost as at 31st March, 2023	**1,880.57**	**9.20**	**10,509.72**	**21,981.51**	**119.45**	**1,876.50**	**3.76**	**9,423.48**	**80.96**	**640.60**	**238.22**	**380.11**	**80.55**	**590.09**	**47,814.73**	**4,897.81**
Accumulated Depreciation as at 1st April, 2022	-	-	994.21	6,754.26	21.51	556.08	0.69	1,000.25	8.76	155.13	83.95	175.75	18.00	237.91	10,006.51	-
Depreciation for the year	-	-	340.70	1,861.41	-	168.97	-	506.81	-	47.38	36.68	75.40	14.41	78.98	3,130.74	-
Disposals	-	-	-	(75.77)	-	-	-	-	-	-	-	-	-	(38.25)	(114.01)	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	0.07	-	-	0.07	-
Accumulated Depreciation as at 31st March, 2023	**-**	**-**	**1,334.91**	**8,539.90**	**21.51**	**725.05**	**0.69**	**1,507.06**	**8.76**	**202.51**	**120.63**	**251.22**	**32.42**	**278.64**	**13,023.31**	**-**
Net carrying amount as at 31st March, 2023	**1,880.57**	**9.20**	**9,174.82**	**13,441.61**	**97.94**	**1,151.44**	**3.07**	**7,916.42**	**72.20**	**438.09**	**117.60**	**128.89**	**48.13**	**311.45**	**34,791.42**	**4,897.81**
Gross carrying amount as 1st April, 2023	**1,880.57**	**9.20**	**10,509.72**	**21,981.51**	**119.45**	**1,876.50**	**3.76**	**9,423.48**	**80.96**	**640.60**	**238.22**	**380.11**	**80.55**	**590.09**	**47,814.73**	**4,897.81**
Additions	-	-	3,462.20	5,219.67	-	356.96	-	2,634.44	-	189.20	24.35	118.81	-	-	12,005.63	8,659.09
Disposals/Capitalisation	-	-	-	(20.46)	-	-	-	-	-	-	-	-	-	-	(20.46)	(12,024.91)
Cost as at 31st March, 2024	**1,880.57**	**9.20**	**13,971.92**	**27,180.72**	**119.45**	**2,233.45**	**3.76**	**12,057.93**	**80.96**	**829.79**	**262.58**	**498.92**	**80.55**	**590.10**	**59,799.90**	**1,532.00**
Accumulated Depreciation as at 1st April, 2023	-	-	1,334.91	8,539.90	21.51	725.05	0.69	1,507.06	8.76	202.51	120.63	251.22	32.42	278.64	13,023.30	-
Depreciation for the year	-	-	425.10	1,717.83	-	184.29	-	674.15	-	56.24	33.09	74.03	19.49	69.82	3,254.04	-
Disposals	-	-	-	(18.92)	-	-	-	-	-	-	-	-	-	-	(18.92)	-
Exchange differences	-	-	-	-	-	-	-	-	-	(0.35)		(0.89)	-	-	(1.24)	-
Accumulated Depreciation as at 31st March, 2024	**-**	**-**	**1,760.01**	**10,238.81**	**21.51**	**909.35**	**0.69**	**2,181.21**	**8.76**	**258.75**	**153.72**	**325.25**	**51.91**	**348.47**	**16,257.18**	**-**
Net carrying amount as at 31st March, 2024	**1,880.57**	**9.20**	**12,211.90**	**16,941.91**	**97.94**	**1,324.12**	**3.07**	**9,876.71**	**72.20**	**571.04**	**108.86**	**173.67**	**28.64**	**241.63**	**43,542.72**	**1,532.00**

Notes:

(i) The company has acquired land for 99 years lease with an option to continue for another 99 years.

(ii) Refer note 38 for assets pledged as security.

(iii) Refer note 35 for disclosure of contractual obligations for acquisition of plant, property and equipment.

(iv) Addition includes borrowing cost of 24.93 Lakhs (PY nil Lakhs) capitalised using the rate base on specific borrowings ranging from 7.20% to 9.06%

(v) Capital Work in progress for the year ended 31st March, 2024 and 31st March, 2023 includes mainly plant & machinery, tools and equipments, building, electrification and preoperative expenses for New business projects expansion.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 3A - Capital-Work-in Progress (CWIP) ageing Schedule for the year ended:

As on 31st March, 2024:

₹

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,453.83	78.18	-	-	1,532.00
Projects temporarily suspended	-	-	-	-	-
Total	**1,453.83**	**78.18**	**-**	**-**	**1,532.00**

As on 31st March, 2023:

₹

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	4,897.81	-	-	-	4,897.81
Projects temporarily suspended	-	-	-	-	-
Total	**4,897.81**	**-**	**-**	**-**	**4,897.81**

Note:

The projects mentioned above are expected to be completed as per plan and there are no projects which are over due or has exceeded its cost compared to its original plan .

Note 3B - Right-of-use assets

(in ₹ lakhs)

	Buildings	Total
Gross carrying amount as at 1st April, 2022	-	-
Additions during the year	201.98	201.98
Acquisition through business combinations	-	-
Gross carrying amount as at 31st March, 2023	**201.98**	**201.98**
Accumulated depreciation as at 1st April, 2022	41.73	41.73
Depreciation for the year	47.26	47.26
Accumulated depreciation as at 31-Mar-2023	88.99	88.99
Net carrying amount as at 31st March, 2023	**112.98**	**112.98**
Gross carrying amount as at 1st April, 2023	*201.98*	*201.98*
Deductions / Adjustments during the year	22.41	22.41
Translation exchange difference	-	-
Gross carrying amount as at 31st March, 2024	**179.57**	**179.57**
Accumulated depreciation as at 1st April, 2023	88.99	88.99
Depreciation for the year	41.63	41.63
Deductions during the year	14.93	14.93
Accumulated depreciation as at 31st March, 2024	115.69	115.69
Net carrying amount as at 31st March, 2024	**63.88**	**63.88**

(i) Lease contracts entered by the Company majorly pertains for building taken on lease to conduct its business in the ordinary course.

(ii) Lease expenses of ₹125.32 Lakhs (previous year ₹104.84 lakhs) recognised in statement of profit and loss in other expenses for the year ended 31st March, 2024 towards short-term leases, lease of low value assets and variable lease rental not included in measurement of lease liability.

(iii) Extension and termination options are included in some of the lease contracts. These are used to maximise operational flexibility in terms of managing assets used in Company's operations.

(iv) Lease obligations, interest expense on lease, maturity profile of lease obligation and payment of lease obligations are disclosed respectively in Balance Sheet, Finance cost.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 4 - Intangible assets

(in ₹ lakhs)

Particulars	Copyright & Patents	Computer Software	Computer Software (R&D)	Total (A)	Intangible under development (B)	Total (A+B)
Gross carrying amount as at 1st April, 2022	865.76	374.83	28.92	1,269.51	1,250.19	2,519.69
Additions	1,012.01	32.26	-	1,044.27	1,722.40	2,766.66
Capitalisation	-	-	-	-	(1,044.27)	(1,044.28)
Cost as at 31st March, 2023	**1,877.77**	**407.09**	**28.92**	**2,313.78**	**1,928.32**	**4,242.07**
Accumulated Depreciation as at 1st April, 2022	135.92	223.64	11.89	371.45	-	371.45
Amortisation charge for the period	79.43	73.13	-	152.56	-	152.56
Accumulated Depreciation as at 31st March, 2023	**215.35**	**296.77**	**11.89**	**524.01**	**-**	**524.01**
Net carrying amount as at 31st March, 2023	**1,662.42**	**110.33**	**17.03**	**1,789.77**	**1,928.32**	**3,718.06**
Gross carrying amount as at 1st April, 2023	1,877.77	407.09	28.92	2,313.78	1,928.32	4,242.10
Additions	2,168.02	25.84	-	2,193.86	772.56	2,966.42
Capitalisation	-	-	-	-	(2,193.86)	(2,193.86)
Cost as at 31st March, 2024	**4,045.79**	**432.93**	**28.92**	**4,507.64**	**507.02**	**5,014.65**
Accumulated Depreciation as at 1st April, 2023	215.35	296.77	11.89	524.01	-	524.01
Amortisation charge for the period	225.98	47.23	-	273.21	-	273.21
Exchange Differences	(23.45)	-	-	(23.45)	-	-
Accumulated Depreciation as at 31st March, 2024	**417.88**	**344.00**	**11.89**	**773.77**	**-**	**797.22**
Net carrying amount as at 31st March, 2024	**3,627.92**	**88.94**	**17.03**	**3,733.87**	**507.02**	**4,217.42**

Note 4A - Intangible Assets under Development (IAUD) ageing Schedule for the year ended:

As on 31st March, 2024:

(in ₹ lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	140.21	366.81	-	-	507.02
Projects temporarily suspended	-	-	-	-	-
Total	**140.21**	**366.81**	**-**	**-**	**507.02**

As on 31st March, 2023:

(in ₹ lakhs)

IAUD	Amount in IUAD for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,660.12	246.81	17.96	3.43	1,928.32
Projects temporarily suspended	-	-	-	-	-
Total	**1,660.12**	**246.81**	**17.96**	**3.43**	**1,928.32**

Note:

The projects mentioned above are expected to be completed as per plan and there are no projects which are over due or has exceeded its cost compared to its original plan.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 5 - Non-current investments

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Investment in equity instruments (fully paid-up) at FVOCI (Unquoted)		
119000 Shares of Panax Appliances Pvt Ltd fully paid up (PY : 119,000) Equity Shares of ₹10/- each	11.90	11.90
Less : Impairment allowances for investment	(11.90)	(11.90)
325 Shares of The Citizen Co-Operative Credit Society Ltd, fully paid up (PY 325) Equity shares of ₹25 each	0.08	0.08
Total Investment in Equity	**0.08**	**0.08**
Investment in Preference shares (fully paid up) at amortised cost (Unquoted)		
871000 6 % Cumulative Redeemable Preference Shares of ₹4/- each of Panax Appliances Pvt Ltd fully paid up (PY : 871,000 at ₹4/- each)	27.04	27.04
Less : Impairment allowances for investment	(27.04)	(27.04)
	-	-
Total investment in preference shares	**-**	**-**
Total investments	**0.08**	**0.08**
Aggregate amount of unquoted investments	39.02	39.02
Aggregate amount of Impairment in value of investment	38.94	38.94

Note 6 - Other financial assets

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Security deposits	47.08	47.08
Total non-current	**47.08**	**47.08**
Current		
Finance lease receivable	18.15	55.46
Derivative asset	154.58	292.71
Other financial assets	18.81	79.36
Total current	**191.54**	**427.53**

Note 7 - Other assets

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Capital advances	1,690.57	1,556.04
Prepaid expenses	9.26	8.23
Balances with government authorities	127.82	156.35
Total Non-Current	**1,827.65**	**1,720.62**
Current		
Prepaid expenses	231.08	291.69
Capital advances	7.94	-
Contract assets*	107.33	57.61
Advance to suppliers	874.77	662.67
Less : Provision for advances	(195.00)	-
Advance to employees	80.42	52.98
Balances with government authorities	2,046.98	2,919.00
Total Current	**3,153.52**	**3,983.95**

Advance to suppliers includes receivable from related parties - refer note 33

* Classified as non financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 8 - Inventories (Valued at lower of cost and net realisable value)

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Raw materials and components	3,927.01	3,610.79
(Goods in transit ₹819.13 lakhs 31st March, 2024: ₹871.44 lakhs 31st March,2023)		
Work-in-progress	1,752.19	1,318.15
Finished goods	1,771.24	1,710.75
Stores and spares	615.35	405.34
Packing materials	294.56	252.44
Total	**8,360.35**	**7,297.46**

The Company follows suitable provisioning norms for written down the value of inventories towards slow moving and non moving inventory. Provision for the slow moving and non moving inventories during the year is ₹430 lakhs (31st March, 2023 is ₹128.26 Lakhs)

Refer note 38 for assets pledged as security

Note 9 - Trade Receivables

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Trade Receivables unsecured considered good *	11,735.50	9,192.50
b) Trade Receivables which have been Significant increase in Credit Risk	600.23	198.33
Less : Allowance for expected credit loss	(600.23)	(198.33)
Total	**11,735.50**	**9,192.50**

* For dues from related parties - refer note 33

Refer note 38 for assets pledged as security

(i) Trade Receivable ageing schedule for the year ended:

As on 31st March, 2024:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	8,404.18	3,152.68	452.71	80.44	238.95	6.80	12,335.75
Less : Allowance for expected credit loss	(54.09)	(115.81)	(199.85)	(53.55)	(172.04)	(4.89)	(600.23)
Total	**8,350.09**	**3,036.87**	**252.85**	**26.89**	**66.91**	**1.90**	**11,735.50**
Weighted Average loss rate	**0.64%**	**3.67%**	**44.15%**	**66.57%**	**72.00%**	**72.00%**	

As on 31st March, 2023:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	7,692.64	1,364.92	48.03	271.66	7.94	5.64	9,390.83
Less : Allowance for expected credit loss	(30.15)	(16.57)	(19.17)	(125.31)	(4.17)	(2.96)	(198.33)
Total	**7,662.49**	**1,348.35**	**28.86**	**146.35**	**3.77**	**2.68**	**9,192.50**
Weighted Average loss rate	**0.39%**	**1.21%**	**39.91%**	**46.13%**	**52.54%**	**52.48%**	
Total							

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 10 - Cash and cash equivalents

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
a) Balances with banks		
In current accounts	2,105.77	151.31
In EEFC accounts	111.65	55.03
b) Cash on Hand	4.32	7.43
c) Deposits with bank (Original maturity less than 3 Months)	-	1,700.00
Total	**2,221.74**	**1,913.76**

Note 11 - Bank balances other than cash and cash equivalents

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
In earmarked accounts		
Unpaid dividend accounts	1.58	2.10
Balances held as margin money (less than 12 months but more than 3 months maturity)*	412.89	388.38
Total	**414.47**	**390.48**

* Balance held as margin money are pertaining to deposits marked as lien against letter of credit and bank guarantee.

Note 12 - Loans

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current		
Loan to Employees (Unsecured, considered good)	62.60	45.34
Intercorporate Deposit -(Secured, considered good)	-	-
Loan To Corvi Led Pvt Ltd	580.54	520.38
Total	**643.14**	**565.72**

Note 13 (a) - Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of the following:

(i) Authorised share capital

(in ₹ lakhs)

Particulars	Number of shares	Amount
As at 31st March, 2024 (Equity shares of ₹2 each)	1,60,00,000	1,600.00
As at 31st March, 2023 (Equity shares of ₹10 each)	1,60,00,000	1,600.00

(ii) Issued,Subscribed and fully paid up

(in ₹ lakhs)

Particulars	Number of shares	Amount
As at 31st March, 2024 (Equity shares of ₹2 each) *	4,58,67,510	917.35
As at 31st March, 2023 (Equity shares of ₹10 each)	91,73,502	917.35

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 13 (a) - Share capital *(Contd.)*

(iii) Reconciliation of number of shares

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	Amount ₹ Lakhs	Number of shares	Amount ₹ Lakhs
Equity shares				
Opening balance	91,73,502	917.35	91,73,502	917.35
Subdivision of equity shares *	3,66,94,008	-	-	-
Closing balance	**4,58,67,510**	**917.35**	**91,73,502**	**917.35**

*Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") , the Board of Directors of the Company, at its meeting held on 2nd September, 2023, has approved Subdivision of existing Equity Share of the Company from one (1) equity share having a face value of ₹10/- each fully paid-up into five (5) Equity Shares of face value of ₹2/- (Rupees Two only) each fully paid-up.

(iv) Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of ₹10 each. Each holder of Equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

(v) Details of shareholders holding more than 5% shares in the Company

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of shares	% Holding	Number of shares*	% Holding
Mahendra Sanghvi	41,81,675	9.12%	10,36,335	11.30%
Tilottama Sanghvi	64,38,575	14.04%	12,87,715	14.04%
Laxman Sanghvi	23,82,120	5.19%	4,76,424	5.19%
Jayessh Shah	38,11,155	8.31%	7,62,231	8.31%
Ashish Kacholia	25,43,480	5.55%	5,99,696	6.54%
HDFC Small Cap Fund	9,93,357	2.17%	6,88,502	7.51%
Light house India III Equity Investors Limited	20,20,105	4.40%	5,07,198	5.53%

* These are considered at face value of ₹10 considering subdivision of shares has happened in current financial year.

(vi) Disclosures of Shareholding of Promoters - Shares held by the Promoters:

(in ₹ lakhs)

Promoter name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Mahendra Sanghvi	41,81,675	9.12%	10,36,335	11.30%	-2.18%
Laxman Sanghvi	23,82,120	5.19%	4,76,424	5.19%	0.00%
Tilottama Sanghvi	64,38,575	14.04%	12,87,715	14.04%	0.00%
Amit Sanghvi	13,03,290	2.84%	60,658	0.66%	2.18%
Jayessh Shah	38,11,155	8.31%	7,62,231	8.31%	0.00%
Kalpana Sanghvi	3,76,500	0.82%	75,300	0.82%	0.00%
Ramesh Shah	55,840	0.12%	11,178	0.12%	0.00%
Purnima Shah	50,040	0.11%	10,008	0.11%	0.00%
Lax Nagda	10,43,510	2.28%	2,08,702	2.28%	0.00%
Shaily Sanghvi	4,50,000	0.98%	90,000	0.98%	0.00%
Total	**2,00,92,705**	**43.81%**	**40,18,551**	**43.81%**	**-**

No. of shares as at 31st March, 2023 - These are considered at face value of ₹10 considering subdivision of shares has happended in current financial year.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 13 (a) - Share capital *(Contd.)*

(vii) No equity shares are issued as bonus shares or for consideration other than cash or have been bought back in previous five financial years

Note 13 (b) - Other Equity

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Securities premium		
Opening balance	18,088.52	18,088.52
Addition During the Year	-	-
Utilised	-	-
Closing balance	**18,088.52**	**18,088.52**
(b) Capital reserve		
Opening balance	92.91	92.91
Transfer from/to retained earnings	-	-
Issue of bonus shares	-	-
Closing balance	**92.91**	**92.91**
(c) General reserve		
Opening balance	191.58	191.58
Transfer from/to retained earnings	-	-
Issue of bonus shares	-	-
Closing balance	**191.58**	**191.58**
(d) Share based payment reserve		
Opening balance	-	-
Addition during the year	109.71	-
Closing balance	**109.71**	**-**
(d) Retained earnings		
Opening balance	20,739.45	17,336.34
Profit for the year	5,729.06	3,514.98
Item of other comprehensive income	(69.89)	(111.87)
Closing balance	**26,398.62**	**20,739.45**
(e) Cash flow hedge reserve		
Opening balance	61.75	84.94
Addition during the year	(67.93)	(23.19)
Closing balance	**(6.18)**	**61.75**
(f) Currency translation reserve		
Opening balance	48.26	(12.00)
Addition during the year	76.51	60.26
Closing balance	**124.77**	**48.26**
Total	**44,999.93**	**39,222.47**

The Board of Directors in their meeting held on 24th May, 2024 recommended a final dividend of Re. 1 per equity share for the financial year ended 31st March, 2024. The payment is subject to the approval of shareholders in the AGM of the Company and if approved, would result in a net cash outflow of approximately ₹458.68 Lakhs.

For details of nature and purpose of each reserve, please refer Statement of changes in equity.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 14 - Non-Current borrowings

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term loans:		
Rupee currency from banks	6,842.34	5,103.50
Foreign currency from banks	140.97	1,148.10
Vehicle loan	-	1.86
Total	**6,983.30**	**6,253.46**

(in ₹ lakhs)

Particulars	Maturity and terms of repayment	Coupon Rate	As at 31st March, 2024	As at 31st March, 2023
Term loans				
Rupee Currency		8.95% to 10.05% PY 7.20% to 9.55%	9,668.47	8,102.06
HDFC Term loan	TL-3 Quarterly installment of ₹166.67 lakhs till Jan 2025 TL-4 Quarterly installment of ₹111.11 lakhs from Apr 2021 till Jul 2025 TL New - Quarterly installment of ₹83.31 lakhs from Apr 2021 till Jul 2025 GECL WCDL Loan - Monthly installment of ₹30.94 lakhs from Apr 2022 till Mar 2026			
State Bank of India	TL-2 Quarterly installment of ₹190 lakhs from Dec 2021 to Mar 2022, remaining quarterly installments of ₹195 lakhs from Jun 2022 to Mar 2026 TL 8 Cr - Quarterly installment of ₹4.00 lakhs from Mar 2022 till Dec 2026 GECL WCDL Loan - Monthly installment of ₹12.08 lakhs from Oct 2022 till Sep 2026			
Standard Chartered Bank	GECL WCDL Loan - Monthly installment of ₹7.91 lakhs from Apr 2022 till Mar 2026			
Foreign Currency				
Standard Chartered Bank	ECB-1 Quarterly installment of Euro 1.25 lakhs From May 2021 till Feb 2025 ECB-2 Quarterly installment of Euro 1.56 lakhs from Aug 2021 till May 2025	3 months EURIBOR + 3% March 31, 2023: 3 months EURIBOR + 3%	1,155.92	2,156.18
Other Loans (Vehicle Loans)	Monthly installment of ₹2.99 lakhs till Nov 2022 Monthly installment of ₹0.91 lakhs till Dec 2023 Monthly installment of ₹0.62 lakhs till Jun 2024	7.81% to 9.06% March 31, 2023: 8.76% to 9.06%	1.86	16.83
Total long-term borrowings			**10,826.25**	**10,275.07**
Less: Current maturities of long-term borrowings (included in note 15)			(3,842.95)	(4,021.61)
Total non-current borrowings			**6,983.30**	**6,253.46**

Security-

Term loans from banks are secured by first pari passu charge over entire property, plant and equipments of the Company and second pari passu charge over entire current assets of the company.

Foreign Currency Loan from Bank is secured by first pari passu charge with existing term lender over entire property, plant and equipment of the Company and second pari passu charge on all the current assets with all existing working capital lenders. Also refer to Note No. 39 for further details. In case of other loans (Vehicle Loans), Vehicles purchased are hypothecated with the lender.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 15 - Current borrowings

(in ₹ lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans repayable on demand (Secured)		
From banks		
Cash credit /Packing credit	9,316.00	7,707.63
Current maturities of long-term borrowing (Refer note 14) (Including interest accrued ₹128.83 lakhs and in previous year ₹103.28)	3,971.78	4,124.89
Bill discounting	564.10	595.59
Total	**13,851.88**	**12,428.11**

Cash credit /Packing credit and bill discounting facilities from banks are secured by hypothecation of all current assets of the Company, present and future, such as inventories,receivables, loans and advances, etc. Cash credit /Packing credit and bill discounting are further secured by second pari passu charges over entire property, plant and equipments of the Company.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 38.

Note 16 - Provisions

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Provision for compensated absences	218.49	214.44
Provision for litigations	-	18.72
Total Non-Current	**218.49**	**233.16**
Current		
Provision for compensated absences	127.93	120.08
Total Current	**127.93**	**120.08**

Movement in provision :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening balance	18.72	-
Provided during the year	-	18.72
Reversal /settled during the year	(18.72)	-
Closing balance	**-**	**18.72**

Defined contribution plans

The Company makes Provident Fund and Superannuation Fund Contributions to defined contribution plans for qualifying employees. The Provident fund plan is operated by the Regional provident fund Commissioner. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary (i.e @12% is employer's contribution and @12% employee's contribution) as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised for year ended 31st March, 2024 ₹423.76 lakhs (Year ended 31st March, 2023 ₹385.42 lakhs) for Provident Fund contributions, contribution towards Employee State Insurance scheme and other funds in the Statement of Profit and Loss.

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

Compensated absences

Provision for compensated absences covers the liability for sick and earned leave. Compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders the related services are measured at the present value of expected future payments to be made in respect of such services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The amount recognised towards compensated absenses in statement of Profit and Loss during the year is ₹167.64 lakhs. (Previous year ₹136.68)

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

(iv) Investment Risk : The Company has funded with HDFC Insurance fund, therefore there is no significant Investment risk.

Gratuity

(in ₹ lakhs)

Particulars	As at 31st March, 2024 Gratuity (Funded)	As at 31st March, 2023 Gratuity (Funded)
(i) Change in defined benefit obligation		
Balance at the beginning of the year	769.24	584.29
Adjustment of:		
Current Service Cost	43.69	35.38
Interest Cost	47.84	33.86
Actuarial (gains) losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	8.81	(29.25)
- Experience Changes	111.66	170.51
Benefits Paid	(21.86)	(25.55)
Balance at the end of the year	**959.38**	**769.24**

(in ₹ lakhs)

Particulars	As at 31st March, 2024 Gratuity (Funded)	As at 31st March, 2023 Gratuity (Funded)
(ii) Change in fair value of assets		
Balance at the beginning of the year	769.24	532.27
Re-measurements due to:		
Actual Return on plan assets less interest on plan assets	27.07	(8.23)
Interest income	35.69	31.55
Contribution by the employer	149.24	239.20
Benefits Paid	(21.86)	(25.55)
Balance at the end of the year	**959.38**	**769.24**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
	Gratuity (Funded)	Gratuity (Funded)
(iii) Net asset / (liability) recognised in the Balance sheet		
Present value of defined benefit obligation	959.38	769.24
Fair value of plan assets	(959.38)	(769.24)
Net (asset) / liability in the Balance sheet	**-**	**-**
(iv) Expenses recognised in the statement of Profit and loss		
Current service cost	43.69	35.38
Interest cost	12.15	2.31
Total expense charged to statement of Profit and loss	**55.84**	**37.69**
(v) Re-measurements recognised in other comprehensive Income (OCI):		
Changes in financial assumptions	8.81	(29.25)
Experience adjustments	111.66	170.51
Actual return on plan assets less interest on plan assets	(27.07)	8.24
Amount recognised in other comprehensive Income (OCI):	**93.40**	**149.50**

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Present value of funded obligations	959.38	769.24
Fair value of plan assets	(959.38)	(769.24)
(Surplus) of funded plan	**-**	**-**
Unfunded plan	-	-
(Surplus) of Gratuity plan	**-**	**-**

Fair value of plan assets at the balance sheet date for defined benefit obligations:

Gratuity

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Insurer managed funds (funded with HDFC Insurance fund)	(959.38)	(769.24)
Total	**(959.38)**	**(769.24)**

Major category of plan assets as a % of plan assets :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Debentures/Bonds	36.94%	49.86%
Govt Securities	60.36%	49.90%
Deposits , Money Market Securities and Net Current Assets	2.69%	0.24%
Total	**100.00%**	**100.00%**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 16 - Provisions *(Contd.)*

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Gratuity (in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount rate	7.25%	7.40%
Salary escalation rate	5.00%	5.00%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

The Expected contribution for the next year in ₹60.32 lacs.

Weighted average duration of Defined Benefit Obligation as at valuation date is 7.13 years (for PY 6.73 years).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: (in ₹ lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation Increase /(decrease) in assumption	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Discount rate	+/ -0.5%	+/- 0.5%	(28.69) / 30.67	(22.66) / 24.21
Salary escalation rate	+/ -0.5%	+/- 0.5%	32.53 / (30.64)	23.59 / (22.28)
Withdrawal Rate	+/ -10%	+/- 10%	(1.18) / 1.57	(0.84) / 1.18

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Maturity Analysis (in ₹ lakhs)

Particulars	Year 1	Year 2	Year 3 - 5	Year 6 - 10
31st March, 2024				
Defined Benefit Obligation	277.51	103.99	136.89	367.15
31st March, 2023				
Defined Benefit Obligation	254.50	27.46	162.84	253.14

Compensated absences

The summary of the assumptions used in the valuations is given below:

Financial Assumptions (in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Discount Rate (p.a)	7.25%	7.40%
Salary Growth Rate (p.a)	5.00%	5.00%
Withdrawal rates	60% at lower service reducing to 1% at higher service	60% at lower service reducing to 1% at higher service

Leave Availment & Encashment Rate (in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Leave Availment Rate (p.a.)	1.00%	1.00%

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 17 - Other liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Advance from customers	72.63	-
Deferred income	8.49	10.19
Total Non-Current	**81.12**	**10.19**
Current	-	-
Advance from customers	758.71	1,810.91
Liability towards corporate social responsibility	52.43	44.88
Deferred income	1.46	1.10
Statutory dues	199.67	100.85
Total Current	**1,012.27**	**1,957.74**

Note 18 - Trade payables

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) total outstanding dues of micro enterprises and small enterprises	1,139.09	505.98
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	5,726.55	4,834.17
Total	**6,865.63**	**5,340.15**

(i) Trade Payable ageing schedule for the year ended:

As at 31st March, 2024:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	924.82	209.39	4.55	0.33	-	1,139.09
(ii) Others*	4,810.71	821.85	15.00	21.00	58.00	5,726.55
Total	**5,735.53**	**882.39**	**19.55**	**21.33**	**58.00**	**6,865.63**

As at 31st March, 2023:

(in ₹ lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	389.54	115.08	0.48	0.88	-	505.98
(ii) Others*	3,064.65	1,642.85	11.73	94.91	20.03	4,834.17
Total	3,454.19	1,757.92	12.22	95.79	20.03	5,340.15
(iv) Disputed dues -Others	-	-	-	-	-	-

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the company and relied by the auditors.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 18 - Trade payables *(Contd.)*

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1,267.91	505.98
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	2.78	6.29
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	4,788.31	1,713.21
- Amount of principal payments made to the supplier beyond the appointed day	4,788.31	1,713.21
- Amount of interest payments made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	55.94	13.77
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	58.72	55.65
(vi) The amount of further interest due and payable even in the succeeding year, 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	114.37	55.65

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.

Note 19 - Other financial liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-Current		
Deferred premium on derivative instrument	-	33.86
Total Non-Current	**-**	**33.86**
Current		
Unpaid dividends	1.58	2.10
Capital creditors	466.47	394.41
Trade/Security deposit received	-	1.00
Accrued expense	6.91	3.23
Employee liabilities	517.94	460.05
Deferred premium on derivative instrument	32.41	71.70
Derivative liability	8.25	-
Total Current	**1,033.56**	**932.49**

Capital creditors includes total outstanding dues of micro enterprises and small enterprises of ₹128.82 lakhs. (previous year Nil)

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 20 - Revenue from operations

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Sale of products	60,392.60	59,242.10
Sale of services	3,760.62	1,291.28
Other operating revenue	-	
Sale of scrap	170.55	157.09
Export incentives	17.60	1.16
Others.	45.70	14.95
Total other operating revenue	**233.85**	**173.20**
Total	**64,387.06**	**60,706.59**

Note 21 - Other income

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest Income on deposits	155.71	282.05
Interest Income on Income Tax refund	-	7.88
Profit on sale of Asset	3.81	-
Net gain on foreign currency transactions	206.19	-
Interest component on account of Fair valuation of loan*	147.64	134.70
Other non-operating income	135.91	25.81
Total	**649.25**	**450.44**

*Interest income is recognised using effective interest rate.

Note 22(a) - Cost of material consumed

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Opening stock	3,863.23	5,954.78
Add:Purchases	37,862.48	34,731.05
Less :Closing stock	(4,221.57)	(3,863.23)
Total	**37,504.14**	**36,822.61**

Note 22(b) - Changes in inventories of finished goods and work in progress

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Inventories at the end of the year		
Finished goods	1,771.24	1,710.75
Work in progress	1,752.19	1,318.15
	3,523.44	**3,028.89**
Inventories at the beginning of the year		
Finished goods	1,710.75	3,127.37
Work in progress	1,318.15	1,727.17
	3,028.88	**4,854.54**
Net (increase) /decrease	**(494.55)**	**1,825.65**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 23 - Employee benefit expenses

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Salaries, wages and bonus	5,042.27	4,170.73
Contributions to provident and other funds	423.76	385.42
Staff welfare expenses	264.14	237.63
Total	**5,730.16**	**4,793.78**

Note 24 - Finance costs

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest expense on:		
Borrowings	1,575.94	1,497.69
Loans from related parties	-	1.11
Exchange difference on restatements of ECB to the extent considered as interest cost	-	107.81
Interest component on account of Fair valuation of loan*	141.36	143.64
Interest expense on lease	7.77	11.39
Others	64.56	26.59
Total	**1,789.63**	**1,788.23**

*Interest expense is recognised using effective interest rate.

Note 25 - Depreciation and amortisation expense

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Depreciation of property, plant and equipment	3,254.04	3,130.73
Amortisation of intangible assets	273.20	152.56
Depreciation on right to use assets	41.63	47.26
Total	**3,568.88**	**3,330.56**

Note 26 - Other expenses

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March 2023
Stores and spares consumed	405.81	205.44
Subcontracting and labour charges	2,103.26	1,562.30
Repairs & maintenance		
- Building	24.73	23.40
- Plant & Machinery	420.17	656.94
- Others	117.98	103.76
Rent (Refer note 28)	125.32	104.84
Rates and taxes	155.62	24.67
Insurance	262.96	240.12
Conveyance expense	39.41	36.04
Postage and telephone expense	44.92	39.76
Printing and stationery	69.69	35.77
Vehicle expense	112.53	122.68

Consolidated Notes forming part of the Financial Statements
as at and for the year ended 31st March, 2024

Note 26 - Other expenses *(Contd.)*

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March 2023
Legal and professional	502.37	149.04
Directors' sitting fees	47.00	32.38
Sales commission and Fees	194.49	101.06
Payments to auditors	38.18	39.78
Travelling expense	302.70	239.23
Carriage outwards	409.96	441.30
Advertisement	70.47	141.10
Corporate social responsibility (Refer note (ii) below)	77.56	71.39
Royalty	89.10	-
Expected credit loss allowance	401.90	35.36
Testing fees	173.38	221.33
Bank charges	106.71	118.36
Loss on sale of PPE	-	0.83
House Keeping Expense	113.44	46.72
Net loss on foreign currency transactions and translation	-	297.72
Provision for advances	195.00	-
Miscellaneous expenses	424.85	337.87
Total	**7,029.53**	**5,429.19**

Note 27 - Taxation
27 (a) - Income tax expense

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Current tax		
Tax expense for current year	854.09	595.45
Total current tax expense	**854.09**	**595.45**
Deferred tax		
Defered tax (benefit) / expense pertaining to current year	401.56	410.31
Total deferred tax expense/(benefit)	**401.56**	**410.31**
Total income tax expense recognised in current year	**1,255.65**	**1,005.76**

Income Tax Recognised in other comprehensive Income

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Deferred Tax on items recognised in other comprehensive Income		
- Remeasurements of post employment benefit obligations - Items that will not be reclassified to profit or loss	23.51	37.63
- Effective portion of gains on hedging instrument in cash flow hedges - Items that will be reclassified to profit or loss	22.85	7.80
- Exchange differences in translating the financial statements of foreign operations - Items that will be reclassified to profit or loss		
Total current tax expense	**20.62**	**25.16**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 27 - Taxation *(Contd.)*

27 (b) - Reconciliation of Estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit for the period	6,984.71	4,520.72
Statutory tax rate applicable to Shaily Engineering Plastics Limited	25.17%	25.17%
Tax expense at applicable tax rate	**1,757.91**	**1,137.87**
Tax effects of following in calculating taxable income:		
Additional deduction claimed under Income tax Act	-	(36.10)
Permanent difference on account of Exempt income	(532.49)	(129.77)
Expenses not allowed as per Income tax Act	34.88	23.02
Others	(4.65)	10.74
Income tax expense	**1,255.65**	**1,005.76**
Effective tax rate	**17.98%**	**22.25%**

27 (c)- Deferred tax liabilities

The balance comprises temporary differences attributable to:

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax liabilities:		
Difference between accounting and tax written down value of PPE & Intangible assets	2,664.03	1,952.66
Other timing differences	31.01	31.98
Total deferred tax liabilities	**2,695.05**	**1,984.64**
Deferred tax assets:		
Adjustment on account of provision for expected credit loss	308.39	49.92
Other timing differences	303.02	232.01
Total deferred tax assets	**611.41**	**281.93**
Net deferred tax liabilities	**2,083.64**	**1,702.71**

Movement in deferred tax balances

(in ₹ lakhs)

Particulars	As at 31st March, 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehensive income	Adjustment	As at 31st March, 2024
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	1,952.66	711.38	-	-	2,664.04
Other timing difference	31.98	(0.97)	25.73	-	56.74
Total deferred tax liabilities	**1,984.64**	**710.41**	**25.73**	**-**	**2,720.78**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	49.92	258.47	-	-	308.39
Other timing differences	232.01	50.37	46.36	-	328.74
Total deferred tax assets	**281.93**	**308.84**	**46.36**	**-**	**637.13**
Net deferred tax liabilities	**1,702.71**	**401.56**	**(20.62)**	**-**	**2,083.64**

Consolidated Notes forming part of the Financial Statements
as at and for the year ended 31st March, 2024

Particulars	As at 31st March, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to Other Comprehensive income	Adjustment	As at 31st March, 2023
Deferred tax liabilities:					
Difference between Accounting and Tax written down value	1,472.92	479.74	-	-	1,952.65
Other timing difference	56.16	(44.45)	20.27	-	31.98
Total deferred tax liabilities	**1,529.08**	**435.29**	**20.27**	**-**	**1,984.64**
Deferred tax assets:					
Adjustment on account of provision for expected credit loss	41.02	8.90	-	-	49.92
Other timing differences	170.50	16.08	45.43	-	232.01
Total deferred tax assets	**211.52**	**24.98**	**45.43**	**-**	**281.93**
Net deferred tax liabilities	**1,317.57**	**410.31**	**(25.16)**	**-**	**1,702.71**

Note 28 - Lease

The Company's significant leasing arrangements are mainly in respect of office & godown. Leases typically run in a range from 11 months to 5 years, with an option to renew the lease after that date. The Company previously used to classify leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company.

The Company has adopted Ind AS 116 "Leases" with effect from 1st April, 2019 i.e. date of transition with modified prospective approach. The Company has elected to account for short-term and low value leases using the practical expedient as given in the standard. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss. The weighted average incremental borrowings rate of 7.86% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. Company's short term and low value consists of office premises taken on lease for a period of 11 months months which are renewable by mutual consent or mutually agreed terms. The aggregate of such lease rentals are charged as "Rent".

The Company used following practical expedients when applying Ind AS 116 :

- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

Accordingly, Right-of-Use asset and lease liability of ₹201.98 Lakhs has been recognised.

A. Amount recognised in Statement of Profit and Loss

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest on lease liabilities	7.77	11.39
Amortisation of ROU Assets	41.63	47.26
Expenses relating to short term and low value leases charged as Rent	19.69	17.75

B. Amount recognised in the Statement of Cash Flows

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Interest component	7.77	11.39
Lease component	41.65	49.03

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 28 - Lease *(Contd.)*

C. Maturity Analysis of Lease Liabilities

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Maturity Analysis - Undiscounted		
Less than one year	49.22	38.20
One to five years	39.00	77.76
More than five years	-	-

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Lease liabilities included in Balance Sheet		
- Current	31.55	38.20
- Non Current	39.00	77.76

D. Movement of Right of Use Assets

Forming part of note to "Right of Use Assets" (refer note 3B).

E. Movement of Lease Liability

(in ₹ lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Balance as at the beginning of the year	115.96	164.99
Deduction	(11.53)	-
Finance cost accrued	7.77	11.39
Payment of lease liabilities	(41.65)	(60.42)
Balance as at the end of the year	**70.55**	**115.96**

Note 29 - Financial Instruments

29 a) - Fair Value Measurement - Financial instruments by category

(in ₹ lakhs)

Particulars	Amortised cost	
	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Trade receivables	11,735.50	9,192.50
Cash and cash equivalents	2,221.74	1,913.76
Bank balances other than cash and cash equivalent above	414.47	390.48
Investment in Preference shares (Gross of allowance for impairment)*	27.04	27.04
Loans and advances to employees	643.14	565.72
Other Financial Assets	84.04	181.89
Total financial assets - At amortised cost	**15,125.92**	**12,271.39**
Financial liabilities		
Borrowings	20,835.18	18,681.57
Trade Payables	6,865.63	5,340.15
Lease liabilities	70.55	115.96
Other Financial Liabilities	1,025.31	966.35
Total financial liabilities - At amortised cost	**28,796.68**	**25,104.03**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 29 - Financial Instruments *(Contd.)*

(in ₹ lakhs)

Particulars	FVOCI	
	As at 31st March, 2024	As at 31st March, 2023
Financial assets		
Equity shares of Panax Appliances Pvt. Ltd.(Gross of allowance for impairment)	11.90	11.90
Equity shares of Citizen Co-operative Society Ltd	0.08	0.08
Derivative Asset	154.58	292.71
Total financial assets - At FVOCI	**166.56**	**304.69**
Financial liabilities		
Derivative liability	8.25	-
Total financial liabilities - At FVOCI	**8.25**	**-**

*Note:- Investment in subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purpose of measurement, the same have not been disclosed in tables above.

29 b) Fair Value Measurement - Hierarchy

Financial assets and liabilities measured at fair value -recurring fair value measurements (in ₹ lakhs)

As at 31st March, 2024	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	154.58	-	154.58
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets	**-**	**-**	**154.58**	**11.98**	**166.56**
Financial liabilities					
Derivative Instruments					
Designated as Cash Flow Hedge	19	-	8.25	-	8.25
Total Financial liabilities	**-**	**-**	**8.25**	**-**	**8.25**

Financial assets and liabilities measured at fair value -recurring fair value measurements (in ₹ lakhs)

As at 31st March, 2023	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Derivative Instruments					
Designated as Cash Flow Hedge	6	-	292.71	-	292.71
Financial Investments at FVOCI					
Equity Shares of Panax Appliances Pvt. Ltd.	5	-	-	11.90	11.90
Equity Shares of Citizen Co-operative Society Ltd	5	-	-	0.08	0.08
Total Financial Assets	**-**	**-**	**292.71**	**11.98**	**304.69**

There is no movement in Level 3 investment.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values.

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise 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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures are included in level 3.

29 c) Fair Value Measurement - Technique

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

29 d) Derivative Financial Instruments

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

(i) The details of various outstanding derivative financial instruments are given below :

(in ₹ lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Assets	Liabilities	Assets	Liabilities
Derivatives designated in cash flow hedges				
- Option contract	154.58	-	210.19	-
- Interest rate swap	-	8.25	82.52	-
Total designated derivatives	**154.58**	**8.25**	**292.71**	**-**

(ii) The details of the gross notional amounts of derivative financial instrument outstanding :

(in ₹ lakhs)

Derivative instruments	Underlying	As at 31st March, 2024	As at 31st March, 2023
- Option contract	EUR/INR	€ 12.81 Lakhs	€ 24.06 Lakhs
- Interest rate swap	Floating to Fixed	€ 12.81 Lakhs	€ 24.06 Lakhs

(iii) The movement of cash flow hedges in other comprehensive income is as follows :

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning of the year	61.75	84.94
Change in the fair value of effective portion of cash flow hedges	(90.78)	(31.00)
Deferred tax on fair value of effective portion of cash flow hedges	22.85	7.80
Balance at the end of the year	**(6.18)**	**61.75**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. 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 Risk Management Framework of the Company is enforced by the finance team and experts of business division that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks;
- maintain market risks within acceptable parameters, while optimising returns; and

The finance department is responsible to maximise the return on companies internally generated funds."

30 a) Management of credit risks

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentrations of credit risk with respect to trade receivables are limited. This is due to the Company's policy of strict credit worthiness tests it performs for all its sales. Company deals with limited number of customers with highest credit ratings. Company acts as institutional supplier to its customers without any channel distribution model. Most of the company products are plastic moulded components, specially created as per the designs of its customer and are either semi finished goods or critical to business operations of its customers, making it business prudent for customers for not to dispute or delay payment of any receivable to the Company. All trade receivables are regularly reviewed and assessed for default on an ongoing basis.

Expected credit loss for trade receivable under simplified approach

(in ₹ lakhs)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
Year ended 31st March, 2024							
Gross carrying amount	8,404.15	2,720.19	432.49	127.84	324.87	326.19	12,335.73
Expected credit losses (Loss allowance provision)	(54.09)	(56.30)	(59.51)	(22.13)	(177.72)	(230.47)	(600.23)
Carrying amount of trade receivables	**8,350.06**	**2,663.89**	**372.98**	**105.71**	**147.15**	**95.72**	**11,735.50**

(in ₹ lakhs)

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-360 days	More than 360 days	Total
Year ended 31st March, 2023							
Gross carrying amount	7,692.64	1,316.84	48.08	14.23	33.80	285.24	9,390.83
Expected credit losses (Loss allowance provision)	(30.15)	(13.72)	(2.85)	(3.58)	(15.59)	(132.44)	(198.33)
Carrying amount of trade receivables	**7,662.49**	**1,303.12**	**45.23**	**10.65**	**18.21**	**152.80**	**9,192.50**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

30 b) Management of liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

(in ₹ lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2024				
Borrowings	20,835.18	13,852.82	6,982.36	20,835.18
Trade Payables	6,865.63	6,865.63	-	6,865.63
Lease liabilities	70.55	31.55	39.00	70.55
Other Financial liabilities	1,025.30	1,025.30	-	1,025.30
	28,796.66	**21,775.30**	**7,021.37**	**28,796.67**

(in ₹ lakhs)

Particulars	Carrying amount	Less than 12 months	More than 12 months	Total
As at 31st March, 2023				
Borrowings	18,681.57	12,428.11	6,253.46	18,681.57
Trade Payables	5,340.15	5,340.15	-	5,340.15
Lease liabilities	115.96	38.20	77.76	115.96
Other Financial liabilities	966.35	932.49	33.86	966.35
	25,104.02	**18,738.94**	**6,365.08**	**25,104.02**

30 c) Management of market risks

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the value of a financial asset. The value of a financial asset may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including receivables, payables and borrowings denominated in foreign currency. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

30 d) (i) Foreign currency risk

The Company has international operations and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised Financial assets and liabilities denominated in a currency that is not the functional currency '(INR) of the Company. The management does not undertake any hedging activities or otherwise to offset or mitigate the foreign currency and interest rate risk that it is exposed to other than the hedging EUR ECB loan. The Company undertakes significant of its foreign currency transaction in United States Dollar ('USD'). To the extent of lower of exports and imports that the Company undertakes in USD, the Company has a natural hedge against the exposure to foreign currency risks. However the Company has taken a EUR ECB Loan for which Currency Call Hedge has been undertaken.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

The Company is exposed to foreign currency risks on accounts of foreign currency denominated receivables and payables as below:

(Amount in foreign & rupee currency in Lakhs)

As at 31st March, 2024	USD	INR	EURO	INR	HKD	INR	GBP	INR	JPY	INR
Financial assets										
Trade Receivables	19.71	1,599.43	6.59	576.97	-	-	-	-	-	-
Bank balance in EEFC accounts	1.34	111.65	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**21.04**	**1,711.09**	**6.59**	**576.97**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities										
Trade payables	16.07	1,360.13	0.06	5.87	1.99	19.49	3.29	333.09	-	-
Borrowings	-	-	12.81	1,155.92	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(12.81)	(1,155.92)	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.11	10.04	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**16.07**	**1,360.13**	**0.17**	**15.91**	**1.99**	**19.49**	**3.29**	**333.09**	**-**	**-**
Net Exposure to foreign currency risk (assets/(liabilities))	**4.97**	**350.95**	**6.42**	**561.06**	**(1.99)**	**(19.49)**	**(3.29)**	**(333.09)**	**-**	**-**

(in ₹ lakhs)

As at 31st March, 2023	USD	INR	EURO	INR	HKD	INR	GBP	INR	JPY	INR
Financial assets										
Trade receivables	19.90	1,578.12	-	-	-	-	-	-	-	-
Bank balance in EEFC accounts	0.67	55.03	-	-	-	-	-	-	-	-
Exposure to foreign currency assets	**20.57**	**1,633.15**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Financial liabilities										
Trade payables	5.86	481.94	1.02	91.09	-	-	0.20	20.06	1,198.00	740.84
Borrowings	-	-	24.06	2,156.18	-	-	-	-	-	-
Less : Foreign currency hedged	-	-	(24.06)	(2,156.18)	-	-	-	-	-	-
Interest Payable on Foreign borrowings	-	-	0.23	20.26	-	-	-	-	-	-
Exposure to foreign currency risk liabilities	**5.86**	**481.94**	**1.25**	**111.35**	**-**	**-**	**0.20**	**20.06**	**1,198.00**	**740.84**
Net Exposure to foreign currency risk (assets/(liabilities))	**14.71**	**1,151.21**	**(1.25)**	**(111.35)**	**-**	**-**	**(0.20)**	**(20.06)**	**(1,198.00)**	**(740.84)**

The outstanding HKD denominated balance being insignificant has not been considered.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 30 -Financial risk management *(Contd.)*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises from above referred outstanding balances.

(in ₹ lakhs)

Currency Sensitivity	Impact on profit before tax	
	As at 31st March, 2024	As at 31st March, 2023
USD sensitivity		
INR/USD -Increase by 1%*	4.14	11.51
INR/USD -decrease by 1%*	(4.14)	(11.51)
EURO sensitivity		
INR/EURO -Increase by 1%*	5.79	(1.11)
INR/EURO -decrease by 1%*	(5.79)	1.11
GBP sensitivity		
INR/GBP -Increase by 1%*	(3.46)	(0.20)
INR/GBP -decrease by 1%*	3.46	0.20
HKD sensitivity		
INR/HKD -Increase by 1%*	0.21	0.24
INR/HKD -decrease by 1%*	(0.21)	(0.24)
JPY sensitivity		
INR/JPY -Increase by 1%*	-	7.40
INR/JPY -decrease by 1%*	-	(7.40)

*Holding all other variables constant

The outstanding HKD & TWD denominated balance being insignificant has not been considered for the purpose of sensitivity disclosures.

30 d) (ii) Interest rate risk

Interest rate risk arises on account of variable interest rate borrowings held by the Company. The uncertainties about the future market interest rate of these borrowings exposes the Company to the interest rate risk.

Currently, Interest rate on Term Loans are linked with Marginal Cost of funds based Lending Rate (MCLR) and to the extent of variation in MCLR, interest rates on terms loans are expected to be changed. The interest rates on Term loans which are linked with MCLR are reported in Note 14 - Non-current Borrowings.

The Company has taken a ECB loan of € 4.5Mn from the Standard chartered Bank, Dubai International Financials Branch, First of its drawdown being of € 2.0 Mn & the second drawdown being of €2.50 Mn. We have taken Interest rate swap for converting the floating interest rate to fixed rate and thus hedging against risk of upward movement of EURIBOR rates.

For the year ended 31st March, 2024 and 31st March, 2023 a 10 basis point increase / decrease in interest rate on floating rate liabilities would impact Company's profit before tax by approximately 0.29 % and 0.43% respectively.

Note 31 - Details of Government Grants

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Government grants received by the Company during the year towards		
i.) Duty drawback (recognised under Export Incentive under Other revenue from operations)	0.15	1.16
ii.) Other incentives (Remission of Duties and Taxes on Export Products and Focus Product Scheme the revenue of which has been recognised under Export Incentive)	17.45	-
iii.) Other Government Grant include grant received by the Company in respect to investment made by the Company in plant and equipment.	-	-
A) Amount of grant received during the year	-	-
B) Amortised in statement of Profit and Loss	1.35	1.10
C) Unamortised portion of grant recorded as deferred income in current and non current liabilities	9.94	11.29

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 32 -Operating segment

In accordance with the requirement of Ind AS 108 - "segment reporting", the Company is primarily engaged in the business of manufacturing of customized components made up of plastic and other materials and has no other primary reportable segments. The Board of Directors of the Company allocates the resources and assess the performance of the Company, thus Chief Operating Decision Maker("CODM"). The CODM monitors the operating results of the business as a single segment hence no separate segment needs to be disclosed. Thus the segment revenue, segment result, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, the total amount of charge for depreciation and amortization during the year are all as reported in the financial statements for the year ended 31st March, 2024 and as on that date.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(in lakhs)

Revenue from sale of products and services	As at 31st March, 2024	As at 31st March, 2023
India	16,025.93	13,599.47
Outside India	48,127.29	46,933.91
Total Revenue from sale of products and services	**64,153.22**	**60,533.38**

The amount of its non-current assets broken down by location of the customers is shown in the table below. (in lakhs)

Non-current assets	As at 31st March, 2024	As at 31st March, 2023
India	51,180.58	45,227.54
Outside India	344.83	268.79
Total non-current assets	**51,525.41**	**45,496.33**

The Company earns revenue from one major customer of 42,656.24 (previous year 44,893.57 lakhs) who individually contribute more than 10 percent of the Company's revenue.

Note 33 - Related Party Transactions

33 a) Details of related parties

Description of relationship	Names of related parties
Key Management Personnel and Directors	
Executive Chairman	Mr. Mahendra Sanghvi
Managing Director	Mr. Amit Sanghvi
Executive Director	Mr. Laxman Sanghvi
Whole Time Director	Mrs. Tilottama Sanghvi
Independent Director	Mr. Milin Mehta
Independent Director	Mr. Ranjit Singh
Independent Director	Mr. Shailesh Ayyangar
Independent Director	Mrs. Sangeeta Singh
Independent Director	Mrs. Varsha Purandare (till 29 April 2022)
Other Related Parties	
	Panax Appliances Pvt. Ltd.
Entities in which KMP have significant influence	Shaily-IDC India Pvt. Ltd.
Entities in which KMP have significant influence	Shaily Medical Plastics Pvt.Ltd.
Relative of key management personnel	Mrs.Kinjal S Bhavsar
Relative of key management personnel	Mrs. Kalpana L Sanghvi
Firm owned by relative of key management personnel	Jariwala Shah Kanji Raichand & Co
Entities in which Independent Directors have significant influence	Tiivra Ventures Private Limited

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 33 - Related Party Transactions *(Contd.)*

33 b) Key management personnel compensation

(in lakhs)

Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Short term benefits	805.21	565.91
Post employment benefits	7.30	155.93
Share based payments	-	-

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

33 c) Transactions with related parties

(in lakhs)

Nature of Transaction	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Rent paid for lease arrangements		
Mrs. Tilottama Sanghvi	8.40	8.40
Jariwala Shah Kanji Raichand & Co	7.50	7.08
Interest paid on loans	-	-
Mr. Laxman Sanghvi	-	1.11
Sales transactions	-	-
Tiivra Ventures Private Limited	25.39	-
Repayment of loan	-	-
Mr. Laxman Sanghvi	-	13.85
Remuneration	-	-
Mrs. Kinjal Bhavsar	140.50	72.58
Sitting fees to Independent Director	47.00	32.38

33 d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions;

(in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Trade receivables		
Tiivra Ventures Private Limited	20.11	-
Investment in Panax Appliances Pvt. Ltd *	27.04	-
Advance to supplier		
Shaily Medical Plastics Pvt Ltd.	9.50	9.50
Panax Appliances Pvt. Ltd	20.03	20.03

*The entire investment is provided for as impairment allowance

33 e) Terms and conditions :

(i) All outstanding balances are unsecured and are repayable/receivable in cash and all the transactions with these related parties are priced on an arms lengh basis

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 34 - Contingent liabilities

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Income Tax	2.46	4.24
(b) Sales Tax	-	5.74
(c) Custom Duty	97.84	97.84
(d) Service Tax	193.93	193.93
(e) Excise Duty	3.22	3.22
(f) Workmen compensation	Amount Not determinable	Amount Not determinable

It is not practical for the Company to estimate the closure of these issue and the consequential timing of cash flows, if any.

1) The Company has ongoing disputes with various tax authorities (income tax, customs duty, service tax and excise) in India. The Company have disclosed contingent liability of ₹297.45 lakhs and ₹304.98 lakhs as at 31st March, 2024 and 31st March, 2023, respectively, in respect of various tax demands, which are being contested by the Company based on the management evaluation and advice of tax consultants.

2) The Company periodically receives notices and inquiries from tax authorities related to the Group's operations in the jurisdictions it operates in. The Company has assessed these notices and inquiries and estimated that any consequent tax claims or demands by the tax authorities will not succeed on ultimate resolution.

3) The company does not expect any reimbursement in respect of the above contingent liabilities.

4) The Company has reviewed all its pending litigations and proceedings and has adequately provided for wherever required.

Note 35 - Commitments

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	852.96	5,633.11

Note 36 - Disclosure under Ind AS 115

(A) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Revenue as per contracted price	64,438.13	61,643.46
Adjustments :	-	-
Rebates & Discounts	284.91	1,110.08
Revenue from contract with customers	**64,153.22**	**60,533.38**

(B) Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade receivables (net of allowances for expected credit loss)(Note 9)	11,735.50	9,192.50
Contract assets e.g. Unbilled Revenue (Note 7)	107.33	57.61
Contract liabilities e.g. Overbilled Revenue (Note 17)	-	-

Changes in contract assets and liabilities are mainly on account of contractual right to consideration and is dependent on completion of contractual milestones.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 36 - Disclosure under Ind AS 115 *(Contd.)*

(C) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

(in lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Amounts included in contract liabilities at the beginning of the year	-	-
Performance obligations satisfied in previous years, not previously recognised	-	-

(D) Unsatisfied or partially satisfied Performance Obligation

Revenue to be recognised in future related to the performance obligations that are unsatisfied or partially satisfied as at 31st March, 2024 and expected to be recognised within one year is of Nil (P.Y. Nil) and for more than one year is Nil (P.Y. Nil).

(E) Disaggregation of revenue

The management determines that the segment information reported under Note 32 - Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers.

(in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Consumer	48,123.82	50,337.45
Industrial	5,496.94	4,613.86
Pharma	10,766.31	5,755.27
	64,387.07	**60,706.58**

(F) Significant payment terms

Generally, the Company provides credit period in the range of 30 -120 days for customers.

Note 37 - Earnings per share

(in lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit attributable to the equity holders of the Company	5,729.06	3,514.96
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	4,58,67,510	4,58,67,510
Total basic and diluted earnings per share attributable to the equity holders of the Company	12.49	7.66
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share*	4,58,77,120	4,58,67,510
Total basic and diluted earnings per share attributable to the equity holders of the Company	**12.49**	**7.66**

*Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") , the Board of Directors of the Company, at its meeting held on 2nd September, 2023 has approved Subdivision of existing Equity Share of the Company from one (1) equity share having a face value of 10/- each fully paid-up into five (5) Equity Shares of face value of 2/- (Rupees Two only) each fully paid-up.

Collateral against borrowings

The Company has hypothecated / mortgaged financial instruments as collateral against a number of its borrowings. Refer note 38 (assets pledged) for further information on financial and non-financial collateral hypothecated.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 38 - Assets pledged as security

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Current (Present and Future)		
Second pari passu charge for all term loans and foreign currency loans from banks		
Inventories	8,360.35	7,297.47
Trade receivables	11,174.69	8,879.39
Cash and cash equivalents	441.91	1,768.57
Bank balances other than cash and cash equivalents	414.46	390.48
Balances with government authorities	2,002.12	2,878.76
Advance to suppliers	615.49	662.67
Advance to Employees	42.18	49.67
Interest accrued on deposits	18.81	68.77
Loans	643.14	545.34
Finance Lease receivables	18.15	55.46
Derivative asset	154.58	292.71
Prepaid expense	229.10	269.51
Contract assets	107.33	57.61
Total current assets pledged as security	**24,222.30**	**23,216.40**
Non-Current		
First pari passu charge for all term loans and foreign currency loans from banks		
Property, plant and equipment	43,492.43	34,746.50
Capital work-in-progress	1,532.00	4,897.81
Total	**45,024.43**	**39,644.31**

Note 39A - Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013

(in ₹ lakhs)

Name of the party	Relationship	Nature	As at 31st March, 2024	As at 31st March, 2023
Shaily Medical Plastics Private Limited	Significant Influence of KMP	Outstanding Balance	9.50	9.50
		Maximum Balance Outstanding	9.50	9.50

The above advance has been given for business purpose

Note 39B - Disclosures under rule 16A of the Companies (Acceptance of Deposits) Rule 2014.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance outstanding at the beginning of the year	-	13.85
Money received from Director during the year	-	(13.85)

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 39 - Note on Finance Leases

The Company has entered into Purchase Agreements with its customers for Various Moulds.The agreements with customers for these assets Provide for take or pay agreements as per which Customers are Committed to purchase committed Quantity of the Component from the Company over defined period of the time Faling which customers are obliged to reimburse the company for the shortage in minimum Committed quantity. The arrangement analysis pursuant to IND As 116 "lease" Identified an embedded finance lease and accordingly, the said arrangement has been accounted accordingly (Refer Note 6)

(in ₹ lakhs)

Particulars	Minimum Lease receivable		Present value of minimum lease payments	
	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2024	As at 31st March, 2023
Not later than one year	23.75	61.83	18.15	55.46
Later than one year and not later than five years	-	-	-	-
Later than five years			-	
	23.75	61.83	18.15	55.46
Unearned finance income	5.60	6.37	0.77	-
Present value of minimum lease payments receivable	18.15	55.46	18.15	55.46
Allowance for uncollectible lease payments	-	-	-	-

The interest rate inherent in the leases is fixed at the contract for the entire lease term.

The average effective interest rate contracted is about 37.50 % per annum.

Note-40 Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

(in ₹ lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Debt (Bank and other borrowings)	20,835.18	18,681.57
Less: Liquid Investments and bank deposits	2,636.21	2,304.24
Net Debt	18,198.97	16,377.33
Total Equity	**45,917.28**	**40,139.83**
Net Debt to Equity (Net)	0.41	0.42

Note 41 - Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note-41 Other Statutory Information *(Contd.)*

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any such 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 or any other relevant provisions of the Income Tax Act, 1961.

Note 42

The Indian Parliament has approved the Code on Social Security, 2021 ('Code') which may likely to impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the Consolidated financial statements in the period in which the Code becomes effective and the related rules are notified.

Note 43

All material events occurring after the balance sheet date upto the date of approval of financial statements by the Board of Directors on 24th May, 2024, have been considered, disclosed and adjusted, wherever applicable, as per the requirements of Ind AS 10 - Events after the Reporting Period.

Note 44

The financial statements are approved for issue by the Board of Directors in their meeting held on 24th May, 2024.

Note 45 - Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	% of consolidated net assets	₹ In lakhs	% of consolidated profit	₹ In lakhs	% of consolidated OCI	₹ In lakhs	% of consolidated TCI	₹ In lakhs
Parent :	93.97%	43,148.23	63.06%	3,612.98	224.82%	(137.81)	61.31%	3,475.17
Wholly owned subsidiary :								
Shaily (UK) Limited	10.61%	4,873.21	36.94%	2,116.08	0.00%	-	37.34%	2,116.08
Adjustments arising out of consolidation	-4.58%	(2,104.17)	0.00%	-	-124.82%	76.51	1.35%	76.50
Total	**100.00%**	**45,917.28**	**100.00%**	**5729.06**	**100.00%**	**(61.31)**	**100.00**	**5,667.75**

Consolidated Notes forming part of the Financial Statements

as at and for the year ended 31st March, 2024

Note 46 - Principles of Consolidation

These Consolidated Financial Statements (CFS) are prepared in accordance with Ind AS on “Consolidated Financial Statements” (Ind AS – 110) and “Disclosure of interests in other entities” (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

In terms of our report attached
For B S R and Co
Chartered Accountants
Firm's Registration No: 128510W

For and on Behalf of the Board of Directors
Shaily Engineering Plastics Limited
CIN : L51900GJ1980PLC065554

Mahendra Sanghvi
Executive Chairman
DIN: 00084162

Amit Sanghvi
Managing Director
DIN: 00022444

Jeyur Shah
Partner
Membership No: 045754
Vadodara
24 May 2024

Paresh Jain
Chief Financial Officer

Dimple Mehta
Company Secretary

Vadodara
24 May 2024

Regd. Office & Rania Facility
Survey No. 363/364/366, Rania,
Vadodara, Gujarat 391780, India
T: +91 2667 244307
F: +91 2667 244372
E: sales@shaily.com

Correspondence Address
8, J. P. Nagar, Old Padra Road,
Vadodara, Gujarat 390007, India
T: +91 265 2332706
E: sales@shaily.com

Halol-I
Plot No. 706/707/708, GIDC, Halol,
Panchmahals, Gujarat 389350, India
T: +91 2676 222913/222914

Halol-II Complex
Survey No. 209/1, 209/5, 208/1, 209/2, 209/3,
213/1, 210/5, 212/5, 213/2, 213/3, 209/4,
Village Chandrapura, Halol 389 350
Dist. Panchmahal, Gujarat, India