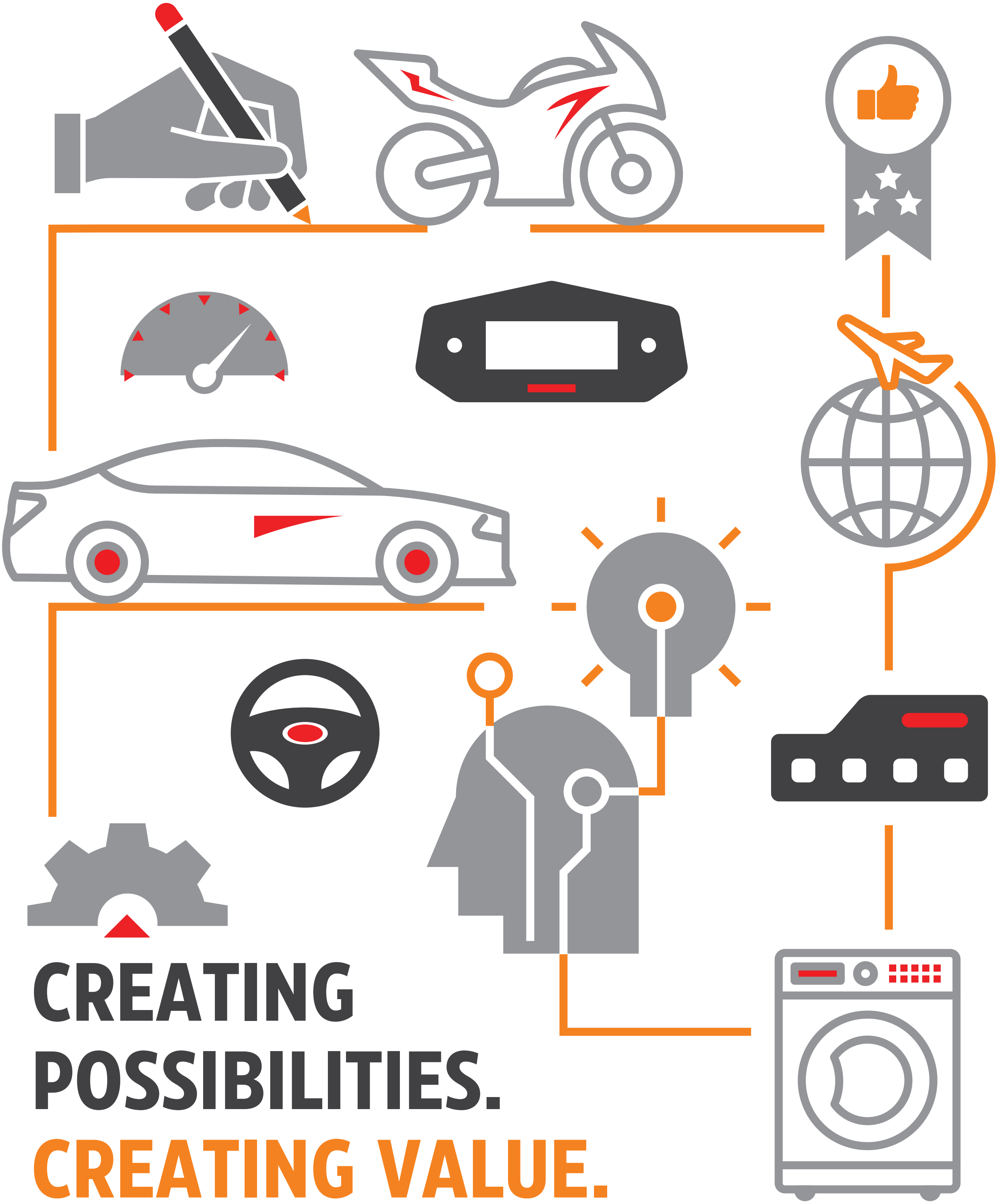
ANNUAL REPORT 2021-22



CREATING POSSIBILITIES.
CREATING VALUE.

CONTENTS

To view
Annual Report 2021-22 Online,
https://www.sjsindia.com/investors.html#annual-report

Forward-looking statement

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

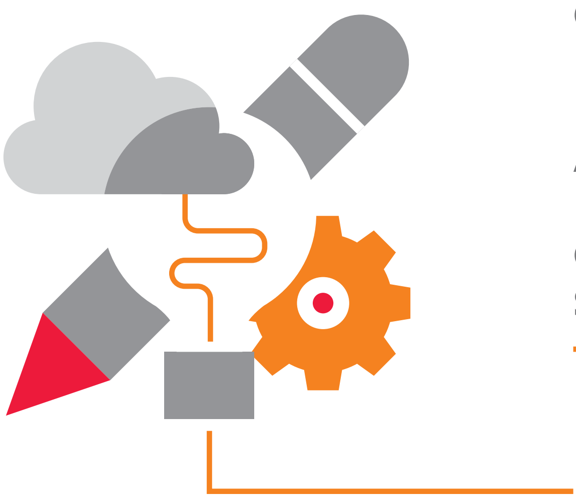
"Create possibilities" has been the central theme driving SJS Enterprises since its inception 35 years back. We have built a unique and differentiated business model with a strong moat delivering best-in-class financials to create value for all our stakeholders.

SJS Enterprises consistently outperformed the underlying industries (two wheelers, passenger vehicles and consumer durables). We represent a fast-growing design and aesthetics 'solutions' company. We consistently harness cutting-edge technology and work together with original equipment manufacturers (OEMs) in their innovation and product development efforts to make their products tech-led and aesthetically differentiated.

This makes your Company a unique proxy to the premiumisation play. Our recent acquisition of Exotech has further enhanced our offerings with the addition of chrome-plating capabilities in our already diversified product suite.

Creating Possibilities

- By developing new products and technologies
- By strengthening global presence and customer base
- By driving efficient operations to maintain healthy free cash flows
- By pursuing business accretive opportunities for mergers and acquisitions
- By fostering an inclusive culture with robust people practices and processes
- By contributing to community welfare and taking the society forward responsibly



WE CONSISTENTLY FOCUS ON CREATING POSSIBILITIES BY WAY OF ADDING NEW PRODUCTS, NEW CLIENTS, AND NEW GEOGRAPHIES. WE BELIEVE THAT THESE WILL CREATE VALUE FOR ALL OUR STAKEHOLDERS.

SJS Enterprises: A Snapshot

Who we are

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

Underpinning our operations are our core capabilities which include a superior product portfolio; robust manufacturing infrastructure; world-class technologies; and strong design and development capabilities supported by a creative workforce and master technicians. We constantly work towards pushing the boundaries of design and technology to deliver better and unique solutions to our customers.

Our Vision

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

Our Mission

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

Our Subsidiary

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

Our Certifications

TÜVRheinland® CERTIFIED

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
IATF 16949:2016

www.tuv.com
ID 9108627998

LEADERSHIP IN ENERGY & ENVIRONMENTAL DESIGN
LEED GOLD 2018

Quick Facts

6,000+
SKUs

20+
Countries exported to

123 million
Total parts supplied

175+
Customer locations

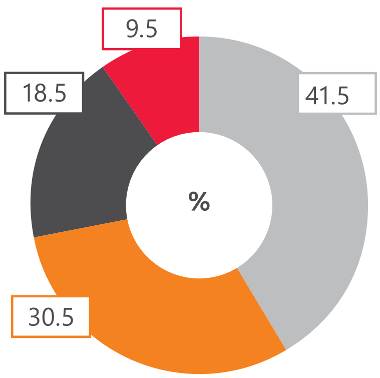
1,257
Employees

11
Product categories across seven end segments

15 years
Average length of relationship with 10 largest customers

Revenue break-up (as on March 31, 2022)

₹ 3,698.6 million
Revenue FY 2021-22



2W PV
Consumer appliances Others

Our Marquee Clientele

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

Auto OEMs

Consumer Durable Players

Tier-1 Auto Component Suppliers

Others

CREATING POSSIBILITIES

By developing new products and technologies

Our differentiated offerings cater to the fast-growing premiumisation trend across the automotive and consumer appliances industries. Constant innovation and new product development keeps us ahead of the curve.

Our Manufacturing and R&D Infrastructure

As a leading world-class manufacturer, we have one of the widest range of aesthetic products across 11 categories including chrome-plating. We serve seven end segments including two-wheelers, passenger vehicles, commercial vehicles, consumer durables, farm equipment, medical devices, and sanitary ware. We have two state-of-the-art manufacturing units in Bengaluru and Pune spread across an area of 2,35,000 sq. ft. and 68,350 sq. ft. respectively.

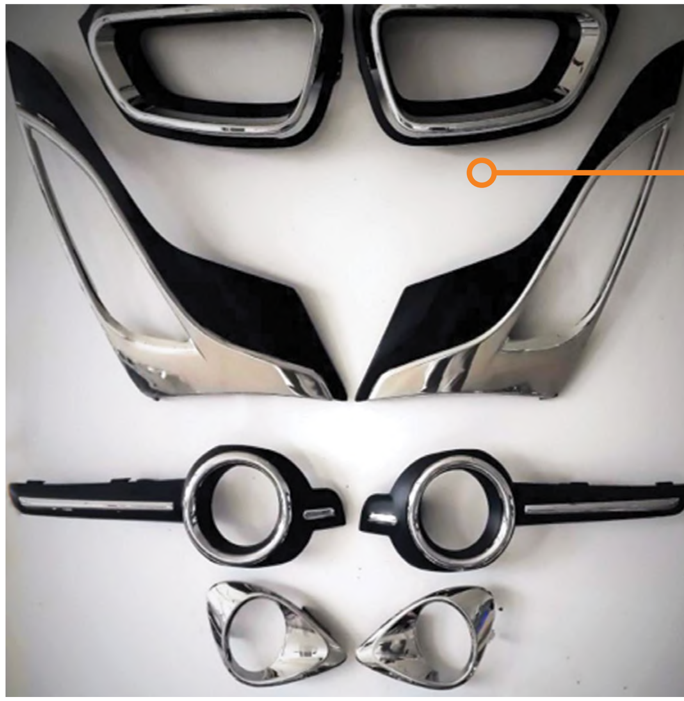
We continually develop new products to support customers through our unique R&D capabilities. Our strong team of 70+ New Product Development (NPD) personnel support has in the past 3-4 years, developed 4-5 new products contributing to 16%+ of our revenues in FY 2021-22.

New Product Development

We are building new capabilities to introduce in-mould electronics (IME) solutions, which allow integration of electronic chips and circuit boards within a plastic injection moulded part. This breakthrough technology finds increased application in two-wheelers, passenger vehicles, consumer appliances, and electric vehicles (EVs). With these new products, we aim to expand our customer base in consumer appliances and medical devices industries as well.

Expansion of Chrome-Plating Capacity

The Exotech acquisition is synergistic to our business and provides us with opportunities to cross-sell our products while expanding into the growing chrome-plated parts business. Considering the huge demand pipeline, we are firmly focussed on building our chrome-plating capacity from the current level of ₹ 1,300 million revenue per year to generate almost ₹ 3,000 million of revenue at full capacity. This would entail a capex of approximately ₹ 1,000 million over a span of 18 to 24 months and generate an ROCE of 20% at full capacity. Higher capacity will also enable us to pursue exports and acquire new customers in India and abroad for chrome-plating business.



Well placed to serve transition from traditional to premium products

Leading player with both Traditional & Premium products

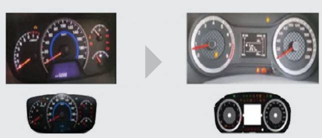
Traditional Products

- Logos
- Decals
- Stickers/aluminium badges
- Chrome-plated parts
- 2D Dials
- Traditional Overlays

Premium Products

- 3D Dials
- Capacitive Overlays
- IML/IMDs
- Optical Plastics

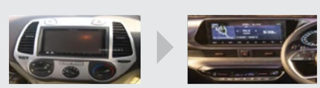
2D to 3D Dials



Analog to Digital appliques

Traditional to capacitive touch overlays

Analog to touch based systems



CREATING POSSIBILITIES

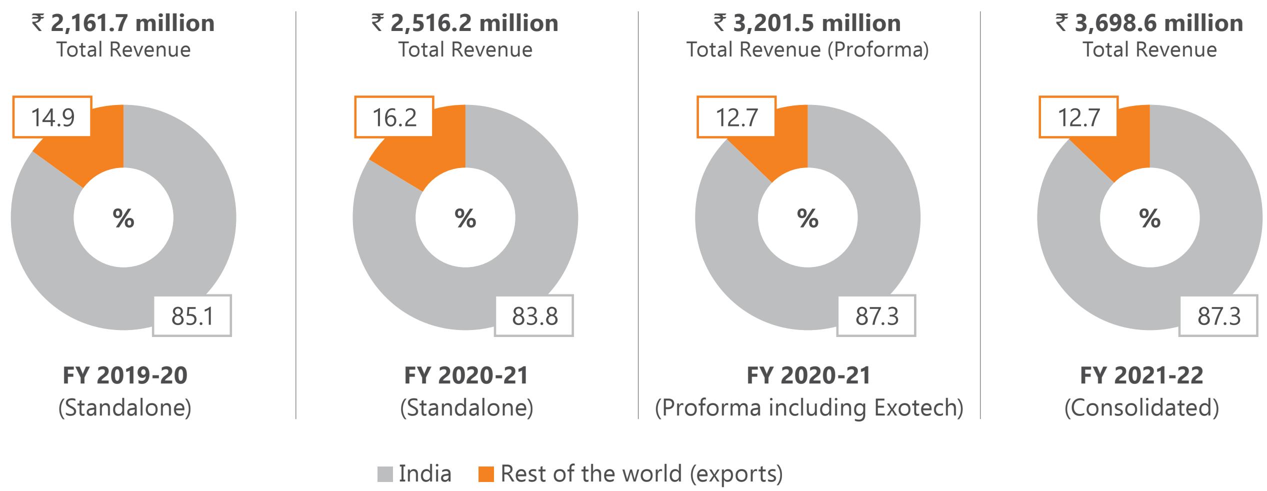
By strengthening global presence and customer base

We have a strong global presence across Europe, Middle East, Africa, and the United States. Our ability to offer premium, high-quality aesthetic solutions further bolsters our export business.

With a structured focus on premiumisation and new customer wins, our Company has been able to enhance international presence and drive export growth. Our export revenue has doubled in the past three years and reached ₹ 468.1 million in FY 2021-22. This has helped us grow at a faster pace than our end industries.

Our aim is to build a widespread global presence and expand our growth horizon, strengthen our order book, and build deeper customer relationships. We have appointed sales representatives in international markets including Turkey, Brazil, and Argentina, and intend to explore similar opportunities in other countries too.

Revenue by Geography



Note: Exotech business is completely domestic till FY 2021-22 and hence on consolidated basis, exports share as a % of sales is ~13%, whereas in absolute value it has been growing. It stands at 17.5% of sales for SJS Standalone in FY 2021-22.

Our robust capabilities, quality performance, price competitiveness, and timely delivery have enabled us to consistently achieve several awards and accreditations from key customers. Our products, being light in weight, are easier to transport and, thus, we follow a centralised delivery mechanism to serve our customers. We also conduct regular inspections to ensure that our products meet stringent quality and customer specifications.

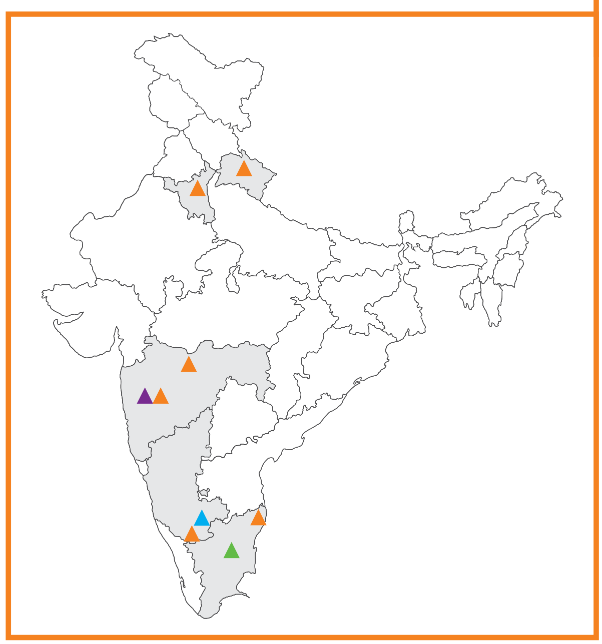
Global Footprint

SJS

- **Design & Manufacturing facility**
  Bengaluru
- **Marketing Office & Warehouse**
  Mysuru, Gurugram, Pune, Chennai, Aurangabad, Rudrapur
- **End markets**
  India, North America, Italy, Russia, Japan, Thailand, Poland, South Africa, Columbia, UAE, USA, Brazil, Mexico, Slovakia, Tunisia, Vietnam, Turkey, Portugal, China and Sri Lanka

Exotech

- **Design & Manufacturing facility**
  Pune
- **Marketing office & Warehouse**
  Hosur (Tamil Nadu)



Our Strategy

Given the large-sized domestic market, India's automotive and consumer durables industries are well placed to cater to increasing global demand. India is already an established global OEM sourcing base and a preferred manufacturing destination for automotive companies. In such a scenario, aesthetic solution providers are well-positioned to gain from the robust export potential in two wheelers, passenger vehicles, commercial vehicles, medical devices, and consumer appliances.

1

Intend to expand our customer base by marketing our wide product range to new customers in newer geographies

2

Continue to strengthen relationships with existing customers by expanding the array of existing products and build large mega accounts

3

Pursue cross-selling opportunities post the Exotech acquisition, which will result in higher exports and a wider customer base

CREATING POSSIBILITIES

By driving efficient operations to maintain healthy free cash flows

We have always focussed on delivering strong financial returns to our stakeholders. Our ability to continually improve margins and generate strong cash flows further enhances our competitive moat and positions us to deliver greater value to stakeholders.

Our Story of Driving Financial Stability

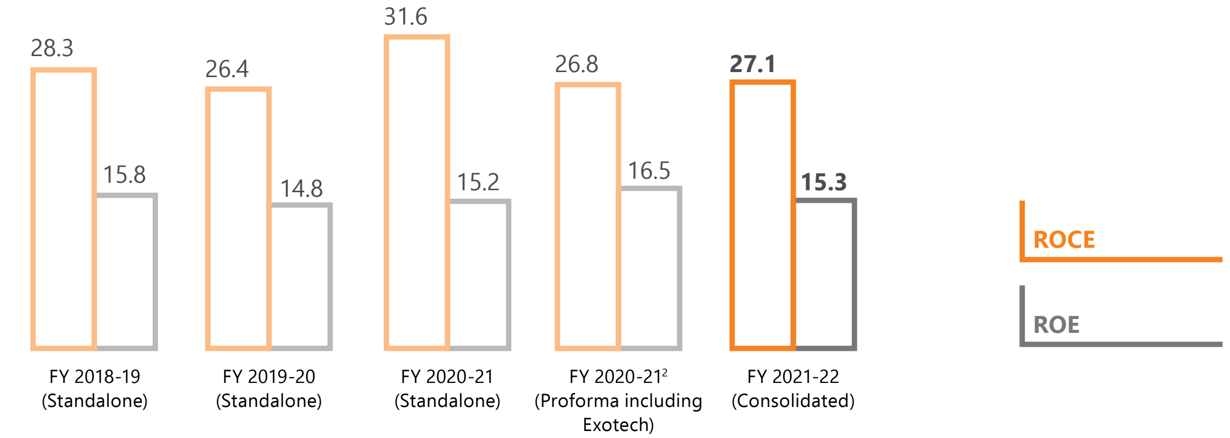
We are a debt-free and free cash flow generating company and even after Exotech acquisition, we have generated healthy free cash flows of ₹ 500.3 million in FY 2021-22. On April 5, 2021, our Company acquired 100% shareholding of Exotech upon payment of consideration of ₹ 640 million.

Our strong margin profile has enabled us to deliver healthy returns to shareholders with consolidated Return on Capital Employed (ROCE) and Return on Equity (ROE) at 27.1% and 15.3%, respectively, in FY 2021-22. Further, we have a strong cash and bank balance of over ₹ 1,000 million on our books which gives us a strategic lever to invest in future growth opportunities.

₹ 1,000 million

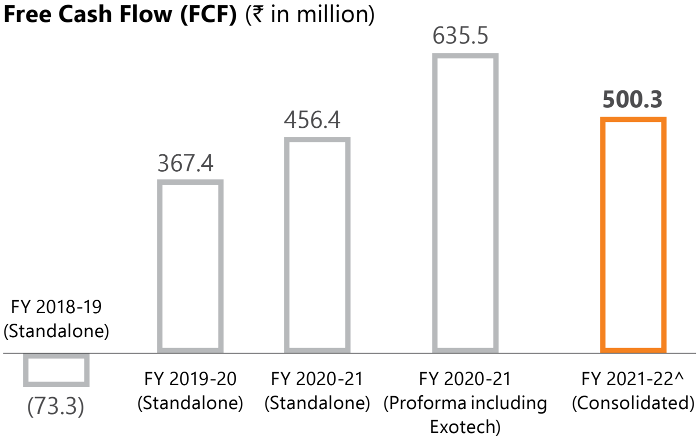
Strong Cash and Bank balance as on March 31, 2022

ROCE[1] & ROE (%)



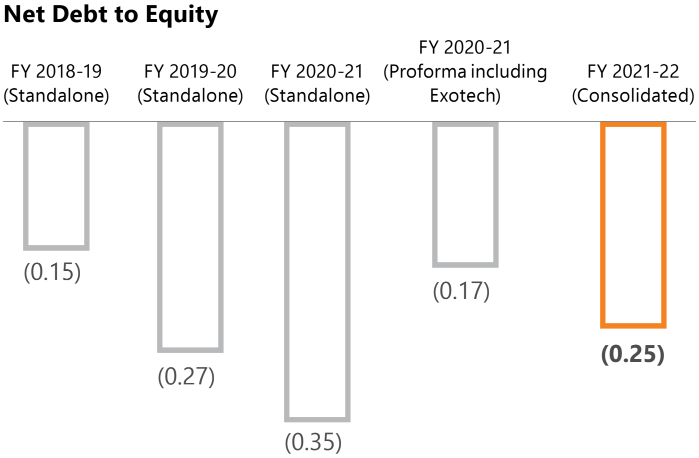
Note:
1 ROCE = EBIT / (Total Assets - Cash, Bank & Investments - Current Liabilities)
2 Normalised FY 2020-21 Proforma ROCE & ROE (excluding impact of one time sale of land at Exotech Plastics) is 24.8% and 15.1% respectively

Free Cash Flow (FCF) (₹ in million)



^Note: Includes outlay for Exotech acquisition - ₹ 640 million

Net Debt to Equity



Note: Net Debt to Equity = (Borrowing - Cash, Bank & Investments) / Equity)

The Way Forward

We have delivered strong business performance through a structured focus on enhancing business share with existing customers, gaining new customers, expanding portfolio of innovative products, and widening geographic reach and presence. Our deep experience in the aesthetics industry and track record of supplying good quality premium products makes us well positioned to avail of favourable growth trends in the industry. We shall continue to enhance operational efficiencies to increase economies of scale, reduce operating costs, and strengthen our competitive position.

We expect to clock 25% revenue growth for FY 2022-23 on account of positive outlook for two-wheelers, passenger vehicles, and consumer durables along with premiumisation, new customer wins, and exports thrust.

CREATING POSSIBILITIES

By pursuing business accretive opportunities for mergers and acquisitions

We strongly believe that inorganic growth opportunities in India and globally may act as an enabler for growing our business. We continue to pursue strategic acquisitions, joint ventures, and collaborations to boost revenue growth and market share.

Successful Integration of Exotech

During the year, we successfully completed the acquisition of Exotech which has enriched our product offerings and fortified our capabilities. We have tapped into new growth opportunities and demonstrated credible business improvement post the acquisition. Exotech top line has grown by almost 50% YoY and EBITDA margins have improved by 70 bps YoY to 12.8% in FY 2021-22.

We have added chrome-plating, painted injection moulded plastic parts, such as wheel covers, radiator grills and door handles to our portfolio following this acquisition. Demand for chrome-plated parts from OEMs is expected to see steady growth and constitute 26-28% of the total demand for decorative aesthetics by fiscal 2026.

Expand our business through strategic inorganic growth opportunities

Our intent is to pursue similar business-accretive opportunities in the future to build capacity in adjacent or new aesthetic product categories, expand presence in consumer-related industries, and enter new markets for chrome-plating.

50%

YoY Revenue Growth at Exotech in FY 2021-22




Our Strategy

Build capability in adjacent/ new aesthetic product categories

Identify key product categories to expand presence such as IMD/IML, IME and plastic injection moulding.

Expand presence in consumer-related industries

Enter new segments and expand presence in consumer-related industries, targeting appliance manufacturers and hand-held devices.

Enter new geographies/ OEMs for chrome-plating

Expand presence in chrome-plating and increase cross-selling opportunities.

Pursue direct entry into OEMs to support cross-selling opportunities.

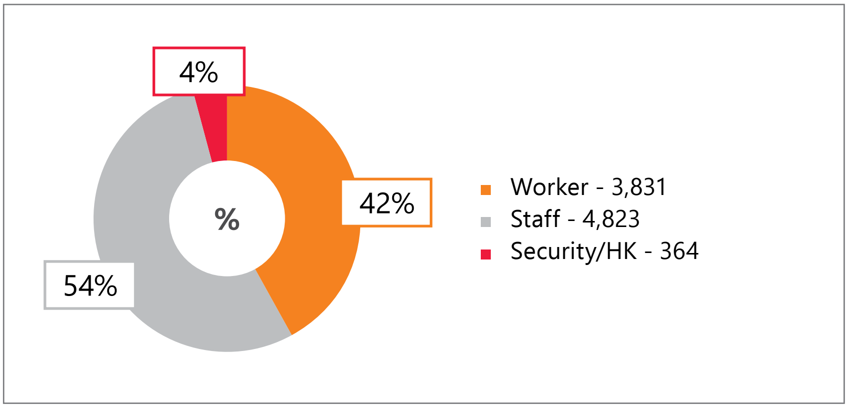
CREATING POSSIBILITIES

By fostering an inclusive culture with robust people practices and processes

We strive to foster a flexible and inclusive work environment, where different perspectives are valued. Regular skill upgrades and capability building help in the development of our human resources.

Attracting and retaining the best talent is crucial for business success. We regularly conduct learning and development programs and employee engagement workshops to build a future-ready workforce.

Training & Development FY 2021-22 (Training Hours % break up)



Learning & Development

Technical

- Printing skills on different machines
- Customer Specific Requirements
- Preventive Machine maintenance
- Handling Abnormality
- Colour matching and troubleshooting
- Handling measuring instruments
- Inspection methods
- Defects and their Impact in Process/ Business

Non-Technical

- Organisation objectives
- Six sigma
- Lean manufacturing
- Environment, Health, and Safety guidelines
- Pokayoke
- Kaizen
- Team building
- Safety best practices
- Supervisory skills

Multi-skilling of Workers

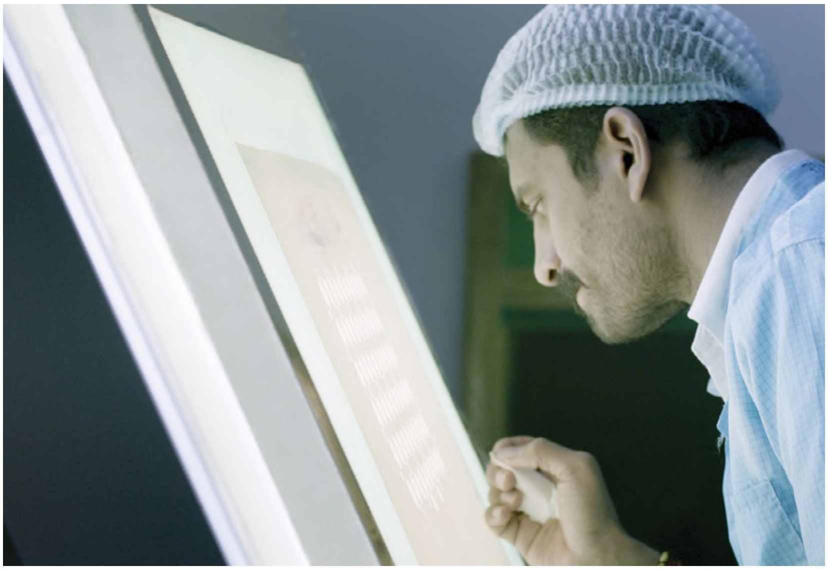
We keep our workers motivated by conducting skill development programs. During the year, we provided training to 45 multi-skill operators to enable them to work on three different types of printing machines. We also trained 30 multi-skilled workers in various skill sets such as ink lab, screen preparation, and quality inspection, among others.

Other activities

We organised safety trainings and sessions on awareness, performance management, and six sigma management techniques to improve business processes. Employee engagement programs included celebrations on New Year's Day, Republic Day, Environment Day, Women's Day, Independence Day, and other wellness sessions.

Unique ESOP policy

During the year, we distributed Employee Stock Option Plans (ESOPs) to around 276 employees which are vested for 3-5 years. We also groom our employees and conduct appreciation and recognition programs to retain the best talent and help the organisation grow at a faster pace.



Awards & Certifications

'India's Best Workplaces for Women 2021' Award by Great Places to Work Institute, under Top 50 mid-size category

'Top Organisations with Innovative HR Practices' Award by Asia Pacific HRM Congress 'Great Place to Work Certification 2021'

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

CREATING POSSIBILITIES

By contributing to community welfare and taking society forward responsibly

We have continually strived to promote sustainability and mitigate environmental risks while achieving holistic development of our communities through meaningful interventions.

Key Activities

Energy Conservation

- Significant portion of our power requirement for manufacturing was generated through renewable solar energy
- Our rooftop solar power panels and solar park within the factory premises accounted for 20 - 25% of electricity requirement during the year
- Total installed capacity of our solar plant is 1.9 MW, of which we generated 1,923,149 units of solar power during FY 2021-22 as compared with 1,919,861 units in FY 2020-21
- Entered into power supply and off-take agreement for supply of solar power up to 2 MW or 3,000,000 units per year
- Purchased 550,000 units of wind power accounting for 7% of our total electricity requirement
- We plan to procure more power through renewable sources

Reduction in Carbon Emissions

- Reduced 2,250,565 kilograms of carbon emissions through consumption of renewable power sources during FY 2021-22
- Target is to double the reduction by FY 2022-23

Reduction of Diesel Usage

- Installed a dedicated express feeder for power distribution during the year
- This resulted in reduction of power interruption and outages, and reduced diesel consumption and process-related rejection
- With the use of dedicated feeder, reliance on diesel consumption was almost reduced to zero, whereas we had budgeted for total savings between ₹ 6 - 8 million in FY 2022-23
- Significant savings were made in consumption of raw material and electricity, and manpower utilsation with respect to reduction in line-rejection which was earlier high due to power interruption

Water Conservation and Recycling

- During the year, purchased zero litres of water from outside sources
- Nearly 65% of wastewater was recycled through our onsite sewage treatment plant and 67% through the effluent treatment plant
- Robust processes are in place for collection and storage of rainwater in ponds to increase groundwater levels

For more details, please refer ***Annexure – E*** *of* ***Directors' Report***

Major CSR Programmes

Education & Sports

- We support Kumarappa Institute of Gram Swaraj for a unique school program for children of migrant workers in Brick Kilns
- Construction of three rooms measuring around 1,200 sq. ft. for the opening of Government-aided schools at Sri Shivakumar Swamiji Nagar, Kuvempu Nagar, Agara Punchayath, within a radius of 4 kms from the factory
- Provision of financial support to Sneha Charitable Trust for livelihood enhancement and development of children, women, elderly, and differently abled persons
- Sponsorship of para-athlete Mr. Mani Kundan for participating in international competitions and winning medals for India


Distributed bicycles to children to help them chase their dreams


Supported nearby village children with their school fees to promote education among every child

Sponsored para-athlete Mani Kandan to represent our country and participate at various International sports event

Healthcare & Sanitation

Donated groceries to the villages near the Bengaluru factory


Constructed RO plants at villages

- Construction of three RO plants at villages near the factory premises
- Distribution of essential medicines and equipment, food packets, etc. to neighbouring villages to support COVID-19 affected families
- Contribution to Sri Shankara Cancer Foundation to spread awareness on cancer and support financially needy cancer patients
- Contribution to M/s. United Way Bangalore for distribution of oxygen concentrators to the poor and marginalised people in the community during the pandemic

*For more details please refer the section on CSR activities of the Company which is enclosed in **Directors' Report as Annexure – C**.*

CREATING POSSIBILITIES
With An Extensive Product Portfolio

We are focussed on our design and product development capabilities to offer innovative and aesthetically superior products that add appeal to our customers' end products. With our vast portfolio of products and technologies, we aim to be a one-stop aesthetic solution provider to our customers.

Our Products

Decals & Body Graphics

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

3D Lux Badges

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

2D Appliques and Dials

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


3D Appliques & Dials

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


Domes

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


Aluminium Badges

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

Chrome-plated and Painted Products

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




Overlays

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

IMLs/IMDs

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

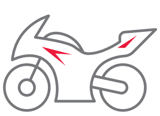

Lens Mask Assembly

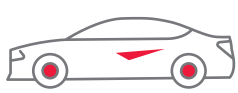
Lens mask assembly is used as a digital speedometer and information system for two-wheelers. An optical lens printed with special weatherproof ink insert moulded in the plastic housing to withstand extreme climatic conditions is used by two-wheeler manufacturers to mask the digital instrument cluster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

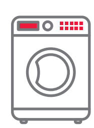

Aftermarket – 'Transform'

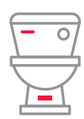
We offer a variety of aftermarket accessories under our 'Transform' brand to enhance the appearance of two-wheelers and passenger vehicles, including vehicle body graphics, PU dome logos and badges, 3D lux badges for door edge protectors, chrome handles, and bumper grills.

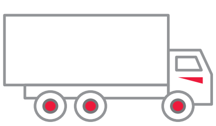

Touch of class delivered across diverse industries

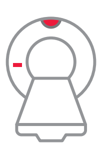

Two-wheeler

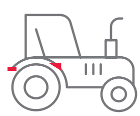

Passenger Vehicle


Consumer appliance industries


Sanitary ware industries


Commercial Vehicles


Medical devices


Farm equipment

Chairman's Message

FY 2021-22 WAS MARKED BY MULTIPLE CHALLENGES FOR THE INDIAN AUTOMOTIVE SECTOR, PARTICULARLY THE TWO-WHEELER SEGMENT. AMIDST THE CHALLENGING ENVIRONMENT, WE NEVER LOST SIGHT OF OUR PURPOSE AND PUSHED FORWARD THE STRATEGIC INTENT FOR OUR BUSINESS.

Mr. Ramesh C Jain
Chairman & Independent Director

Dear Shareholders,

It is my privilege to present to you the 17th Annual Report of SJS Enterprises. I hope this letter finds you in good health.

The year gone by was a tumultuous one impacted by the COVID-19 pandemic and its multiple waves disrupting the economies worldwide. The prolonged Russia-Ukraine crisis resulted in massive supply chain challenges and elevated levels of inflation that led to aggressive monetary tightening by major global economies.

As far as the Indian economy is concerned, the focussed way India has handled the COVID-19 crisis is commendable. Consequently, India recorded a solid 8.7% GDP growth in FY 2021-22; and this has set the stage for accelerated growth in the future.

FY 2021-22 was marked by multiple challenges for the Indian automotive sector, particularly the two-wheeler segment. Domestic two-wheeler sales dropped by 11% vis-à-vis FY 2020-21. Growth was impacted in Q1 of the fiscal year owing to demand slowdown due to the second wave of COVID-19. Demand recovered in Q2; however, semiconductor shortages and sharp rise in commodity prices further dented growth later during the year.

For years, SJS Enterprises has outperformed the industry and created infinite possibilities. What started as a humble entity 35 years back has now grown into a listed and one of the world-leading design and print solutions company.

Throughout our remarkable journey, we have relentlessly looked at innovation to provide better value propositions for our customers. We have the widest portfolio across 11 product categories which enables us to serve seven end-segments including two-wheelers, passenger vehicles, commercial vehicles, consumer durables, farm equipment, medical devices, and sanitary ware. In FY 2021-22, we manufactured over 6,000 SKUs and supplied over 123 million parts to our customers across 20 countries and 175+ customer locations.

Amidst the challenging environment, we never lost sight of our purpose and pushed forward the strategic intent for our business.

We are a debt-free and free cash flow generating company. Even post Exotech acquisition outlay, we have generated a healthy free cash flow of ₹ 500.3 million. I am delighted to state that this strategic acquisition has strengthened our market positioning and resulted in cost synergies and efficiencies.

15.5%

YoY Consolidated Revenue growth in FY 2021-22

What is even noteworthy is that our export revenue has doubled in the past three years and reached ₹ 468.1 million in FY 2021-22. To further bolster our export business, we intend to penetrate newer markets, strengthen existing relationships, add new customers, and augment sales force in the international markets.

Continued investments in innovation and superior technologies have enabled us to enhance our offerings.

Recently, we diversified our offerings and introduced IMLs/IMDs, 3D appliques, lens mask assemblies, optical plastics, aluminium badges, and illuminated logos to benefit from the evolving trends.

Going forward, we intend to develop in-mould electronics (IMEs) enabled solutions which find increasing application in two-wheelers, passenger vehicles, consumer appliances, and Electric Vehicles (EVs). At the same time, we are also focussed on growing our chrome-plating capacity given the huge demand potential.

My sincere appreciation to all our stakeholders for their unstinted trust and support, for which I remain humbly grateful. We remain committed to taking our growth journey beyond and scaling success while creating value for our stakeholders. I would also like to thank our investors for their overwhelming response and support during our Initial Public Offering (IPO).

Warm Regards,

Ramesh C Jain
Chairman & Independent Director

Managing Director's Message

NOTWITHSTANDING THE CHALLENGES FACED BY THE OEMs WE SERVE, WE DELIVERED A SOLID PERFORMANCE. CONSOLIDATED REVENUES IN FY 2021-22 (INCLUDING EXOTECH) GREW BY 15.5% TO ₹ 3,698.6 MILLION. EBITDA STOOD AT ₹ 985.3 MILLION WHILE PROFIT AFTER TAX (PAT) STOOD AT ₹ 550.1 MILLION IN FY 2021-22.

Mr. K.A. Joseph
Managing Director

Dear Shareholders,

My name is Joe and I am the J in SJS. With my two co-founders (since moved on) Srinivasan and Sivakumar, we built SJS into a unique company dedicated to serving and enhancing the growing aesthetic needs for automobile, consumer appliances, and other industries. SJS is a unique blend of strong design sensibilities and capabilities backed with state-of-the-art manufacturing in an environment that few can match globally. I am proud of where SJS has reached. And we are just getting started.

For the past many years, our Company has been building competencies and adding marquee customers across multiple regions. The time is now right to change gears: build a bigger and stronger global SJS.

FY 2021-22 was another challenging year for the Indian automotive industry which had previously been impacted due to the COVID-19 pandemic, changes in regulatory norms, liquidity crunch, and GDP slowdown. The year was marked by further headwinds including the worldwide semi-conductor crisis and elevated commodity inflation. The geopolitical tensions caused by the Russia-Ukraine crisis distorted supply chains worldwide and aggravated the economic uncertainty.

Notwithstanding the challenges faced by the OEMs we serve, we delivered a solid performance. Consolidated revenues in FY 2021-22 (including Exotech) grew by 15.5% to ₹ 3,698.6 million. EBITDA stood at ₹ 985.3 million while Profit after Tax (PAT) stood at ₹ 550.1 million in FY 2021-22.

Your Company continues to generate free cash flow of ₹ 500.3 million post acquisition of Exotech for ₹ 640 million. Our strong margin profile has enabled us to maintain healthy returns for shareholders with consolidated ROCE and ROE at 27.1% and 15.3%, respectively, in FY 2021-22.

The aesthetics industry in India is headed for high growth at an estimated CAGR of 20% to ₹ 49.20 billion during fiscal years 2021-26, as per CRISIL research. Rising disposable incomes and aspirations along with the advent of e-mobility is driving the shift towards premium, aesthetically superior, and technologically advanced products.

We are amongst the few companies manufacturing some of the new products like IML/IMD parts, 3D appliques, lens mask assemblies, and optical plastics. According to the CRISIL Report, products such as IML/IMD parts, chrome-plated parts, and optical plastics will constitute approximately 20-22%, 26-28%, and 7-9% of the market demand, respectively, by fiscal 2026.

Continuing with the portfolio diversification strategy, we intend to develop new-age products and technologies such as in-mould electronics (IMEs) enabled solutions which are finding increasing usage in 2Ws, PVs, and consumer appliances.

Customer relationships are key to our sustainable growth. We focus on strengthening these relationships by working closely with them on new products aligned to their needs. We also look to explore business opportunities with new customers in premium segments.

It gives me pleasure to state that during the year, we added Stellantis, a leading global automotive player and mobility provider among many other marquee names like Ola Electric, Kia Motors India, MG Motors, etc. We also bagged prestigious projects from key customers like Continental, Morris Garage, Honda, Hyundai, etc.

With this, I would like to state that we are a company with a robust financial position and a strong revenue and margin growth story ahead. With our wide product offerings focussed on premiumisation, strong geographical presence, and long-term customer relationships, we are poised to grow at a much faster rate than the industry growth of about 10% to 12% for the automotive and the consumer appliance sectors for the next five years.

We integrate sustainability into our products, operations, and processes to create value and contribute to sustainable development. We continuously strive to minimise carbon footprint, reduce energy and waste generation, and conserve natural resources.

Our social interventions are aimed at demonstrating care for our communities through a strong focus on education, skill development, and health and wellness. Moreover, regular skill development and knowledge-building programs help us in overall development of our human resources.

Finally, I take this opportunity to acknowledge the contributions of our team members amidst the tough times. I thank you all for your continued commitment and support.

Warm Regards,

K.A. Joseph
Managing Director

Chief Executive Officer's Message

SJS IS A DEBT FREE COMPANY. WE ACCUMULATED STRONG CASH FLOWS DURING THE YEAR THAT ALLOWED US TO FUND EXOTECH ACQUISITION WITH INTERNAL ACCRUALS. EVEN POST FACTORING IN ACQUISITION OUTLAY, FREE CASH FLOW GENERATED WAS ₹ 500.3 MILLION.

I AM DELIGHTED TO SHARE THAT IN FY 2021-22, THE FIRST YEAR OF ACQUISITION, EXOTECH DELIVERED A PHENOMENAL GROWTH OF AROUND 50% YOY.

Mr. Sanjay Thapar
CEO & Executive Director

Dear Shareholders,

Thank you for your continued support in a globally challenging environment. Before I share my view on the industry and the business, I want to highlight the structure of SJS Enterprises that makes it unique amongst all listed companies.

SJS was promoted by three friends. In 2015, two of them exited with the entry of a control-oriented PE firm, Evergraph Holdings (an Everstone Capital Group company). I joined as a professional along with Everstone, with enough incentive to create value for all shareholders. Between Joe and I, we run the company. Joe leads operations and new product innovation and I lead the strategy, business development and finance functions for our company. An independent Board was set up and auditors institutionalized to ensure best-in-class governance.

With adequate capital, we expanded the horizon and built a new and modern plant in Bengaluru. We hired talent and set up global marketing. We added chrome-plating (hitherto a large addressable market but missing in our portfolio) through Exotech acquisition. And, thereafter, we went public.

SJS is unique, not just in products, the industry it serves (aesthetics), its financial profile and strengths, but also the way it is governed.

Now coming to FY 2021-22

Automotive industry continues to be impacted by global semiconductor shortages. Despite the challenges in the operating environment, we reported a strong performance in FY 2021-22. Our consolidated revenue including Exotech acquisition for the full year grew by 15.5% to ₹ 3,698.6 million in FY 2021-22. We delivered healthy EBITDA margins of 26.3%.

Coming to the segment-wise performance, our revenue contribution from passenger vehicles and consumer durables has increased significantly. Revenue from passenger vehicles increased from 10.2% to 28.7% of the sales mix while that of consumer durables grew from 19.6% to 22.2% from FY 2018-19 (SJS Standalone) to FY 2021-22 (SJS Consolidated). This was achieved through both organic and inorganic routes that we undertook, thereby de-risking the business from two-wheeler concentration.

SJS is a debt free company. We accumulated strong cash flows during the year that allowed us to fund Exotech acquisition with internal accruals. Even post factoring in acquisition outlay, Free Cash Flow generated was ₹ 500.3 million. Our consistent growth has enabled us to maintain healthy returns for our shareholders with consolidated ROCE and ROE at 27.1% and 15.3%, respectively, in FY 2021-22. Cash invested in fixed deposits and debt MF schemes generates lower returns, and hence at SJS, we are looking at deploying this cash into expansion and acquisition that will deliver ROCE of ~20% over time.

I am delighted to share that in FY 2021-22, the first year of acquisition, Exotech delivered a phenomenal growth of around 50% YoY and an improvement of around 70 bps in EBITDA margins to 12.8% from 12.2% normalised margin in FY 2020-21. This gives us the confidence that not only have we been able to successfully integrate the two businesses, but also built-in cost synergies in the first year of operations itself. Even on a standalone basis, we have been consistently improving our EBITDA and PAT margins by around 20 bps to 40 bps to 31.5% and 19.1%, respectively, in FY 2021-22.

Our export focus led to revenue doubling in the past three years and stood at ₹ 468.1 million as of FY 2021-22. Our aim is to increase it further by entering new markets, strengthening existing relationships, and adding new customers in the international markets.

Similarly, our new-age products which were only 3% of our revenue in FY 2018-19 constituted about 16% of the overall sales in FY 2021-22. Both exports and new products remain key strategic drivers for our future business growth.

Going forward, we are confident of delivering 25% revenue CAGR for FY 2023-25 as the outlook for two-wheelers, passenger vehicles, and consumer durables turns positive.

To deliver

25%

Revenue CAGR for FY 2023-25

We also expect to add new customers and drive stronger growth in exports. Organic growth will be achieved through a multi-pronged strategy we have outlined: chrome capacity expansion, continued focus on exports, introduction of new generation products, and increasing customer base and focusing on building some mega customer accounts.

Post the acquisition of Exotech, we have received a lot of traction in the market for the chrome-plating business. Looking at this high demand, we intend to grow our chrome-plating capacity from the current level of about ₹ 1,300 million revenue per year to generate almost ₹ 3,000 million of revenue at full capacity.

We are focussed on introducing in-mould electronic parts and other new generation technologies in the coming future. We continue to build capabilities to innovate and develop unique products and increase application across various end industries we serve.

This was all about our organic growth story.

Besides this organic growth of 25% YoY revenue growth, we are actively seeking value accretive inorganic growth opportunities. The intent is to build capacity in adjacent or new aesthetic product categories, expand presence in consumer-related industries, and tap new markets.

As economic activity bounces back and new opportunities open up, I am quite confident that we will deliver high growth.

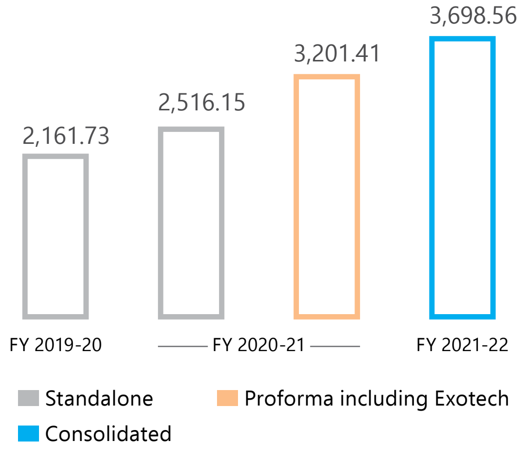
Thank you once again for your support.

Warm Regards,

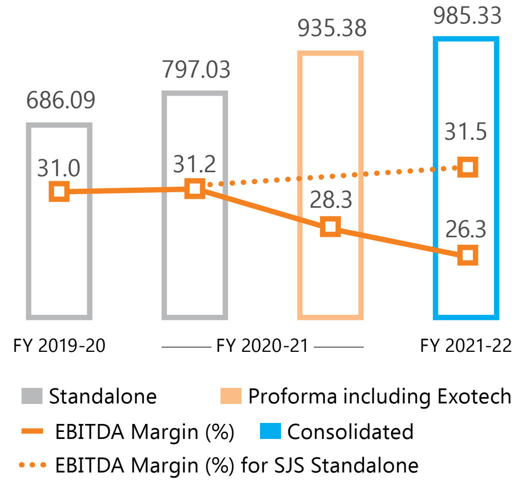
Sanjay Thapar
CEO & Executive Director

Financial Highlights

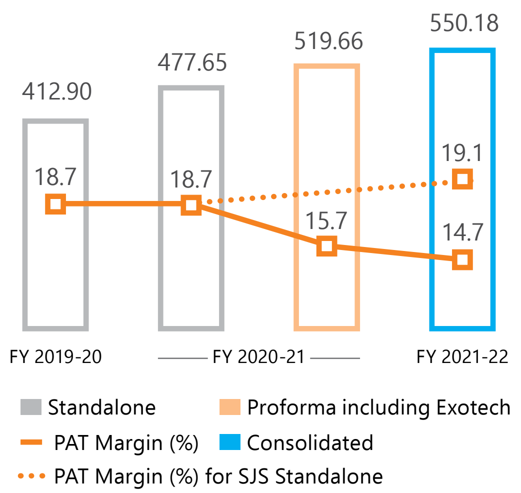
Revenue from Operations (₹ in million)



EBITDA & EBITDA Margin (₹ in million)

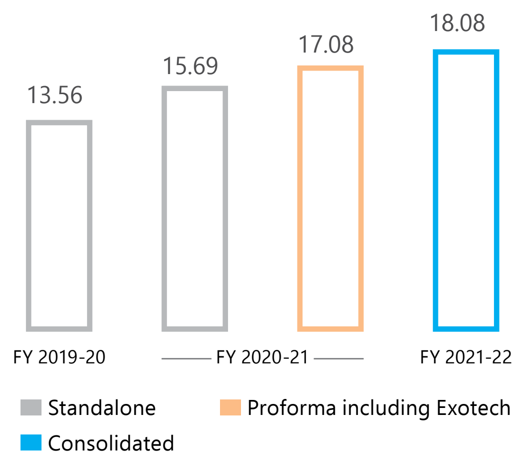


PAT & PAT Margin (₹ in million)

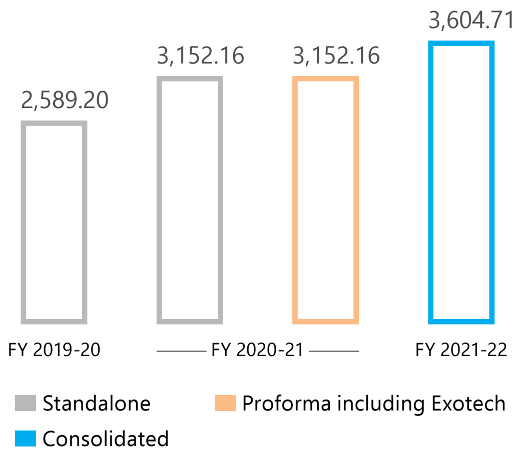


Note: Net Profit Margin = PAT / (Sales + Other Income)

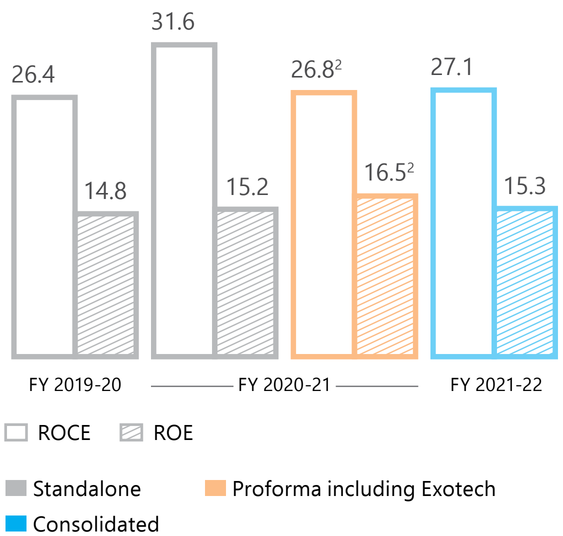
EPS (₹)



Net Worth (₹ in million)



ROCE[1] & ROE (%)



Note:

1 ROCE = EBIT / (Total Assets - Cash, Bank & Investments - Current Liabilities)

2 Normalised FY 2020-21 Proforma ROCE & ROE (excluding impact of one time sale of land at Exotech Plastics) is 24.8% and 15.1% respectively

Board of Directors

Mr. Ramesh C Jain
Chairman & Independent Director

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

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

Mr. K.A. Joseph is the Managing Director of our Company. He holds a bachelor's degree in science from the Bangalore University and a postgraduate diploma in business administration from the St. Joseph's College of Business Administration, Bangalore. He is one of the promoters and co-founders of our Company. He has more than 34 years of experience in the aesthetic printing business. He leads the plant and manufacturing operations for our Company and has spearheaded our Company's technological and product innovation over the years. He has also helped design the new manufacturing facility into which our Company shifted its operations in 2018. He is also a director on the Board of Exotech.

Mr. Sanjay Thapar
CEO & Executive Director

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

Mr. Kevin K. Joseph
Executive Director

Mr. Kevin K. Joseph holds a bachelor's degree in mechanical engineering from the Visvesvaraya Technological University, Belgaum. He has previously worked with Tata Elxsi Limited as a Senior Design Engineer and works at our Company as the Executive Director - Manufacturing.

Mr. Vishal Sharma
Nominee Director

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

Mr. Kazi Arif Uz Zaman
Nominee Director

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

Mrs. Veni Thapar
Independent Director

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

Mr. Matthias Frenzel
Independent Director

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

Management Team

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

Mr. Sanjay Thapar
CEO & Executive Director

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

Mr. Sadashiva Baligar
Chief Operation Officer, Leads HR

Mr. R. Raju
Chief Marketing Officer

Mr. Mahendra Naredi

Chief Financial Officer

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

Mr. Sadashiva Baligar

Chief Operation Officer, Leads HR

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

Mr. R. Raju

Chief Marketing Officer

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

Awards & Accolades

We have been conferred with prestigious awards and accolades, demonstrating the value we provide our customers. We have been recognised by the Quality Circle Forum of India (QCFI) and Automotive Component Manufacturers Association of India (ACMA) for our efforts in setting a clear path for leading a creative revolution in the decorative aesthetics industry.

FY22

- **Honda Motorcycle & Scooter India** awarded SJS for New Product Development at their Annual Supplier Conference
- **'India's Best Workplaces for Women 2021'** Award by Great Places to Work Institute, under Top 50 mid-size category

Best Workplaces™ for Women
Great Place To Work
INDIA 2021
Top 50 | Mid - size
India's Best Workplaces™ for Women 2021
SJS Enterprises Pvt. Ltd.
For fostering a sense of gender equity and equality in the workplace and contributing to the vision of making India a Great Place to Work FOR ALL
Yeshasvini Ramaswamy
Chief Executive Officer
Great Place to Work® Institute, India

- **'Top Organisations with Innovative HR Practices'** Award by Asia Pacific HRM Congress
- Certificate for **"Great Workplace"** in the category of "Small and Mid-Sized **Organisations"** from Great Place to Work Institute, India

Great Place To Work.
Certified
DEC 2021-DEC 2022
INDIA
This is to certify that S.J.S Enterprises Limited has successfully completed the assessment conducted by Great Place to Work® Institute, India, and is certified as a great workplace.
Category: Mid-Size Organizations
This certificate is valid from Dec 2021 to Dec 2022.
Yeshasvini Ramaswamy
Chief Executive Officer
Great Place to Work® Institute, India

FY21

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

FY20

- Certificate for **"Great Workplace"** in the category of "Small and Mid-Sized Organisations" from Great Place to Work Institute, India
- **"Gold Award"** from QCFI, Bengaluru chapter on Quality Concept
- **"Gold"** certificate for "Building Design and Construction: New Construction and Major Renovations" from Green Business Certification Inc
- **"Performance Award – Spare Delivery"** from Suzuki Motorcycle India Private Limited

FY19

- **Second position** at the Second Zonal Kaizen Contest by ACMA (Southern Region)

Corporate Information

Board of Directors

Mr. Ramesh C Jain
Chairman and Independent Director

Mr. K A Joseph
Managing Director

Mr. Sanjay Thapar
CEO & Executive Director

Mr. Kevin K Joseph
Executive Director

Mr. Vishal Sharma
Nominee Director

Mr. Kazi Arif Uz Zaman
Nominee Director

Mr. Matthias Frenzel
Independent Director

Mrs. Veni Thapar
Independent Director

Chief Financial Officer

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

Company Secretary & Compliance Officer

Mr. Thabraz Hushain. W

Registered & Corporate Office

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

Website: www.sjsindia.com

Statutory Auditor

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

Secretarial Auditor

Mr. C. Dwarakanath,
Company Secretary in Practice

Cost Auditor

M/s. PSV & Associates
Cost Accountants

Internal Auditor

M/s. Kumbhat & Co.
Chartered Accountants

Registrar and Share Transfer Agents

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

Bankers

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

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

ECONOMIC OVERVIEW

Global Economy

The global economy was seen recovering in 2021 after the high market volatility and deep recession in 2020. However, the ongoing Russia-Ukraine crisis led to extensive loss of lives, triggered the biggest refugee crisis in Europe, and severely set back the global recovery. After a strong rebound in 2021, the economic indicators suggest that global activity has slowed. [1]Global growth is projected to decline from 6.1% in 2021 to 3.6% in 2022 and 2023. At the end of 2021, inflation in several regions surged to multi-decadal highs. A key driver of inflation across the world has been the steep surge in energy, food, and commodity prices. Central banks across the world have started tightening their stances and others are expected to follow in response to domestic macroeconomic conditions, including rising inflationary pressures.

[2]Brent crude oil prices averaged US$ 70.89 per barrel in 2021. However, crude oil prices have remained above US$ 100 per barrel following Russia's full-scale invasion of Ukraine. Sanctions on Russia and other independent corporate actions contributed to falling oil production in Russia and continue to create significant market uncertainties on further oil supply disruptions. These events occurred against a backdrop of low oil inventories and persistent upward oil price pressures. [2]Prices are expected to taper from their record levels and average to US$ 97.24 per barrel in 2023.

Growth across Advanced Economies (AEs) is expected to moderate to 3.3% in 2022 from 5.2% clocked in 2021. The US economic expansion has been facing headwinds from surging inflation and gradual withdrawal of fiscal and monetary policy support. The rebound that was underway in Europe has suffered a setback due to the Russia-Ukraine conflict with inflation at unpredictable levels. Emerging Markets and Developing Economies (EMDEs) are expected to grow at 3.8% as against 6.8% growth recorded in 2021. Developments in China continue to dominate the outlook for Asia, especially for emerging Asia. The risk of new COVID-19 variants in China has led to mobility restrictions and localised lockdowns, which has slowed private consumption. Emerging and Developing Europe, including Russia and Ukraine will see GDP contract significantly owing to higher energy prices and the disruption of trade.

Global Economic Growth: Actual and Projections (%)

Particulars	2021	2022 (P)	2023 (E)
World output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
Emerging Markets and Developing Economies (EMDEs)	6.8	3.8	4.4

P- Projections, E-Estimates

(Source: IMF World Economic Outlook April 2022, EIA)

Indian Economy

India's underlying economic fundamentals remain strong and despite the short-term turbulences caused by the emergence of newer COVID variants, supply-chain disruptions arising out of the Russia-Ukraine crisis, and rising inflation, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes such as production-linked incentives and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and efficiency —all leading to accelerated economic growth.

As per the International Monetary Fund (IMF), India's Gross Domestic Product (GDP) has grown by 8.7% in FY 2021-22, and growth is expected at 8.2% in FY 2022-23. The ongoing vaccination drives, rebound in investment cycle with significant spending on infrastructure, emphasis on manufacturing and stronger digitization, and continued recovery in consumption, accentuated by gradual tapering of work-from-home along with rising rural incomes and affordability will drive significant growth in the Indian economy.

However, supply-side bottlenecks persist with rising international crude oil prices and elevated commodity costs. On the monetary side, the RBI has raised the repo rate by 50 basis points to 4.90% from 4.40% earlier to tackle elevated inflation and trigger economic growth.

INDUSTRY OVERVIEW

Decorative aesthetics industry

Overview

The decorative aesthetics industry offers visually appealing products for the automotive and consumer appliances industries. Manufacturers of discretionary consumption items strive to bring value and aesthetic superiority to their offerings to enhance their market shares.

[1]*IMF World Economic Outlook April 2022*
[2]*https://www.eia.gov/outlooks/steo/report/prices.php*

MANAGEMENT DISCUSSION & ANALYSIS (MD&A) (CONTD.)

OEMs have started considering product aesthetics while building a brand. Compared to other automotive parts, most aesthetic items involve lower logistics costs due to their compact nature. According to CRISIL, the decorative industry is estimated to grow at a CAGR of 20% over FY 2021-26, even if underlying markets grow by 10-12% during the same period.

Indian decorative aesthetics industry

The Indian decorative aesthetics industry caters to leading auto OEMs, global independent tier-I automotive component makers, and consumer appliance companies. Majority of the share is, however, occupied by the 2Ws. According to the CRISIL Report, the value of the decorative aesthetics market in India was at ₹ 19.9 billion in FY 2020-21.

Demand for decorative aesthetics is witnessing a shift towards premium, aesthetically superior, and technologically advanced products triggered by rising disposable incomes and aspirations, exposure to developed markets, and the advent of e-mobility. According to CRISIL Report, the industry is projected to grow by 20% CAGR to reach ₹ 49.2 billion by FY 2025-26, driven by an increase in the underlying application segments and a shift towards premium aesthetic products.

Indian two-wheelers sector

[3]During the year under review, domestic two-wheeler sales dropped 11% YoY to 13.5 million units. Demand slowdown and job losses due to the pandemic, supply chain constraints, and global semi-conductor shortages dented the industry growth. The rural markets were heavily impacted due to the second wave of the pandemic that resulted in a massive disruption in demand.

Improved macroeconomic factors coupled with the growing demand for personal mobility will contribute to a significant rebound in the 2W industry. With the recovery in economic activities and consumer demand, the industry will bounce back, and there will be opportunities for growth and entry of new players. The untapped rural market is likely to be the key growth driver for the two-wheeler industry with pronounced rural infrastructure.

Indian passenger vehicles sector

[4]Domestic sales of passenger vehicles grew 13.2% to 3.1 million units in fiscal 2022 as against 2.7 million units in fiscal 2021. Demand from the PV sector remains strong, but supply crunch due to various global factors such as the Russia-Ukraine war, rising inflation, higher fuel prices, and semiconductor chip shortage pose challenges for the industry. Furthermore, acquisition costs saw a steep rise due to installing safety standards such as the necessary anti-lock braking system (ABS), airbags, and other features and changes in emission standards. Moreover, the growing work-from-home trend due to the pandemic-related restrictions eliminated the need for people to go to work which along with higher ticket sizes in the PV segment also contributed to the stunted growth.

After a consecutive dip in production of passenger vehicles in fiscal 2020 and 2021, PV production increased in fiscal 2022 and is expected to further rise owing to a spurt in domestic and export demand. Also, electrification of transportation is already underway. The need is undeniably there, and it is likely to shoot up in the coming years. Demand is expected to be driven by expanded geographical footprint and enhanced product portfolios. Anticipated improvement in rural demand and stable crude oil prices will be crucial indicators to keep an eye on to drive the increase in domestic PV sales.

Indian consumer durables sector

Under penetration in many of India's consumer durable product categories presents a wide canvas for the industry to grow. Premiumization and the ongoing shift towards the organized sector further boost the prospects. The policy thrust on infrastructure capex across sectors and secular drivers of retail demand are also expected to drive growth.

[5]The ₹ 1.2 trillion Indian consumer electricals industry has recovered smartly after the downturn induced by COVID-related disruptions for two years. Recovery was broad-based across the product categories and supported by pent-up demand initially. A strong revival in the housing market and consumer preference towards bigger and comfortable houses in a work-from-home (WFH) scenario have set the tone for a sustainable growth story. Increased disposable incomes, nuclearization of families, a wider product basket, and shorter replacement cycles have contributed to the industry's growth over the past years. Government initiatives such as improving electrification and rural/urban infrastructure, National Infrastructure Pipeline (NIP), production-linked incentive schemes, focus on indigenous manufacturing,

[3]*https://timesofindia.indiatimes.com/auto/news/siam-reports-stunted-growth-in-automotive-sector-but-is-it-all-bad-news/articleshow/90823758.cms?from=mdr*

[4]*https://timesofindia.indiatimes.com/auto/news/passenger-vehicle-2w-sales-down-while-ev-demand-skyrocketed-in-fy22-fada/articleshow/90660272.cms*

[5]*Report on Indian Consumer Electricals: A sustainable growth story, April 2022*

higher budgetary allocations for capital expenditure, etc. are among the other growth drivers.

Changing demographics, rising per-capita income, evolving lifestyles and perception of products, growth of multiple sales channels, and technological advancement will increase spending on consumer appliances and contribute to market growth.

GROWTH DRIVERS OF INDIAN DECORATIVE AESTHETICS INDUSTRY

Despite the current headwinds, the Indian decorative aesthetics industry is headed for high growth in the coming years. Favourable tailwinds include evolving aspirations, higher spending propensity, technological advancements, and a shift to premium and aesthetic products.

Growing demand

India is the second most populous country in the world behind China. The total population stood at 1.39 bn in 2021 and is expected to cross 1.5 bn by 2030. This is expected to boost the demand for automobile and consumer durables in the country, thereby, driving the decorative aesthetics market growth in India.

Shift in consumer preferences

Rapid urbanization along with evolving consumer preferences and shift towards premium and superior aesthetic products will result in strong growth of the Indian decorative aesthetics market.

Consumer durable penetration in India

India lags the global average in consumer durables penetration. Household penetration of consumer durables in India remains lower than that of other developed as well as developing nations. [6]Only 16% of households in India own room air conditioners (RACs) compared to more than 60% in China, Japan, and the United States. For washing machines (WMs), penetration in India is approximately 18% as against global average of less than 50%. This presents a huge opportunity to boost growth in the Indian consumer durables market.

Policy support

Favourable government reforms such as increasing infrastructure investments, energy efficiency, technology-led demand, and production-linked incentive schemes will attract significant investments in the automobile and consumer appliances sector. All these factors augur well for the decorative aesthetics market.

INDUSTRY TRENDS

Shift to premium, aesthetic products

Premiumization has been driving the demand for visually appealing and aesthetically superior products, driven by the changing aspirations, higher incomes, and availability of affordable premium products. This is reflected in the growing demand for mid and top variants of PVs and branded consumer durable products. Interestingly, aesthetics is seen emerging as important purchase consideration, and consequently, a product differentiator for the OEMs.

Advent of technology

The decorative aesthetics market is witnessing a steady shift to technologically superior products, which will drive growth for OEMs and consumer appliance companies. Some of the technology-led aesthetic products comprise 3D appliques/dials, digital speedometers in automobiles, touch-based navigation in cars (optical plastics), IMD / IML parts and lens mask assembly, among others.

Demand for e-mobility

Electric vehicles have emerged as a growing trend in the mobility industry in response to tightening emission controls and reduced dependence on fossil-fuel-powered internal combustion engine (ICE) vehicles. EV penetration in India is expected to gain pace in the coming years, driven by impressive incentives, lower costs, particularly lithium-ion batteries, and expanding product choices. EV models typically have better technology and aesthetics such as more connected features, larger number of screens, lens mask assembly, 3D lux badges, etc. Adoption of EVs is poised to benefit aesthetic players on the back of advanced technology and designs.

BUSINESS OVERVIEW

SJS Enterprises is amongst the leading players in the Indian decorative aesthetics industry with a wide range of products across both traditional and premium segments with strong manufacturing and design capabilities, expert workforce, and trusted customer relationships. The Company is an end-to-end solutions provider, wherein decorative aesthetic products are designed and delivered to the 2Ws, PVs, consumer appliances, commercial vehicles, medical devices, farm equipment, and sanitary ware manufacturers.

[6]*CRISIL Report June 2021*

MANAGEMENT DISCUSSION & ANALYSIS (MD&A) (CONTD.)

The Company serves its customers with a diverse array of products under 11 product categories. It also offers a range of aftermarket accessories for 2Ws and PVs under the brand name 'Transform'.

KEY STRENGTHS

Extensive product portfolio

The Company's product portfolio includes a wide range of traditional and premium aesthetic products categories including aftermarket accessories catering to seven end segments including two-wheelers, passenger vehicles, commercial vehicles, consumer durables, farm equipment, medical devices, and sanitary ware. Each of the decorative solutions is a perfect fusion of precision and innovation designed to notch up the overall experience of customers' products while doing justice to their brand legacy.

Manufacturing and supply chain capabilities

SJS has a strong manufacturing footprint with two facilities in Bengaluru and Pune. The manufacturing infrastructure of the Company enables it to produce high-precision, quality products while strengthening its competitive position. SJS has the scale and capability to manage 6,000 SKUs and supplied more than 123 million parts to 175+ customer locations across 20+ countries during fiscal 2022 in an industry that few can match globally.

The Bengaluru facility of the Company has flexible operations, enabling it to interchange capacity and product mix and de-risk the business model. Also, the Company enjoys long-standing relations with its suppliers and equipment vendors to ensure ready and uninterrupted availability of raw materials. Its products being low-weight and transport-friendly in nature enables SJS to meet the complex and timely delivery of a vast portfolio of SKUs to its customers while maintaining a centralised manufacturing and delivery system.

Product innovation

Continuous innovation and product development enable the Company to stay ahead of the curve. SJS has successfully diversified its offerings to introduce new-age, premium products such as IML/IMD parts, 3D appliques, lens mask assemblies, and aluminium badges to benefit from the shift in industry trends. It has a strong in-house team of 70+ New Product Development (NPD) personnel which has developed 4-5 new products in the past 3-4 years, accounting for 16% of the Company's revenues in FY 2021-22 from less than 3% in FY 2018-19.

Long-standing customer relationships

The Company's ability to offer design-to-delivery aesthetic solutions has made it a preferred partner for the world's most esteemed brands. It has forged strong relationships with all its customers which is validated by the fact that SJS has been associated with its 10 largest revenue contributors for around 15 years. It strives to further widen its customer base by adding new clients and enhancing opportunities.

Quality consciousness

Quality is of topmost priority to SJS given the visual and aesthetic nature of its products. The Company has a dedicated team of over 300 people in quality assurance and control who monitor every aspect of production right from quality of raw material, manufacturing processes, and the end products. Also, the Bengaluru facility meets ISO class 7 dust-free clean room specifications for manufacturing high-precision products. The products manufactured for the automotive industry are subject to compliance with the restriction of certain hazardous substances (RoHs) and International Material Data System (IMDS) guidelines. Exotech's products are certified by the National Accreditation Board for Testing and Calibration Laboratories.

ROBUST FINANCIALS

The Company maintains a strong and de-leveraged balance sheet with total equity of ₹ 304.4 million and borrowings (current and non-current) of ₹ 125.9 million. As on 31st March 2022, the Company's cash and cash equivalents stood strong at ₹ 1,009.2 million.

FINANCIAL PERFORMANCE

Consolidated revenue of the Company stood at ₹ 3,698.6 million in fiscal 2022 compared to ₹ 3,201.4 million in fiscal 2021 (proforma adjusted numbers including Exotech), registering a growth of 15.5%. Of the total revenue, 2Ws segment accounted for a share of 41.5% (58.0% in fiscal 2021 for SJS standalone), followed by PV segment at 30.5% (16.6% in fiscal 2021 for SJS standalone) and consumer durables at 18.5% (25% in fiscal 2021 for SJS standalone). Revenue from exports doubled to ₹ 468.1 million in fiscal 2022 as against ₹ 232.9 million in fiscal 2018.

EBITDA of the Company stood at ₹ 985.4 million in fiscal 2022, on a healthy margin of 26.3%. The Profit after Tax (PAT) stood at ₹ 550.1 million in fiscal 2022, on a margin of 14.7%.

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

	Fiscal 2022 Consolidated	Fiscal 2022 Standalone
Current Ratio	3.27	4.11
Debt Equity Ratio	(0.24)	(0.22)
EBITDA Margin (%)	26.3%	31.5%
Net Profit Margin (%)	14.9%	10.4%
Return on Net Worth (RONW) (%)	15.3%	14.5%

OPERATIONAL HIGHLIGHTS FY 2021-22

- Became the first company in the aesthetics and decorative space to be listed on NSE and BSE
- Secured businesses with existing customers and new marquee customers for India and Malaysia markets. Forayed into North America by way of new client wins
- Added marquee customers like **Kia India, Ola Electric, Minda Industries, MG Motors, Stellantis, Ultraviolette Automotive,** amongst others
- Won key business projects from **Continental, Morris Garage, Honda & Hyundai, etc.**
- Bagged prestigious order for HMSI's maiden motorcycle entry in the huge 100cc bike segment
- Acquired Exotech Plastics, which is in the business of chrome plating and painted wheel covers, thereby expanding our product portfolio
- Developed Products for EV segment and started supplies to Ola Electric and TVS iQube
- Expanded product portfolio even further by addition of chrome plated parts, painted wheels covers, wheels caps, steering wheel logos and illuminated logos
- Appointed sales representative in Brazil, Argentina, and Turkey to strengthen position in Latin America and European markets

RISK MANAGEMENT

Economic Risk

Slowdown in economic growth and geopolitical tensions may lead to new model launch delays and adversely impact the business of the Company.

Mitigation: Favourable government reforms, increasing investments in infrastructure development, recovery in economic activities and consumer sentiment are all expected to reinvigorate economic growth. The Company makes consistent efforts to increase sales from diverse customers and geographies to mitigate risks arising from unfavourable macroeconomic events.

Pandemic Risk

The emergence of newer variants of the COVID-19 pandemic and ensuing restrictions may disrupt supply chains and customer demand, thus impacting the business of the Company.

Mitigation: The Company has a comprehensive business continuity plan in place to stay afloat during the uncertain times and minimize demand slowdown.

Competition Risk

The Company faces stiff competition from both organized as well as unorganized players. Its inability to supply innovative and high-quality products may result in the loss of market share and profitability.

Mitigation: The Company leverages its robust expertise to produce differentiated products that fulfill varied customer demands to mitigate competition and maintain its market postitioning. The Company has the capability to handle 6,000+ SKUs and ensures delivery of quality product within the required time frame, a capability which not many companies can match.

Operational Risk

Manufacturing issues or delays in new product development may impact the business and revenues of the Company.

Mitigation: Post the easing of restrictions, the Company adopted and has been stringently following all safety measures at its plants to minimize health risks for its workmen and ensure uninterrupted operations. Further, it has leveraged its diverse portfolio and longstanding customer relationships to minimize business concentration risk.

Technology Risk

Inability of the Company to keep up with the evolving technology trends may affect its business operations and, consequently, impact revenue and margins.

Mitigation: The Company consistently invests in latest technologies and processes which has enabled it to create

MANAGEMENT DISCUSSION & ANALYSIS (MD&A) (CONTD.)

an innovative, high-quality portfolio. Further, acquisition of Exotech along with its expert design team has strengthened its technology edge. The New Product Development (NPD) team of the Company also consistently strives to innovate and produce premium products in line with the evolving customer needs through early involvement with customer product design teams.

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

Mitigation: Over the years, SJS has maintained successful relationships with its customers across the world. The vast product portfolio and superior quality and designs enable the Company to cater to diverse customer requirements. The Company also strives to minimize customer concentration risk by focusing on adding new customers and end markets.

Currency Risk
Since SJS imports a major chunk of raw materials and exports final products, adverse exchange rates and volatility in currency movements may impact the margins and profitability of the Company.

Mitigation: Continuous monitoring of the movement in exchange rates insulates the Company from adverse fluctuations. Further, during the year, the Company did not enter into any hedging arrangements owing to the global economic turmoil. The Company imports some raw materials and exports some of their products, which acts as a natural hedge against currency risk.

Crude Risk
The unprecedented increase in crude oil prices due to adverse macroeconomic events may impact the margins of the Company.

Mitigation: The Company looks at VA/VE actions, waste reduction campaigns, alternate sourcing to minimize the impact of increase in prices of input costs and raw materials. It also approaches its customers to negotiate in order to get price increases, on a case by case basis, to minimize the impact of rising crude prices.

Talent Risk
Unavailability of a skilled workforce or failure to retain key talent may impact the operations of the Company.

Mitigation: The Company has a robust HR policy aimed at attracting and retaining the best talent in the industry. Regular skill development and employee engagement programs are conducted to boost employee morale and productivity. The Company has also been accredited with the **'Great Place to Work'** certificate in fiscal 2022 due to its holistic employee-centric interventions.

In addition, SJS has a unique ESOP policy, which was distributed to around 250+ employees in FY 2021-22, and will have a vesting period of 3-5 years to motivate employees to work harder towards a common goal and grow the Company.

OUTLOOK

The decorative aesthetics industry continues to be attractive. Demand is shifting towards premium, aesthetically superior, and technologically advanced products, driven by rising disposable incomes and evolving aspirations, exposure to developed markets, and the advent of e-mobility. Automobile and consumer durable manufacturers are accordingly revisiting their product design strategy. SJS is well-positioned to tap these growth opportunities, both in India and globally. The Company expects a 25% CAGR growth in revenue for the next three years on account of positive outlook for 2Ws, [7]PVs and consumer durables which are expected to grow at 10-12% CAGR during the same period. Premiumization, new customer wins and exports will help drive higher sales growth for SJS outperforming the underlying industry growth rate.

GROWTH STRATEGY

1. **Organic growth - expected at ~25% CAGR for FY 2023-25, maintaining best in class margins**
    a) **Expanding capacity**
    SJS intends to expand its chrome plating capacity to meet the high customer demand pipeline. The Company plans to more than double its capacity to achieve revenue of ~ ₹ 300 crores from chrome plating compared from the current ₹ 130 crores levels. This expansion would entail a capex of ~ ₹ 100 crores and would generate ROCE of ~20% at full capacity. The Company would like to pursue exports for chrome plating post the expansion.

    b) **Developing new products and technologies**
    Leveraging its robust capabilities, the Company focuses on developing new-age products and technologies, recent introduction being Illuminated logos. It continues to embed modern technologies

[7]*Source - CRISIL Report June 2021*

and develop aesthetic products in key categories of In-mould label or decoration parts (IML/IMD), In-mould electronics (IME), etc. to cater to the varied needs of customers.

c) **Increasing global presence**
SJS is continuously investing to increase presence in existing geographies and enter newer markets by leveraging its strong customer relationships. The Company is strengthening its sales force in the international markets of Turkey, Brazil, and Argentina and exploring similar opportunities in other countries. Further, product portfolio expansion and greater cross-selling opportunities post acquisition of Exotech will result in a wide customer base and higher exports.

d) **Building mega accounts with key customers**
Strengthening relationships with existing customers by expanding the array of products and building large mega accounts is another important strategy. Simultaneously, SJS is increasing its customer base by marketing existing products to new customers and exploring more cross selling opportunities between SJS and Exotech.

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

Pursuing inorganic opportunities

During the year, SJS successfully completed the integration of Exotech business, where it demonstrated credible business improvement in terms of topline growth and margin improvement. The Company would like to pursue more such business accretive opportunities in the coming future as well. The intent is to either build capacity in adjacent / new aesthetic product categories, expand presence in consumer-related industries or enter new geographies and tap new markets.

3. **Strengthening leadership team**
To execute its ambitious growth plans, the Company aims to strengthen its senior leadership team by appointing new CEO to lead all the business activities and a new CFO to lead the finance function and finance integration of future targets.

HUMAN RESOURCES

Employees are the most important asset of the Company. It strives to foster a safe and conducive environment and treat employees with utmost fairness and align their goals with that of the Company. It focuses on strengthening the talent pipeline by way of continuous learning and development, employee engagement, career development, rewards & recognition programs, etc. During the year under review, the Company provided safety trainings such as roll handling training and fire alarm system training, among others. The Company also provided training on awareness, performance management, and six sigma. Employee engagement programs include celebrations for New Year's Day, Republic Day, Women's Day, Independence Day, and other wellness sessions.

SJS gives utmost importance to the health and safety of its workforce and adheres to all safety guidelines issued by the government. In view of the COVID-19 pandemic, the Company adopted flexible work guidelines, distributed medicines to employees and their families in addition to thermal screening, sanitization of facilities, and maintaining social distancing norms. On the back of all these meaningful employee-centric measures, the Company was awarded **'Great Place to Work'** certification during the year. As on 31st March 2022, the Company's employee strength stood at 1,257.

ENVIRONMENT, HEALTH & SAFETY (EHS)

The Company is committed to health, safety, and environmental concerns, while balancing a sustainable growth objective. It aims to minimize the adverse impact of its processes on the environment while ensuring the health and safety of its employees and other key stakeholders.

The Company endeavors to minimize carbon footprint, reduce energy and waste generation, and conserve natural resources to mitigate environmental risks and fulfil the responsibilities of being a responsible corporate. Key initiatives include the installation of solar panels at its factories, and sewage treatment plant for waste reduction, EV charging points at the parking area premises, reduction in water wastage by reusing water in toilets and for plants, etc.

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

MANAGEMENT DISCUSSION & ANALYSIS (MD&A) (CONTD.)

Further, the Company undertakes meaningful initiatives to improve the livelihoods of the communities in which it operates.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a responsible corporate, the Company endeavours to create a positive impact in the communities in which it operates. Education, healthcare, sports, and environment protection are the key focus areas for SJS. The Company intends to improve the livelihoods of the underserved masses and build an inclusive tomorrow through its meaningful and holistic interventions. During the year, the Company spent ₹ 11.77 million towards CSR initiatives.

Notable initiatives undertaken during the year include the construction of 5 RO plants near the factory premises; supporting building of additional classrooms for betterment of school infrastructure and education; sponsoring para-athlete Mr. Mani Kundan for participating in international competition and winning medals for our country; and garbage collection and waste management across 14 villages around the factory. During the COVID-19 pandemic, the Company also distributed medicines and equipment, essential kits, food packets, etc. to the neighbouring villages to support them.

INFORMATION TECHNOLOGY

SJS, being a design-led company, is committed to strengthening its technology initiatives to increase operational and cost efficiencies, enhance quality, and drive premiumization.

INTERNAL CONTROL SYSTEM

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

CAUTIONARY STATEMENT

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

DIRECTORS' REPORT

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

Your Directors have pleasure in presenting the Annual Report of S.J.S. Enterprises Limited ("Company") together with audited financial statements (consolidated and standalone) and the Auditor's Report for the financial year ended 31st March 2022 ("financial year").

In compliance with the applicable provisions of Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for time being in force ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), this report covers the financial results and other developments during the financial year ended 31st March 2022, in respect of the Company.

FINANCIAL RESULTS

The financial performance of the Company for the financial year ended 31st March 2022 is summarised below:

(₹ in million)

	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022
	Standalone		Consolidated
Revenue from operations	2,678.85	2,516.16	3,698.56
Other Income	34.16	35.38	41.61
Total Income	**2,713.01**	**2,551.54**	**3,740.17**
Less:- Cost of raw materials consumed	992.01	990.29	1,590.88
Less:- Changes in Inventory of FG, WIP and stores & spares	20.50	(18.49)	(0.10)
Less:- Employee benefit expenses	409.12	360.68	510.41
Less:- Finance costs	4.84	7.77	30.20
Less:- Depreciation and amortization expense	154.13	147.49	215.74
Less:- Other expenses	437.90	422.02	653.65
Total Expenses	**2,018.50**	**1,909.76**	**3,000.78**
Profit before Tax	**694.51**	**641.78**	**739.39**
Less:- Tax expenses			
- Current tax	180.12	191.01	204.39
- Deferred tax (credit)/charge	(4.22)	(26.88)	(15.18)
Total tax expense	**175.90**	**164.13**	**189.21**
Profit for the year	**518.61**	**477.65**	**550.18**
Other comprehensive (expenses)/income for the year, net of tax	1.82	(0.23)	(0.48)
Total comprehensive Income for the year	**520.43**	**477.42**	**549.70**
Earnings per equity share (face value of ₹ 10 each)			
- Basic (in ₹)	17.04	15.69	18.08
- Diluted (in ₹)	16.88	15.69	17.90

DIRECTORS' REPORT (CONTD.)

BUSINESS REVIEW

Standalone Financial Results:

During the financial year, your Company recorded a total income of ₹ **2,713.01 million** as against ₹ **2,551.54 million** in the previous financial year, registering an increase of **6.33%** against previous financial year.

The Company's profit after tax has increased to ₹ **518.61 million** from ₹ **477.65 million**, at a growth of **8.58%**.

The Company has posted highest ever total revenue ₹ **2,713.01 million** and highest ever net profit after tax ₹ **518.61 million**.

Consolidated Financial Results:

During the financial year, your Company acquired 100% shares of Exotech Plastics Private Limited on 5th April 2021. Exotech Plastics Private Limited is located at Ranjangaon, Pune, Maharashtra and is into the business of Injection Moulding, Painting, Plating on Plastics and full service supplier of Exterior trim parts, Closing Systems and Powertrain Parts since 1998.

The Company's consolidated revenue for the financial year is ₹ **3,698.56 million** and the consolidated profit after tax stands at ₹ **550.18 million**.

DIVIDEND

During the financial year, the Board has declared interim dividend twice. The Board, at its meeting held on 09th April 2021 declared interim dividend of ₹ **1.65/-** per equity share being **16.5%** on face value of ₹ **10/-** each, amounting to ₹ **50.22 million** and in its meeting held on 24th September 2021 declared interim dividend of ₹ **2/-** per equity share being **20%** on face value of ₹ **10/-** each amounting to ₹ **60.88 million**, the total interim dividend paid during the financial year is aggregating to ₹ **111.10 million**.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company has therefore made payments of the said dividends after deduction of tax at source.

This dividend was paid to those members whose names appeared in the Register of Members as on the Record Date i.e. 08th April 2021 and 19th September 2021 respectively and the Board does not recommended any final dividend.

DIVIDEND DISTRIBUTION POLICY

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

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

TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends of a Company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remain to be paid and require to be transferred to the IEPF by the Company during the year ended 31st March 2022.

RESERVES

The Company has not transferred any amount to reserves for the financial year ended 31st March 2022.

SHARE CAPITAL

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

MAJOR EVENTS OCCURRED DURING THE FINANCIAL YEAR

Conversion from Private Limited to Public Limited:

The Board approved conversion of the Company from 'Private Limited' to 'Public Limited' in their meeting held on 19th April 2021 and the same was approved by the members in the Extraordinary General Meeting held on 28th April 2021. Thereafter, your Company received approval from Registrar of Companies, Karnataka on 04th June 2021 for the said conversion and hence, consequently, the name of the Company changed from 'S.J.S. Enterprises Private Limited' to 'S.J.S. Enterprises Limited'.

Initial Public Offering:

The equity shares of the Company have been listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") w.e.f 15th November 2021.

During the financial year, the Company made an Initial Public Offering ("IPO") of 14,760,146 equity shares of ₹ 10 each at a price of ₹ 542 per share through an offer for sale of upto 14,760,146 equity shares aggregating upto ₹ 8,000.00 million by the selling shareholders, comprising of:

- upto 13,099,630 equity shares aggregating upto ₹ 7,100.00 million by Evergraph Holdings Pte. Ltd and
- upto 1,660,516 equity shares aggregating upto ₹ 900.00 million by K A Joseph.

The face value of equity shares being ₹ 10 each, was offered at a price of 54.20 times of the said value.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report as stipulated under the SEBI Listing Regulations, describing the initiatives taken by the Company from an environmental, social and governance perspective, forms an integral part of the Annual Report.

PARTICULARS OF RELATED PARTY TRANSACTIONS

Related party transactions entered into during the financial year were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in compliance with the SEBI Listing Regulations, and as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is enclosed to this report as **Annexure – A**.

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

PARTICULARS OF INTER-CORPORATE LOANS OR INVESTMENTS OR GUARANTEES OR SECURITY

During the financial year, the Company has approved the Inter-Corporate loan of ₹ 175 million (out of which ₹ 20 million has been disbursed) to Exotech Plastics Private Limited (Wholly owned subsidiary of the Company), to be given in one or more tranches, to be utilized for purchasing land and subsequently constructing a factory for carrying out its principal business operations.

Particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements in Note No. 06 of Standalone Financial Statements.

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

SECRETARIAL STANDARDS

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

ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS

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

CHANGE IN NATURE OF BUSINESS

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

ANNUAL RETURN

As per the requirements of Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the copy of annual return in the prescribed Form MGT-7 for FY 2021-22 is available on the website of the Company at www.sjsindia.com.

CHANGE IN FINANCIAL YEAR

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

DEPOSITS

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

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES & JOINT VENTURES

Subsidiary :

During the financial year, your Company has acquired 100% shares of Exotech Plastics Private Limited on 5th April 2021.

DIRECTORS' REPORT (CONTD.)

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

Associate :
There are no associate companies as of 31st March 2022.

Joint venture companies, including in the consolidated financial statement is presented:

There are no joint venture companies as of 31st March 2022.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

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

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

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

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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

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

Details of complaints received and redressed during the financial year:

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

VIGIL MECHANISM AND WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

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

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

BOARD OF DIRECTORS

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

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

During the financial year, following directors who were appointed as additional directors have been regularized in the Annual General Meeting held on 22nd July 2022:

Sl. No.	Name of the Director	Appointed Date	Designation
1	Mr. Ramesh C Jain[1&4]	06th July 2021	Chairman & Independent Director
2	Mr. Matthias Frenzel[1]	06th July 2021	Independent Director
3	Mrs. Veni Thapar[2]	12th July 2021	Independent Director
4	Mr. Kevin K Joseph[3]	19th July, 2021	Executive Director

1. *Mr. Ramesh C Jain and Mr. Matthias Frenzel were appointed as additional directors pursuant to board resolution dated 6th July 2021.*
2. *Mrs. Veni Thapar was appointed as an additional director pursuant to board resolution dated 12th July 2021.*
3. *Mr. Kevin K. Joseph was appointed as an additional director pursuant to board resolution dated 19th July 2021.*
4. *As per Regulation 17(1A) of the SEBI Listing Regulations, the Company, in its 16th Annual General Meeting approved the continuation of directorship of Mr. Ramesh C Jain who would attain 75 years of age.*

During the financial year, Mr. Sanjay Thapar was appointed as Chief Executive Officer pursuant to board resolution dated 12th July 2021. Further, he being liable to retire by rotation and offering himself for reappointment, was reappointed in the 16th Annual General Meeting.

Rotation of Director:

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

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

The Board has considered and approved the recommendation of the Nomination & Remuneration Committee in their meeting held on 12th May 2022 to re-appoint Mr. Kazi Arif Uz Zaman as Director of the Company, liable to retire by rotation, subject to the approval of the shareholders in the forthcoming annual general meeting.

KEY MANAGERIAL PERSONNEL

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

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

Note: During the financial year Mr. Amit Kumar Garg, Chief Financial Officer of the Company resigned and was relieved from his duties with effect from the close of business hours on 04th March 2022.

DECLARATION BY INDEPENDENT DIRECTORS

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

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

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

RISK MANAGEMENT

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

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

COMMITTEES

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

DIRECTORS' REPORT (CONTD.)

Audit Committee:

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

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

Nomination and Remuneration Committee:

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

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

Note: Mr. Kazi Arif Uz Zaman has stepped down from the Nomination and Remuneration Committee on 08th February 2022, in order to comply with the latest amendments under Regulation 19 of SEBI Listing Regulations.

Stakeholders Relationship Committee:

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

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

Risk Management Committee:

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

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

Corporate Social Responsibility Committee:

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

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

IPO Committee:

The composition of IPO Committee is as follows:

Sl. No	Name	Position on the Committee	Designation
1	Mr. K A Joseph	Chairman	Managing Director
2	Mr. Sanjay Thapar	Member	CEO & Executive Director
3	Mr. Vishal Sharma	Member	Nominee Director

INTERNAL FINANCIAL CONTROLS

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

AUDITORS & AUDIT REPORT

Statutory Auditors:

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

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

Cost Auditors:

M/s PSV & Associates, Bengaluru, Cost Accountants (Firm Registration No. 000304), appointed as the Cost Auditors for conducting audit of cost accounting records of the Company for the financial year, will submit their report to the Board within a period of one hundred eighty days from the end of the financial year as required under the Act; the Company shall file a copy of the said report in Form CRA-4 within a period of thirty days from the date of its receipt.

The Cost Audit Report for FY 2020-21 dated 24th September 2021 issued by M/s PSV & Associates, Bengaluru, Cost Accountants (Firm Registration No. 000304) was filed with the Ministry of Corporate Affairs.

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Board on the recommendation of Audit Committee, reappointed M/s PSV & Associates, Bengaluru, Cost Accountants, (Firm Registration No. 000304) for conducting audit of cost accounting records of the Company for FY 2022-23. As required under the Act, the remuneration payable to the Cost Auditors is required to be placed before the members, in the forthcoming annual general meeting for their ratification. Accordingly, a resolution seeking members' approval for the remuneration payable to M/s. PSV & Associates, Cost Accountants, is included in the Notice of the forthcoming annual general meeting.

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

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

The Secretarial Auditor, in his report to the members, on the secretarial compliance of the Company, made the following observations:

Sl. No.	Auditor's observation	Board's response
1.	Delay in filing certain e-Forms under Companies Act, 2013 and under FEMA, 1999.	Strict compliance to timelines for filing of statutory forms under various Acts to be followed in future and proper planning will be done in advance with this respect.
2.	Regulation 18 – Though the Audit Committee met four times during the Audit Period, in one instance, the gap was more than 120 days.	Strict compliance to timelines of all Board and Committee meetings as prescribed under the applicable Act(s)/ Rule(s)/ Regulation(s) will be adhered to in future by ensuring proper planning of the meetings well in advance.
3.	Regulation 19 – The composition of Nomination and Remuneration Committee was not in line with the requirement specified in SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum during the period 1st January 2022 to 7th February 2022.	Company henceforth will constantly track all the amendments to the Acts/ Rules/ Regulations, as may be applicable and will strive to timely comply without any lapse.

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

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

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE ACT

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

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED AFTER THE END OF THE FINANCIAL YEAR AND TILL THE DATE OF THE REPORT

During FY 2022-23 your Company has entered into a Power Supply and Offtake Agreement ("PSOA") with Suryaurja Two Private Limited (''STPL"), whereunder, STPL as a solar power generator, shall be supplying solar power to the Company (captive user).

Your Company has also signed a Share Subscription and Shareholders' Agreement ("SSSHA") with STPL and Sunsource Energy Private Limited for subscribing 6,00,000 Equity Shares of STPL, in one or more tranches, which would result in the Company holding 48% of the Equity Share Capital of STPL on non-diluted basis (but in any case not less than 26% of the aggregate Equity Shares of STPL).

DIRECTORS' REPORT (CONTD.)

The Company has subscribed to equity shares of STPL as per the SSSHA and accordingly, shares have been allotted during FY 2022-23.

Pursuant to the above acquisition of shares, STPL has become an 'Associate' of the Company during in FY 2022-23.

MEETINGS OF THE BOARD AND COMMITTEES

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

MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of SEBI Listing Regulations, a separate meeting of the Independent Directors was held on 23rd February 2022.

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

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

PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the provisions of the Act and SEBI Listing Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on 5th January 2017, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as evaluation of the working of its Committees.

NON EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

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

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

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

DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

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

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The details as prescribed under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed to this report as **Annexure – F.**

EMPLOYEEES STOCK OPTION

During the financial year, based on recommendation of Nomination and Remuneration Committee, the Company has introduced S.J.S. Enterprises Employee Stock Option Plan 2021 ('ESOP 2021') to grant options which shall not exceed 24,35,000 (Twenty Four Lakhs Thirty Five Thousand), to the present and future employees of the Company and Group Companies.

Subsequently, pursuant to an IPO, the equity shares of the Company were listed on the BSE and NSE with effect from 15th November 2021, and accordingly in terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations'), the Company obtained approval from its shareholders through postal ballot on 29th March 2022, for ratification of the ESOP 2021.

The details of the ESOPs as required under the applicable provisions of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and SEBI SBEB & SE Regulations is enclosed to this report as **Annexure – G** and is available on the website of the Company at www.sjsindia.com.

PROHIBITION OF INSIDER TRADING

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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

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

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

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

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

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

For & on behalf of the Board of DIrectors

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

Place: Bengaluru
Dated: 26th May 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE - A

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

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

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

SL. No.	Particulars	Details	
		1	2
1.	Name (s) of the related party	Exotech Plastics Private Limited	Exotech Plastics Private Limited
2.	Nature of Relationship	Wholly owned subsidiary	Wholly owned subsidiary
3.	Nature of contracts/arrangements/transaction	Sale of Goods and Services	Sale of property, plant and equipment
4.	Duration of the contracts/arrangements/transaction	Not applicable	Not applicable
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	₹ 0.53 million	₹ 0.37 million
6.	Date of approval by the Board	Not Applicable	Not Applicable
7.	Amount paid as advances, if any	-	-

For and on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 26th May 2022

ANNEXURE - B

FORM AOC-1

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

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

PART "A": SUBSIDIARIES

(₹ in million)

Sl. No.	Particulars	Details
1	Name of the Subsidiary	Exotech Plastics Private Limited (formerly known as Exotech Zanini Industries Private Limited)
2	Reporting Period for the subsidiary concerned, if different from the holding company's reporting period	Same as holding company
3	Reporting Currency and Exchange rate as on last date of the relevant Financial Year in case of Foreign Subsidiaries	Reporting Currency: INR Exchange rate : Not Applicable
4	Share Capital	28.00
5	Reserves & Surplus	361.15
6	Total Assets	839.34
7	Total Liabilities	450.19
8	Investments	-
9	Turnover	1,020.24
10	Profit before Taxation	54.84
11	Provision for Taxation	16.06
12	Profit after Taxation	38.78
13	Proposed Dividend	-
14	% of Shareholding	100%

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

PART "B": ASSOCIATES AND JOINT VENTURES

Sl. No.	Name of Associates / Joint Ventures	
1.	Latest Audited Balance Sheet Date	The Company does not have any Associate or Joint Ventures as at the end of the financial year.
2.	Shares of Associate/ Joint Ventures held by the Company on the year end	
	i. Number of Shares Held	
	ii. Amount of investment in Associates / Joint Venture	
	iii. Extend of holding %	
3.	Description of how there is significant influence	
4.	Reason why the associate/ Joint Venture is not consolidated	
5.	Net worth attributable to shareholding as per latest audited Balance Sheet.	
6.	Profit / Loss for the year	
	i. Considered in consolidation	
	ii. Not considered in consolidation	

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

For and on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 26th May 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE- C

ANNUAL REPORT ON CSR ACTIVITIES

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY, INCLUDING OVERVIEW OF PROJECTS OR PROGRAMS PROPOSED TO BE UNDERTAKEN TO THE CSR POLICY AND PROJECTS OR PROGRAMS:

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

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

2. THE COMPOSITION OF THE CSR COMMITTEE:

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

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

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

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in million)	Amount required to be set- off for the financial year, if any (₹ in million)
1	-	-	-
2	-	-	-
3	-	-	-
	TOTAL		

6. Average net profit of the company as per section 135(5): ₹ **588.48 million**

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ **11.77 million**

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

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

   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ **11.77 million**

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

Total Amount Spent for the Financial Year (₹ in million).	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11.79	-	-	-	-	-

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in million)	Mode of Implementation – Direct (Yes No)	Mode of implementation – Through implementing agencies:	
				State	District			Name	CSR registration number
1	Carry out research in causes of Cancer, treatment and promote education and awareness about dreaded diseases.	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.50	No	Sri Shankara Cancer Foundation	CSR00004616
2	Sneha Care Home & Shining Star School is a residential facility for the children living with HIV.	Clause II of Schedule VII	Yes	Karnataka	Bangalore South	0.50	No	Sneha Charitable Trust	CSR00009139
3	Mr. Manikandan - Participation in Para Climbing world championship held across the world.	Clause VII of Schedule VII	No	Pan India		0.20	Yes	-	-
4	Program Welfare of Brick lane Workers.	Clause I & II of Schedule VII	No	Rajasthan	Jaipur	1.50	No	Kumarappa Institute of Gram Swaraj	CSR00004538
5	Supporting the less privileged mainly in terms of education and health	Clause I of Schedule VII	No	Tamil Nadu	Madurai	0.50	No	Aparajitha Foundation	CSR00026212
6	Feeding and rehabilitation of orphans at railway station, bus stand and beaches	Clause I of Schedule VII	No	Tamil Nadu	Chennai	0.20	No	Let's Feed the Needy	CSR00026824

DIRECTORS' REPORT (CONTD.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in million)	Mode of Implementation – Direct (Yes No)	Mode of implementation – Through implementing agencies:	
				State	District			Name	CSR registration number
7	Payment towards medical treatment of poor and needy	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.50	No	CBCI Society for Medical Education	CSR00008207
8	Distribution of Immunity boosting medicines to people around SJS to prevent them from COVID-19	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.26	Yes	-	-
9	COVID pandemic purpose for procuring oxygen concentration/ cylinder support for poor and needy	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	2.50	No	United Way of Bengaluru	CSR00000324
10	Daily Distribution of Food Packets (For needy and helpless people) in our locality through the help of Local Police	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	1.00	Yes	-	-
11	Distribution of 300 street lights to Agara gram panchyath	Clause X of Schedule VII	Yes	Karnataka	Bangalore South	0.30	Yes	-	-
12	[1]Garbage Clearance around the surrounding area near to SJS	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	0.85	Yes	-	-
13	RO Plant in Tataguni Village	Clause I of Schedule VII	Yes	Karnataka	Bangalore South	1.02	Yes	-	-
14	School Construction	Clause II of Schedule VII	Yes	Karnataka	Bangalore South	1.95	Yes	-	-
	Total					**11.79**			

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

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

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 11.79 million**

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

Sl. No.	Particular	Amount (₹ in million)
(i)	Two percent of average net profit of the company as per section 135(5)	11.77
(ii)	Total amount spent for the Financial Year	11.79
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in million)	Amount spent in the reporting Financial Year (₹ in million)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in million)
				Name of the Fund	Amount (₹ in million)	Date of transfer	
1.	2020-21	Not applicable	Nil	PM CARES Fund	2.17	19.08.2021	Nil

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

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

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

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

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

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

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

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

For and on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 26th May 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE – D

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2022

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 ("**Audit Period**"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Note: The Equity Shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 15th November 2021 and hence the compliances with respect to SEBI Acts/Regulations/Rules as applicable, have been verified for the relevant period starting from 15th November 2021 of the Audit Period.

During the Audit Period, the Company has complied with the applicable laws, rules, regulations, guidelines and standards subject to the following observations:

(A) Under the Companies Act, 2013 and FEMA, 1999:
Delay in filing certain e-Forms, resulting in levy of additional fees or Late Submission Fee (LSF), as applicable.

(B) Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(A) Regulation 18 – Though the Audit Committee met four times during the Audit Period, in one instance, the gap was more than 120 days.

(B) Regulation 19 – The composition of Nomination and Remuneration Committee was not in line with the requirement specified in SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum during the period 1st January 2022 to 7th February 2022.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (and by complying with prescribed procedure where the meetings are called with less than seven days' notice), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes.

I further report that:

- there are systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- the Company during the Audit period, has a material unlisted subsidiary viz. Exotech Plastics Private Limited, incorporated in India and consequently, a separate Secretarial Audit Report is obtained from Mr.Jayavant B Bhave (FCS:4266; CP No.3068) – Proprietor, J.B. Bhave & Co., Company Secretaries.

C. Dwarakanath
Company Secretary in Practice
FCS No: 7723; CP No: 4847
UDIN: F007723D000396067
Peer Review Certificate No. 647/2020

Place: Bengaluru
Date: May 26, 2022

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

DIRECTORS' REPORT (CONTD.)

Annexure-1

LIST OF OTHER LAWS APPLICABLE

A. CORPORATE LAWS

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

B. LABOUR LAWS

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

C. TAXATION LAWS

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

D. INTELLECTUAL PROPERTY LAWS

1. The Trade Marks Act, 1999

E. ENVIRONMENTAL LAWS

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

F. MISCELLANEOUS LAWS

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

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

Place: Bengaluru
Date: May 26, 2022

Annexure-2

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

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

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

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

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

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

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

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

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Bengaluru
Date: May 26, 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE - E

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

(A) CONSERVATION OF ENERGY

Conservation of Energy continues to receive increased emphasis. Modernisation of machinery aimed at energy conservation has been carried out, resulting in significant reduction in energy consumption.

During the financial year, the following measures were taken for energy and resource conservation, utilising alternate sources of energy and capital investment on energy conservation equipment:

- **Energy Conservation**
  - The manufacturing facility is LEED Gold rated by the U.S. Green Building Council in 2019.
  - The total installed capacity of the solar plant is 1.9 MWp and during the financial year, 1,923,149 units of solar power was generated as compared to 1,919,861 units generated during the previous financial year.
  - Significant portion of electricity requirements for the manufacturing facility is generated through renewal solar energy by way of rooftop solar power panels and solar park located in the factory premises that accounts to 20% - 25% of the electricity requirements for the year.
  - During the financial year, the Company purchased 550,000 units of wind power, which accounts to 7% of the total electricity requirement. Further, the Company is planning to procure more power through renewable sources of energy in the coming years.
  - During the financial year, the Company also entered into power supply and offtake agreement for supply of solar power upto 2 MWp or 30,00,000 units per year.
  - Electricity purchase from BESCOM has been significantly reduced from 69.30% to 64.37%.
  - Manufacturing facility is equipped with LED Lights for efficient use of energy.
  - Auto schedule programming has been successfully implemented for operating the Air Handling Unit (AHU) based on office shift timings, therefore avoiding needless power usage.
  - Motion sensors are in place in the factory premises for auto switching on/off of lighting across all washrooms.
  - Energy Monitoring System is implemented to monitor and track the usage of energy of different areas of the manufacturing facility.
  - External lighting is controlled by timer and lux level controller which results in power saving.
  - Chiller outlet temperature adjustment saves energy upto 15,000 KWh units/ month.
  - Successful installation of dedicated feeder (Express Feeder) for power distribution, has drastically reduced power interruption and failures. In turn, it has reduced diesel consumption and process related rejections.

    By using the dedicated feeder, the reliance on diesel consumption is almost reduced to Zero, whereby Company has budgeted total savings of ₹ 06 million - ₹ 08 million in FY 2022-23 and also there are significant savings in consumption of raw materials, electricity and manpower with respect to reduction in line rejections which was earlier high, due to power interruption.

    Further, the dedicated feeder has increased the solar power generation efficiency by 35,000 KWh per month.
  - Energy savings upto 120 Kwh/day has been attained by connecting solar water line for canteen dishwashing purpose.

- The Company has resorted to usage of renewal sources of energy, contributing to reduction of carbon emission approximately by 2,250,565 kilograms during the financial year and targets to double this number in FY 2022-23.

- **Water Conservation**
  - The Company has purchased zero liters of water from outside sources during the financial year.
  - Waste water recycling/treatment: Company recycled 65% of waste water through Sewage Treatment Plant (STP) and 67% waste water through Effluent Treatment Plant (ETP).
  - Rainwater harvesting: Process is in place for collection and storage of rainwater; rainwater is stored in the pond with a capacity of approx. 2,800,000 liters at the Bengaluru facility.
  - Recharging ground water level: Constant efforts are being made for recharging the ground water level; with rain water stored in the pond, there is rise in the ground water level.
  - STP capacity has been increased from 50,000 liters to 100,000 liters during the financial year.
  - STP sludge and ETP Sludge: Sludge collected at the bottom of the tanks during the water treatment process through STP & ETP is removed annually through the authorized vendor registered with the Karnataka Pollution Board.

(B) TECHNOLOGY ABSORPTION

During the financial year, the following efforts were made towards technology absorption, the benefit derived therefrom is as follows:

Continuous efforts are being made on technology absorption in the form of procuring latest technology machines, kaizen/ process improvements etc. which have contributed for improvement in quality, process and product development, increase in production output, reduction in rejections, improvement in health and safety of employees, cost reduction, customer satisfaction and organizational growth.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

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

PARTICULARS	2021-22 (₹ in million)	2020-21 (₹ in million)
Inflow in Foreign Currency	461.21	429.72
Outflow in Foreign Currency	307.52	350.39

For and on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 26th May 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE - F

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

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

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

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

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

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

1,389,000 Employee stock options have been granted to a total of 276 employees of the Company under ESOP 2021 across various levels, of which 1,89,500 options of 36 employees have been forfeited due to resignation.

	Details of ESOP	ESOP 2021
1	**Description of each ESOP that existed at any time during the year:**	
	Date of Shareholders approval	Refer para 1 & 2 above.
	Total number of options approved under ESOP 2021	2,435,000
	Vesting requirement	• Options granted under ESOP 2021 shall vest not earlier than One year and not later than maximum Vesting Period of Five years from the date of Grant.
		• Vesting of Options would be subject to compliance with Vesting Condition(s) specified in the Grant Letter as well as continued employment with the Company including Subsidiary(ies), as relevant (please refer below "Variation in terms of options").
	Exercise price/Pricing Formula (In ₹)	263.86
	Minimum term of options granted (years)	• Options granted under ESOP 2021 shall vest not earlier than One year and not later than maximum Vesting Period of Five years from the date of Grant.
		• Vesting of Options would be subject to compliance with Vesting Condition(s) specified in the Grant Letter as well as continued employment with the Company including Subsidiary(ies), as relevant (please refer below "Variation in terms of options")
	Source of shares	• NRC Committee shall, in accordance with this ESOP 2021 and applicable laws determine the source of shares during the time of exercise of options
	Variation in terms of options	Variations pertain only to the Vesting Period as follows:
		• All employees: after completion of 3rd year - 50%, after completion of 4th year - 25%, after completion of 5th year - 25%,
		• Mr. Sanjay Thapar: all after completion of 3rd year
2	**Method used to account for ESOP:**	The Company has calculated the employee compensation cost using the Fair value method of accounting for the Options granted.
3	**Option Movement during the year:**	
	Number of options outstanding at the beginning of the year	Nil
	Number of options granted during the year	1,389,000
	Number of options forfeited/lapsed during the year	1,89,500

Details of ESOP		ESOP 2021
	No. of options vested during the year	Nil
	Number of options exercised during the year	Nil
	Total number of shares arising as a result of exercise of options	Nil
	Money realised by exercise of options	Nil
	Number of options outstanding at the end of the year	1,199,500
	Number of options exercisable at the end of the year	Nil
4	**Weighted-average exercise price of options granted during the year whose:**	
	Weighted average price equals market price	Please refer to the Note No. 39 of the Standalone Financial Statements and note no. 39 of the Consolidated Financial Statements of the Company for the financial year ended 31st March 2022.
	Exercise price is greater than market price	
	Exercise price is less than market price	
	Exercise price equals market price	
	Exercise price is greater than market price	
	Exercise price is less than market price	
5	**Employee-wise details of options granted during FY 2021-22 to:**	
	Senior Managerial personnel	Mr. Sanjay Thapar: 450,000
		Mr. Sadashiva Baligar: 300,000
		Mr. Raju R.: 25,000
		Mr. Thabraz Hushain: 3,000
		Mr. Mandeep Singh: 4,000
	Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year	Nil
	Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Mr. Sanjay Thapar: 450,000

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing Model. The Assumptions used in the model are as follows:

Particulars	ESOP 2021
Grant date	Please refer to the Note No. 39 of the Standalone Financial Statements and note no. 39 of the Consolidated Financial Statements of the Company for the financial year ended 31st March 2022.
Weighted average fair value of options	
Granted Exercise price	
Share price at the grant date	
Expected volatility	
Risk free interest rate	
Expected dividend yield	

For and on behalf of the Board of Directors

K.A. Joseph
Managing Director
DIN: 00784084

Sanjay Thapar
CEO & Executive Director
DIN: 01029851

Place: Bengaluru
Dated: 26th May 2022

DIRECTORS' REPORT (CONTD.)

ANNEXURE – G

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(a) The ratio of remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Remuneration of Director for FY 2021-22 (₹ in million)	Ratio of Remuneration of each Director to the median remuneration of employees for FY 2021-22	% Increase in remuneration
Non-Executive Directors				
Mr. Ramesh C Jain	Chairman & Independent Director	1.55	4.41	N.A.
Mrs. Veni Thapar	Independent Director	1.78	5.05	N.A.
Mr. Matthias Frenzel	Independent Director	1.15	3.27	N.A.
Mr. Vishal Sharma	Nominee Director	Nil	Nil	N.A.
Mr. Kazi Arif Uz Zaman	Nominee Director	Nil	Nil	N.A.
Executive Directors and Key Managerial Personnel				
Mr. K A Joseph	Managing Director	26.53	75.44	10%.
Mr. Sanjay Thapar	CEO & Executive Director	26.53	75.44	10%.
Mr. Kevin K Joseph	Executive Director	0.84	2.39	N.A.
#Mr. Amit Kumar Garg	Chief Financial Officer	5.47	-	N.A.
Mr. Thabraz Hushain W	Company Secretary & Compliance Officer	1.34	-	55%

Note: Independent directors were paid remuneration by way of sitting fees
#Mr. Amit Kumar Garg, Chief Financial Officer resigned w.e.f. 04th March 2022

(b) The percentage increase in the median remuneration of employees in the financial year:
10%

(c) The number of permanent employees on the rolls of Company:
Permanent employees on the rolls of the Company as on 31st March 2022 were 524

(d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 7.6% whereas the increase in the managerial remuneration for the financial year was 10%.

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

The remuneration of the Managing Director, Executive Director and CEO is decided based on the performance of the Company, individual performance, inflation, and prevailing industry trends.

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

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34(3) and Schedule V of SEBI (LODR) Regulations, 2015, the details of compliance for the year ended 31st March 2022

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

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

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

BOARD OF DIRECTORS

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

COMPOSITION AND CATEGORY OF DIRECTORS

The Chairman is a Non-Executive Independent Director and the Board comprises of an optimum combination of Executive, Non-Executive, Independent Directors and Woman Director as required under the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As on the end of FY 2021-22 and as on date, the Board comprises of eight (8) Directors, out of which three (3) are Independent Directors (including a woman director), two (2) are Non-Executive Directors and three (3) are Executive Directors.

The details of change in composition/designation of directors during FY 2021-22 are covered in the Directors' Report, please refer heading "BOARD OF DIRECTORS" for more details.

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

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

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

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

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

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

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

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

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial

CORPORATE GOVERNANCE REPORT (CONTD.)

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

During FY 2021-22, the Board of Directors of the Company duly met Thirteen (13) times as depicted below on 09th April 2021, 19th April 2021, 30th June 2021, 06th July 2021, 12th July 2021, 19th July 2021, 27th July 2021, 24th September 2021, 11th October 2021, 22nd October 2021, 08th November 2021, 11th November 2021 and 08th February 2022.

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

Information on various important business proposals including the information as stipulated in Schedule II of the SEBI Listing Regulations and recommendations of various committees have been placed before the Board for its consideration. During FY 2021-22, the Board has accepted all the recommendations from the Committees.

Attendance of Directors at the Board Meetings held during FY 2021-22 and the last Annual General Meeting held on 22nd July 2021 and the number of other Directorship(s) and Committee Membership(s) or Chairpersonship(s) held by Directors are as follows:

Name of the Director Designation / Category	No. of Board Meetings		Whether attended AGM	[1]No. of other Directorships held in other companies as on 31.03.2022	[2,3&4] No. of Board/Committee in which director is a Member / Chairperson as on 31.03.2022	
	Liable to attend	Attended			Member	Chairperson
Mr. Ramesh C Jain Chairman & Independent Director	09	09	Yes	7	4	1
Mr. K A Joseph Managing Director	13	13	Yes	2	1	-
Mr. Sanjay Thapar CEO & Executive Director	13	11	Yes	3	1	-
Mr. Kevin K Joseph Executive Director	7	7	Yes	-	-	-
Mr. Vishal Sharma Nominee Director	13	11	Yes	9	1	-
Mr. Kazi Arif Uz Zaman Nominee Director	13	13	No	2	1	-
Mrs. Veni Thapar Independent Director	08	08	Yes	2	3	2
Mr. Matthias Frenzel Independent Director	09	09	Yes	-	1	1

*Notes:-

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

Number of Meetings held and attendance of the Directors:

The details of Meetings held and attended by the directors during FY 2021-22 are given below:

Name of the Director Designation / Category	Meeting No. 1 09th April 2021	2 19th April 2021	3 30th June 2021	4 06th July 2021	5 12th July 2021	6 19th July 2021	7 27th July 2021	8 24th September 2021	9 11th October 2021	10 22nd October 2021	11 08th November 2021	12 11th November 2021	13 08th February 2022	No. of Board Meetings Liable to attend	Attended
Mr. Ramesh C Jain Chairman & Independent Director	NA	NA	NA	NA	▣	▣	▣	▣	▣	▣	▣	▣	▣	09	09
Mr. K A Joseph Managing Director	●	●	▣	▣	▣	▣	●	▣	●	●	▣	▣	●	13	13
Mr. Sanjay Thapar CEO & Executive Director	○	○	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	13	11
Mr. Kevin K Joseph Executive Director	NA	NA	NA	NA	NA	NA	●	●	▣	▣	▣	▣	●	07	07
Mr. Vishal Sharma Nominee Director	○	○	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	13	11
Mr. Kazi Arif Uz Zaman Nominee Director	●	●	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	▣	13	13
Mrs. Veni Thapar Independent Director	NA	NA	NA	NA	NA	▣	▣	▣	▣	▣	▣	▣	▣	08	08
Mr. Matthias Frenzel Independent Director	NA	NA	NA	NA	▣	▣	▣	▣	▣	▣	▣	▣	▣	09	09

Note: ● – Present in person
▣ – Attended through Video/Audio Visual Means
○ – Absent
NA – Not applicable

Details of the other listed entities where the Directors hold directorship:

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

Separate Meeting of Independent Directors:

A meeting of the Independent Directors was held on 23rd February 2022 and inter alia, discussion on matters pertaining to performance review of the Board, Chairman and Non-Independent Directors took place.

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

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

Note:
E – Expert
P – Proficient

AUDIT COMMITTEE

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

Composition of Audit Committee
The composition of the Audit Committee as on 31st March 2022 is given below:

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

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

During FY 2021-22, the Audit Committee of the Company duly met Four (4) times on 19th July 2021, 24th September 2021, 07th October 2021 and 08th February 2022.

The gap between any two meetings did not exceed one hundred and twenty days, except in one instance (for more details please refer point II of "Other Disclosures") and necessary quorum was present at all meetings.

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

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

Number of Meetings held and attendance of the Members:

The details of Meetings held and attended by the members during FY 2021-22 are given below:

Name of Members	Meeting 1	Meeting 2	Meeting 3	Meeting 4	No. of Meetings during the year 2021-22	
	19th July 2021	24th September 2021	07th October 2021	08th February 2022	Liable to attend	Attended
Mrs. Veni Thapar					4	4
Mr. Ramesh C Jain					4	4
Mr. Vishal Sharma					4	4

Note:

– Attended through Video/Audio Visual Means

Terms of Reference:

The terms of reference of the Audit Committee include:

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

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

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

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

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

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

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

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

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

   f) Disclosure of any related party transactions; and

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

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

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

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

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

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

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

11. Scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Audit Committee shall mandatorily review the following information:

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

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

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

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

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

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

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

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

    (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The powers of the Audit Committee will include the following:

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

(2) to seek information from any employees;

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

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

NOMINATION AND REMUNERATION COMMITTEE

The constitution and the terms of reference of the Nomination and Remuneration Committee ("NRC") are in compliance with Section 178(1) of the Act and Regulation 19 of the SEBI Listing Regulations as at the end of FY 2021-22.

Composition of NRC:

The composition of the NRC as on 31st March 2022 is given below:

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

Note: Mr. Kazi Arif Uz Zaman was a member of the NRC from 12th July 2021 and stepped down from the said Committee on 08th February 2022, in order to comply with the latest amendments under Regulation 19 of the SEBI Listing Regulations.

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

During FY 2021-22, the NRC of the Company duly met Five (5) times on 12th July 2021, 19th July 2021, 24th September 2021, 07th October 2021 and 25th March 2022.

The constitution and composition of the Committee satisfy the requirements of Section 178 of the Act, read with SEBI Listing Regulations as at the end of FY 2021-22.

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

Number of Meetings held and attendance of the Members:

The details of Meetings held and attended by the members during FY 2021-22 are given below:

Name of Members	Meeting 1	Meeting 2	Meeting 3	Meeting 4	Meeting 5	No. of Meetings during the year 2021-22	
	12th July 2021	19th July 2021	24th September 2021	07th October 2021	25th March 2022	Liable to attend	Attended
Mrs. Veni Thapar						5	5
Mr. Ramesh C Jain						5	5
Mr. Vishal Sharma						5	5
Mr. Kazi Arif Uz Zaman					NA	4	4

Note:

 – Attended through Video/Audio Visual Means

NA –Not applicable

Terms of Reference:

The terms of reference of the NRC are as follows:

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

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

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

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

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

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

3. Devising a policy on diversity of Board;

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

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

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

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

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

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

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

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

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

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

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

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

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

Details of shareholdings of the Directors who are holding shares in the Company as on 31st March 2022:

Name	No. of Shares of ₹ 10/- each	% of Holding
Mr. Ramesh C Jain	Nil	NA
Mr. K A Joseph	46,51,244	15.28%
Mr. Sanjay Thapar	5	Negligible
Mr. Kevin K Joseph	100	Negligible
Mr. Vishal Sharma	Nil	NA
Mr. Kazi Arif Uz Zaman	Nil	NA
Mrs. Veni Thapar	Nil	NA
Mr. Matthias Frenzel	Nil	NA

Performance Evaluation Criteria are determined and evaluated by the NRC:

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

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

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

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

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

Remuneration to Directors:

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

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

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

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

The details of Remuneration paid to Directors during FY 2021-22 are given below:

(₹ in million)

Director	Designation	Salary	Perquisites	Commission	Sitting Fees	Total
Mr. Ramesh C Jain	Chairman & Independent Director	-	-	-	1.55	1.55
Mr. K A Joseph	Managing Director	26.53	-	-	-	26.53
Mr. Sanjay Thapar	CEO & Executive Director	26.53	-	-	-	26.53
Mr. Kevin K Joseph	Executive Director	0.84	-	-	-	0.84
Mr. Vishal Sharma	Nominee Director	-	-	-	-	-
Mr. Kazi Arif Uz Zaman	Nominee Director	-	-	-	-	-
Mrs. Veni Thapar	Independent Director	-	-	-	1.78	1.78
Mr. Matthias Frenzel	Independent Director	-	-	-	1.15	1.15

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors during FY 2021-22.

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STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

Composition of SRC:

The composition of the SRC as on 31st March 2022 is given below:

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

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

During FY 2021-22, the SRC of the Company duly met once (1) on 24th February 2022.

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

Number of Meetings held and attendance of the Members:

The details of Meetings held and attended by the members during FY 2021-22 are given below:

Name of Members	Meeting 1	No. of Meetings during the year 2021-22	
	24th February 2022	Liable to attend	Attended
Mr. Matthias Frenzel		1	1
Mr. K A Joseph		1	1
Mr. Sanjay Thapar		1	1
Mr. Kazi Arif Uz Zaman		1	1

Note:

– Present in person at registered office of the company

– Attended through Video/Audio Visual Means

Terms of Reference

The terms of reference of the SRC are as follows:

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

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

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

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

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

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

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

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

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

Details of complaints received and redressed during FY 2021-22:

Pending at the beginning of the financial year	Received during the financial year	Disposed off during the financial year	Number of complaints not solved to the satisfaction of shareholders	Pending at the end of the financial year
Nil	53	53	Nil	Nil

Name and designation of the Compliance Officer:

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

RISK MANAGEMENT COMMITTEE

The Board voluntarily constituted the Risk Management Committee ("RMC") during FY 2021-22, whose composition and terms of reference are in compliance with Regulation 21 and Schedule II Part D (C) of the SEBI Listing Regulations respectively.

Composition of RMC:

The composition of the RMC as on 31st March 2022 is given below:

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

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

The Committee having constituted voluntarily, the RMC duly met once (1) during FY 2021-22, on 25th March 2022.

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

Number of Meetings held and attendance of the Members:

The details of Meetings held and attended by the members during FY 2021-22 are given below:

Name	Meeting 1	No. of Meetings during the year 2021-22	
	25th March 2022	Liable to attend	Attended
Mr. Sanjay Thapar		1	1
Mrs. Veni Thapar		1	1
Mr. Vishal Sharma		1	1

Note:

– Attended through Video/Audio Visual Means

Terms of Reference:

The terms of reference of the RMC are as follows:

1) To formulate a detailed risk management policy which shall include:

   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

Composition of CSR Committee:

The composition of the CSR Committee as on 31st March 2022 is given below:

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

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The CSR Committee was first constituted by the Board in its meeting held on 7th April 2014 and was last reconstituted on 12th July 2021.

During FY 2021-22, the CSR Committee of the Company duly met twice (2) on 30th June 2021 and 24th September 2021.

The constitution and composition of the CSR Committee satisfy the requirements of Section 135 of the Act.

Number of Meetings held and attendance of the Members:
The details of Meetings held and attended by the members of CSR Committee during FY 2021-22 are given below:

Name	Meeting 1	Meeting 2	No. of Meetings during the year 2021-22	
	30th June 2021	24th September 2021	Liable to attend	Attended
Mr. Matthias Frenzel	NA		1	1
Mrs. Veni Thapar	NA		1	1
Mr. K A Joseph			2	2
Mr. Sanjay Thapar			2	2
Mr. Vishal Sharma			2	1
* Mr. Kazi Arif Uz Zaman		NA	1	1

Note:
– Present in person at registered office of the company
– Attended through Video/Audio Visuals Means
– Absent
NA – Not applicable

*Mr. Kazi Arif Uz Zaman stepped down from the CSR Committee on 12th July 2021 due to reconstitution of the said Committee.

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

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

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

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

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

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

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

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

INITIAL PUBLIC OFFER (“IPO”) COMMITTEE

The IPO Committee of the Board of Directors was constituted on 06th July 2021, inter alia to approve and undertake various activities in relation to the IPO.

Composition of IPO Committee:
The composition of the IPO Committee is given below:

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

During FY 2021-22, the IPO Committee of the Company duly met eleven (11) times on 06th July 2021, 26th July 2021, 08th October 2021, 11th October 2021, 22nd October 2021, 26th October 2021, 29th October 2021, 03rd November 2021, 08th November 2021 and *10th November 2021.

*On 10th November 2021, the IPO Committee met twice on same day.

Number of Meetings held and attendance of the Members:
The details of Meetings held and attended by the members during FY 2021-22 are given below:

Name	No. of Meetings during the year 2021-22	
	Liable to attend	Attended
Mr. K A Joseph	11	11
Mr. Sanjay Thapar	11	11
Mr. Vishal Sharma	11	11

Terms of Reference:
The terms of reference of the IPO Committee are as follows:

1) To approve amendments to the memorandum of association and the articles of association of the Company;

2) To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India("SEBI"), the relevant registrar of companies and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus, the red herring prospectus and the prospectus as applicable;

3) To finalize, settle, approve, adopt and file in consultation with the book running lead managers appointed in relation to the Offer ("BRLMs") where applicable, the draft red herring prospectus ("DRHP"), the red herring prospectus("RHP") the prospectus ("Prospectus"), the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/ corrections/ modifications as may be required by SEBI, the registrar of companies ("RoC") or any other relevant governmental and statutory authorities or in accordance with applicable laws;

4) To decide, along with the Selling Shareholders, in consultation with the BRLMs on the actual Offer size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band (including offer price for anchor investors), bid period, Offer price, and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer;

5) To appoint and enter into and terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, auditors, and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the mandate letter with the BRLMs and negotiation, finalization, execution and, if required, amendment of the offer agreement with the BRLMs;

6) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow agreement, agreements with the registrar to the offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;

7) To seek, if required, the consent and/or waiver of the lenders of the Company, customers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

8) To open and operate bank accounts in terms of the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

9) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

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10) To authorize and approve, in consultation with the selling shareholders participating in the Offer ("Selling Shareholders"), incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

11) To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;

12) To approve code of conduct as may be considered necessary by the IPO Committee or as required under applicable laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

13) To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;

14) To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorize one or more officers of the Company to sign all or any of the aforestated documents;

15) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;

16) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, along with the Selling Shareholders, including without limitation, to finalise the basis of allocation and to transfer and allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;

17) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the aforestated documents;

18) To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;

19) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;

20) To submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies, and the relevant stock exchange(s) where the Equity Shares are to be listed;

21) To negotiate, finalize, settle, execute and deliver any and all other documents or instruments and to do or cause to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of this resolution or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;

22) To delegate any of its powers set out under (a) to (q) hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company;

23) To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may

be required under the SEBI Listing Regulations or any other Applicable Laws;

24) To approve the list of 'group of companies' of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;

25) Deciding, negotiating and finalising the pricing and all other related matters regarding the pre-IPO placement, including the execution of the relevant documents with the investors in consultation with the BRLMs and in accordance with applicable laws;

26) taking on record the approval of the Selling Shareholders for offering their Equity Shares in the offer for sale;

27) to withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs; and

28) To appoint, in consultation with the Selling Shareholders, the BRLMs, the registrar and other intermediaries to the Offer, in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and other applicable laws including legal counsels, banks or agencies concerned and entering into any agreements or other instruments for such purpose, to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc. and to terminate any agreements or arrangements with such intermediaries/ agents.

GENERAL BODY MEETINGS

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

Year	Particulars of the AGM	Day, Date & Time	Venue	Special Resolutions passed, if any
2021	16th AGM	Thursday 22nd July 2021 at 04:00 PM IST	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. Appointment of Mr. Ramesh C Jain (DIN: 00038529) as Independent Director 2. Approval of Grant of stock options to the employees of Exotech Plastic Private Limited (Subsidiary Company) under S.J.S. Enterprises Employee Stock Option Plan 2021 3. Approval of Grant of Options under S.J.S. Enterprises Employee Stock Option Plan 2021 ('SJS ESOP 2021') to the employee's equivalent to or exceeding 1% of the current issued share capital of the Company. 4. To fix the limit of investment by non-resident Indian in the equity shares
2020	15th AGM	Thursday 06th August 2020 03:00 PM IST	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	No
2019	14th AGM	Monday 15th July 2019 11:00 A.M IST	Regd. Office: Sy no 28/P16 of Agra Village and Sy no 85/P6 of B.M Kaval Village Kengeri Hobli, Bangalore 560 082	No

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Details of Extra-ordinary General Meetings (EGMs) of the Company held during FY 2021-22 are as under:

Day, Date & Time	Venue	Special Resolutions Passed, if any
Saturday 10th April 2021 2:00 PM	Regd. Office: Sy no 28/P16 of Agra Village and Sy no 85/P6 of B.M Kaval Village Kengeri Hobli, Bangalore 560 082	No
Wednesday 28th April 2021 9:30 AM	Regd. Office: Sy no 28/P16 of Agra Village and Sy no 85/P6 of B.M Kaval Village Kengeri Hobli, Bangalore 560 082	1. To approve conversion from private limited company to public limited company. 2. To approve alterations of the memorandum of association of the company. 3. To approve adoption of new articles of association of the company.
Thursday 01st July 2021 2:00 PM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. To approve amendment of main object clause of memorandum of association of company. 2. Adoption of memorandum of association as per provisions of Companies Act, 2013 3. Alteration of articles of association of the company
Wednesday 14th July 2021 02:00 PM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. To approve S.J.S. Enterprises – Employee Stock Option Plan 2021
Monday 27th September 2021 02:00 PM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	1. To approve amendment To S.J.S. Enterprises – Employee Stock Option Plan 2021

POSTAL BALLOT

During FY 2021-22, the Company has conducted one (1) Postal Ballot.

The details of the postal ballot are as follows:

Date of postal ballot notice: 21st February 2022

Date of declaration of result: 30th March 2022.

Voting period: Monday, 28th February 2022 from 9:00 a.m. IST to Tuesday, 29th March 2022 upto 5:00 p.m. IST.

Date of approval: 29th March 2022.

Res. No.	Business/ Resolution proposed	Type of Resolution	No. of Votes in favour	% of total votes in favour on votes polled	No Votes against	% of total votes against on votes polled	Result
1	To consider and approve article 103 of the articles of association of the company	Special Resolution	2,39,05,008	99.92	18,145	0.08	Passed with requisite majority
2	Ratification of S.J.S. Enterprises – Employee Stock Option Plan 2021	Special Resolution	1,87,43,001	78.35	51,80,152	21.65	Passed with requisite majority
3	Approval of grant of stock options to the employees of group companies of the company under S.J.S. Enterprises – Employee Stock Option Plan 2021	Special Resolution	1,87,42,833	78.35	51,80,320	21.65	Passed with requisite majority
4	Approval of the terms of the letter agreement dated May 3, 2017, as amended on July 26, 2017, executed between Evergraph Holdings Pte Ltd and Sanders Consulting Private Ltd.	Ordinary Resolution	1,11,73,685	86.10	18,03,159	13.90	Passed with requisite majority

Procedure for Postal Ballot:

Pursuant to Section 108 and Section 110 of the Act, as amended read together with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the SEBI Listing Regulations, Secretarial Standards issued by the Institute of Company Secretaries of India on General Meeting ("SS-2") and the relaxations and clarifications issued by Ministry of Corporate Affairs vide General Circular No. 14/2020 dated 08th April 2020, read with General Circular No. 17/2020 dated 13th April 2020, General Circular No. 22/2020 dated 15th June 2020, and General Circular No. 33/2020 dated 28th September 2020, General Circular No. 39/2020 dated 31st December 2020, General Circular No. 10/2021 dated 23rd June 2021 and General Circular No. 20/2021 dated 8th December 2021 ("MCA Circulars") and the Securities and Exchange Board of India Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021 ("SEBI Circulars") and other applicable laws and regulations, the Company sent Postal Ballot Notice by e-mail to all its Members who had registered their e-mail addresses with the Company's Registrar and Transfer Agent (RTA) or Depository/ Depository Participants (DPs) and voting by the Members was allowed only through Remote E-voting system. The Notice is also available on the Company's website at https://sjsindia.com/investors.html#stockexfilings and on the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com respectively, and on the website of Link Intime India Private Limited at https://instavote.linkintime.co.in.

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company appointed Mr. S Kannan (Membership No. FCS 6261, CP No. PCS 13016) of S Kannan and Associates (Firm No. S2017KR473100), Practising Company Secretaries as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The scrutinizer completed the scrutiny and submitted his report to the Chairman, and consolidated results of the voting were announced by the Chairman and communicated simultaneously to the Stock Exchanges, Depository, Registrar and Transfer Agent of the Company and were also displayed on the Company's website https://sjsindia.com/investors.html#stockexfilings.

The Resolutions, as set out in the Postal Ballot Notice dated 21st February 2022 were passed with requisite majority.

OTHER DISCLOSURES

i) During FY 2021-22 ended there are no materially significant related party transactions, which have potential conflict with the interest of Company at large. Related party transactions entered during FY 2021-22 under review are disclosed in the notes to the audited financial statements of the Company.

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

ii) There were no cases of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years ending 31st March 2022, except that the Company had held and conducted two consecutive audit committee meetings with a gap of more than 120 days and a query letter from National Stock Exchange of India Limited (NSE) seeking detailed clarification for such non-compliance was received. The Company has also replied to NSE with respect to the said query and there are no penalties as such, imposed by NSE as on the date of this report.

iii) Vigil Mechanism (Whistle Blower Policy): The Company has a Vigil mechanism (Whistle blower policy) in place enabling the employees or other connected persons having interest in any transactions with the Company to report any unethical or improper practices noticed in the organization. The Policy also provides the procedure for making such representation and dealing with the said representation. It also covers providing protection from victimization. During FY 2021-22, no employee was denied access to the Audit Committee in this behalf.

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

   a) Audit qualifications: There were no qualifications by the statutory auditors on the financial statements for the financial year ended 31st March 2022.

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

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

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

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

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March, 2022.

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

Date:26th May 2022
Place: Bengaluru

vi) **CEO and *CFO CERTIFICATION:**

As required under Regulation 17(8) of the SEBI Listing Regulations, the CEO of the Company has certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the financial year ended 31st March 2022 and same has been annexed to this report.

**Since Mr. Amit Kumar Garg, Chief Financial Officer of the company resigned w.e.f. 04th March 2022, this certificate is being signed only by Chief Executive Officer of the company.*

vii) Certificate of Non-Disqualification of Directors issued by an Independent Practicing Company Secretary as required under Regulation 34(3) And Schedule V Para C Clause (10)(I) of the SEBI Listing Regulations, has been annexed to this report.

viii) Share Capital Audit: Practicing Company Secretary carried out a quarterly audit (twice during FY 2021-22) post listing of the Company's Equity shares, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

ix) The Company has paid a sum of ₹ 13.27 million as fees on consolidated basis to the statutory auditors for the services rendered for Company and its subsidiary,

x) Credit Ratings: Credit rating agency "CARE Ratings" reviewed various credit facilities of the Company during FY 2021-22 and the following are the details in relation to the same:

Sl. No.	Facilities	Rating	Remarks
1.	Long-Term Fund-based Working Capital	[ICRA]A+(Stable)	Reaffirmed
2.	Long-Term Unallocated	[ICRA]A+(Stable)	Reaffirmed

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

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

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

xii) Policy for determining 'material' subsidiaries: As required under SEBI Listing Regulations, the Company has formulated a Policy for determining 'material' subsidiaries and is available on the website of the Company at https://www.sjsindia.com/investors.html#policies.

xiii) Statement of Deviation(s)/ Variation(s): Pursuant to Regulation 32 (1) of SEBI Listing Regulations there was no deviation/ variation in the utilization of proceeds, in respect of the Initial Public Offering ('IPO") of the Company, and further, the Company's IPO was through Offer for Sale ("OFS") of Equity Shares by the Selling Shareholders, and has not received any proceeds from the Offer. Accordingly, no monitoring agency was appointed for the Offer and disclosures related to - Deviation(s)/ Variation(s): is 'Not Applicable' to the Company.

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

MEANS OF COMMUNICATION

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

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

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

GENERAL SHAREHOLDERS' INFORMATION

1	**Annual General Meeting**	
	Date	15th September 2022
	Time	11.30 A.M.
	Venue	The Company is conducting the AGM through Video Conference / Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA General Circular No. 3/2022 dated 05th May 2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 issued by the Securities and Exchange Board of India. *For details, please refer to the Notice of the AGM.
2	Financial Calendar Year ending AGM	2021-22 31st March 2022 15th September 2022
3	Date of Book Closure (Cut-Off Date)	08th September 2022 [For determining eligibility of shareholders who will be entitled to vote electronically on the resolutions mentioned in the Notice convening the AGM either through remote e-Voting or voting at the AGM]
4	Dividend Payment Date	Not Applicable
5	Listing on Stock Exchanges	The Equity Shares of the Company are listed on: 1) BSE Limited Phiroze Jeejeeboy Towers, Dalal Street, Fort, Mumbai- 400 001 2) National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051
6	Stock Code / Symbol on NSE / BSE respectively	The BSE Scrip code of equity shares is 543387 The NSE Scrip symbol of equity shares is SJS
7	Listing Fees	Annual listing fees for the year 2022-23 (as applicable) has been paid by the Company to both the Stock Exchanges.
8	International Securities Identification Number (ISIN) allotted to the Company's Shares	INE284S01014
9	International Securities Identification Number (ISIN) allotted to the Company's Share Warrants	Nil

CORPORATE GOVERNANCE REPORT (CONTD.)

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

Market Price Data:

Details of monthly high and low market price as per stock exchanges' data for the financial year ended 31st March 2022 are as follows:

Sl. No.	Month - Year	Share Price at BSE (543387)			BSE Sensex
		High	Low	Close	
1	Nov-21	551.00	419.10	435.45	57,064.87
2	Dec-21	455.20	340.00	380.80	58,253.82
3	Jan-22	467.00	355.30	397.00	58,014.17
4	Feb-22	420.00	352.00	370.35	56,247.28
5	Mar-22	427.00	347.70	414.80	58,568.51

Sl. No.	Month - Year	Share Price at NSE (SJS)			NSE Nifty
		High	Low	Close	
1	Nov-21	551.00	419.05	435.30	16,983.20
2	Dec-21	455.65	339.50	382.15	17,354.05
3	Jan-22	467.00	355.00	397.45	17,339.85
4	Feb-22	419.50	357.05	369.70	16,793.90
5	Mar-22	427.40	347.50	409.15	17,464.75

Note:

1. Equity Shares of the Company were listed on BSE and NSE w.e.f. 15th November 2021.
2. Source: The information is compiled from the data available from the BSE and NSE websites respectively.

Registrar and Transfer Agents (RTAs):

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

Share Transfer System:

The Company's shares are traded on the stock exchanges, compulsorily in demat form. The Company's RTA is the common agency to look after physical and demat registry work. Shares lodged for transfer with the RTA are processed and returned to shareholders within the stipulated time. The Company has been obtaining half yearly certificates as to the compliances made, with regard to transfers and transmissions of shares lodged with the Company during the financial year ended 31st March 2022 from Practicing Company Secretary.

Shareholding (as on 31st March 2022)

Sl. No.	Category	Total no. of Shares	No. of Shareholders	%-Issued Capital
1	Alternate Invst Funds	13000	1	0.0427
2	Body Corporate - Ltd Liability Partnership	31392	9	0.1031
3	Clearing Members	67947	62	0.2232
4	Foreign Portfolio Investors	1550658	8	5.0945

Sl. No.	Category	Total no. of Shares	No. of Shareholders	%-Issued Capital
5	Foreign Promoter Company	10600370	1	34.8262
6	Hindu Undivided Family	193748	2129	0.6365
7	Insurance Companies	872915	1	2.8679
8	Mutual Funds	4815098	5	15.8194
9	Non Resident (Non Repatriable)	29594	230	0.0972
10	Non Resident Indians	57107	467	0.1876
11	Other Bodies Corporate	647638	74	2.1277
12	Promoters	4651244	1	15.2811
13	Public	6826993	83497	22.4292
14	Relatives Of Promoters	80200	3	0.2635
	TOTAL :	**30437904**	**86488**	**100**

Dematerialization of shares and liquidity:

As on 31st March 2022, 30437902 equity shares out of 30437904 equity shares, forming 99.99% of the Company's paid up capital are held in the dematerialised form with National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') and 2 equity shares are held in physical form.

Manufacturing facilities:

Plants/Warehouse Locations:

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

Address for Correspondence/registering investor grievances:

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

Mr. Thabraz Hushain W
Company Secretary & Compliance Officer
Sy. Nos – 28/P16 of Agra Village & 85/ P6 of BM Kaval Village, Kengeri Hobli
Bangalore South - 560 082
Karnataka, India
Tel: +91 80 6194 0777
Email: compliance@sjsindia.com

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

CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE - I

CEO & *CFO CERTIFICATION

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

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

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

(a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of my knowledge and belief:

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

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

(b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year 2021-2022 which are fraudulent, illegal or violative of the company's code of conduct.

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

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

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

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

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

*Note: *Since Mr. Amit Kumar Garg, Chief Financial Officer of the company resigned w.e.f. 04th March 2022, this certificate is being signed only by Chief Executive Officer of the company.*

Place: Bengaluru
Dated: 26th May 2022

Sanjay Thapar
CEO & Executive Director

ANNEXURE - II

CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

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

1. I, C. Dwarakanath, Company Secretary in Practice, the Secretarial Auditor of S.J.S. Enterprises Limited (the 'Company'), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the 'Listing Regulations').

   Note: The Equity Shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 15th November 2021 and hence the Regulations mentioned above have been verified for the period starting from 15th November 2021.

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

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

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

OPINION

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31st March 2022, except with the following observations:

   i. Regulation 18 - Though the Audit Committee met four times during the Audit Period, in one instance, the gap was more than 120 days.

   ii. Regulation 19 – The composition of Nomination and Remuneration Committee was not in line with the requirement specified in SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021 read with the corrigendum during the period 1st January 2022 to 7th February 2022.

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

C.Dwarakanath
Company Secretary in Practice
C.P: 4847 FCS: 7723
UDIN: F007723D000396201
Peer Review Certificate No.: 647/2020

Place: Bengaluru
Dated: 26th May 2022

ANNEXURE - III

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

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

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1.	Mr. Ramesh Chandra Jain	00038529	06/07/2021
2.	Mr.Kazi Arif Uz Zaman	00237331	24/09/2015
3.	Mr.Kannampadathil Abraham Joseph	00784084	21/06/2005
4.	Mr.Sanjay Thapar	01029851	24/09/2015
5.	Mr. Vishal Sharma	01599024	28/04/2016
6.	Mrs. Veni Thapar	01811724	12/07/2021
7.	Mr. Matthias Frenzel	09168925	06/07/2021
8.	Mr. Kevin Kannampadathil Joseph	09206689	19/07/2021

Ensuring the eligibility of 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.

Ananta R Deshpande
Company Secretary in Practice
FCS No: 11869; CP No: 20322
UDIN No. F011869D000397311

Place: Bengaluru
Date: 26th May 2022

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L51909KA2005PLC036601	
2	Name of the Company	S.J.S. Enterprises Limited	
3	Registered Address	Sy No 28/P16 of Agra village and Sy No 85/P6 of B.M Kaval Village Kengeri Hobli Bangalore 560082	
4	Website	www.sjsindia.com	
5	E-mail id	compliance@sjsindia.com	
6	Financial Year reported	April 1, 2021 to March 31, 2022	
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Automotive Ancillary and Consumer Durables	
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Product Description	Our product offerings include decals and body graphics, 2D and 3D dials and 3D lux badges and overlays
9	Total number of locations where business activity is undertaken by the Company:		
	a. Number of International Locations (Provide details of major 5)	Nil	
	b. Number of National Locations	Details of locations are included in the Corporate Governance Report which forms an integral part of the Annual Report	
10	Markets served by the Company – Local/State/National/ International	National & International markets	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	304,379,040
2	Total Turnover (INR)	2,678.85 million
3	Total profit after taxes (INR)	518.61 million
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% of average net profit as per Section 198 of the Companies Act, 2013
5	List of activities in which expenditure in 4 above has been incurred: -	Our CSR spend covers following areas:
		i) Promoting healthcare/ preventive healthcare for the underprivileged
		ii) Rural Development Projects
		iii) Promoting inclusive education and sports
		iv) Sanitation
		For more details please refer the Annual Report on CSR activities of the Company which is enclosed to Directors' Report as Annexure – C.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies:**
   Yes – Exotech Plastics Private Limited

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):**
   Yes, the Subsidiary Company is encouraged to participate in the Business Responsibility initiatives of the Company.

BUSINESS RESPONSIBILITY REPORT (CONTD.)

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

Business Responsibility initiatives are limited to operations of the Company. The other entities do not participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

1. DIN Number: 01029851
2. Name: Sanjay Thapar
3. Designation: CEO & Executive Director

(b) Details of the BR head:

No.	Particulars	Details
1.	DIN Number	01029851
2.	Name	Sanjay Thapar
3.	Designation	CEO & Executive Director
4.	Telephone number	080 - 61940777
5.	e-mail id	sanjay@sjsindia.com

2. The operating principles adopted by the Company supplement the requirements under the National Voluntary Guidelines (NVGs)

The nine (9) principles outlined in National Voluntary Guidelines are as follows:

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 - Businesses should promote the well-being of all employees

P4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 - Businesses should respect and promote human rights

P6 - Businesses should respect, protect and make efforts to restore the environment

P7 - Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 - Businesses should support inclusive growth and equitable development

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance with NVGs (Reply in Y/N)

No.	Questions	P1 TO P9
1.	Do you have a policy/ policies for....	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	The policy(ies) has/have been framed keeping in mind the interests of the stakeholders at large.
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	All policies conform to national/ international standards wherever applicable.
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The policies were either approved or noted from time to time and its Implementation carried out by the management.
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes
6.	Indicate the link for the policy to be viewed online?	All mandatory policies are available at Company's website at www.sjsindia.com. And other policies which are internal to the company are available on Company's intranet.
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes
8.	Does the company have in-house structure to implement the policy/ policies.	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1 to P9
1.	The company has not understood the Principles	NA
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA
3.	The company does not have financial or manpower resources available for the task	NA
4.	It is planned to be done within next 6 months	NA
5.	It is planned to be done within the next 1 year	✓
6.	Any other reason (please specify)	NA

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Board will assess the BR performance of the Company annually.

The equity shares of the Company having been listed on the BSE Limited and the National Stock Exchange of India Limited w.e.f. 15th November 2021, this is the first BR Report based on the annual assessment of the BR performance of the Company by the Board for FY 2021-22.

Accordingly, in the coming years, the Board shall monitor and assess the BR initiatives and BR performance of the Company annually and the BR report based on the said assessment will form a part of the Annual Report of the respective year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This being the first Business Responsibility Report of the Company, will be placed on the website of the Company at www.sjsindia.com and going forward, will be published on a yearly basis along with the respective financial year's Annual Report.

BUSINESS RESPONSIBILITY REPORT (CONTD.)

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

   The policy extends to our subsidiary and their units, and is largely applicable to the internal stakeholders of the Company. Some of the key principles of business responsibility of the Company, to the extent possible, have been made applicable to suppliers / vendors / service providers etc.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company handles complaints / notices received from the respective stakeholders with seriousness and resolves the complaints within the reasonable time and / or within time permitted under the statutory regulations.

   During the financial year, a total of 53 investors/ shareholders complaints were received. All these complaints pertained to refund of Initial Public Offer ("IPO") application money and allied matters. These complaints were addressed within reasonable time. As of the end of the financial year, there are no pending investor complaints as all of them were resolved.

   During the financial year, the Company has neither received any complaints which required investigation under the Company's whistle blower policy nor any complaints pertaining to sexual harassment under the relevant Act and as covered under POSH policy i.e. Care and Dignity Policy of the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:**

   The Company manufactures various products viz. decals and body graphics, 2D and 3D dials and 3D lux badges and overlays.

   All these products are supplied to leading global OEMs / Tier I suppliers in the automotive and consumer appliance segments. These products conform to stringent international standards of environment and sustainability.

   All the products pass through stringent tests of quality standards as specified by the customers, at the in-house testing center. The Company also adheres to International Organisation for Standardization (ISO) certifications guidelines. The Company has various certifications in place i.e. ISO 14001:2015 for Environment Management systems, ISO 45001:2018 for Occupational Health and Safety, ISO 9001:2015 & IATF 16949:2016 for Quality Management systems.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)**

   The Company manufactures multiple products making optimal use of resources and is LEED Gold certified (Leadership in Energy Efficiency and Environment Design).

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, The Company has certified procedures in place for sustainable sourcing:

1. Selection of Suppliers: All the raw material suppliers of the Company shall conform to certification of ISO 45001: for Occupational Health and Safety, ISO 9001: & IATF 16949: for Quality Management systems.

2. Supplier Evaluation: Company has a supplier evaluation check sheet and in order to qualify as a supplier of the Company, one should score atleast 80%, in that evaluation. The check sheet contains questionnaire related to Quality Standards, Ethics, Environment protection etc. During the evaluation, high importance for standards for safety, health and environmental practices are demanded from the suppliers, including logistics transporters.

3. The Company uses ROSH (Restriction of Hazardous Substances) certified raw material for all the products and therefore, usage of hazardous materials are avoided as defined under ROSH regulations.

4. The Company sources most of its raw materials sustainably.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company procures various goods and services from local and small vendors as per their capacity. The Company regularly undertakes initiatives to support its vendors in the entire supply chain and gives preference to local and small vendors i.e. MSME registered vendors if they meet the Company's requirements with respect to quality standards, high standards for safety, health and environmental practices etc.

The Company conducts frequent vendor audits and vendor shall conform to the aspects mentioned in material safety data sheet and the Company regularly provides support and guidance with this respect to the vendor.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company has in place, standard of procedures and process control for waste water recycling/treatment along with effluent treatment through the Effluent Treatment Plant and Sewage Treatment Plant. The Company also recycles the scrap waste generated during the manufacturing processes and most of the scrap generated is recycled in downstream processes. The waste, which cannot be reused is disposed off in an effective manner in compliance with applicable statutory laws. A couple of vendors have been employed, who are certified and registered with Karnataka Pollution Board for disposal of effluents.

Principle 3: Businesses should promote the wellbeing of all employees

1.	**Please indicate the Total number of employees:**	1257
2.	**Please indicate the Total number of employees hired on temporary/contractual/ casual basis.**	733
3.	**Please indicate the Number of permanent women employees.**	55
4.	**Please indicate the Number of permanent employees with disabilities**	02
5.	**Do you have an employee association that is recognized by management?**	Not applicable
6.	**What percentage of your permanent employees is members of this recognized employee association?**	Not applicable

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

a. Permanent Employees: 100%

b. Permanent Women Employees: 100%

c. Casual / Temporary / Contractual Employees:100%

d. Employees with Disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

BUSINESS RESPONSIBILITY REPORT (CONTD.)

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company has engaged itself in special initiatives with the disadvantaged, vulnerable and marginalized stakeholders especially those situated in and around the plant location through its CSR activities. These initiatives are in the areas of preventive healthcare, education, sanitary, rural development etc.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The principles of human rights covered under the Company's code of conduct is applicable to all the employees of the Company and its Subsidiary, to the extent possible, applicable to suppliers / vendors / service providers etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint was received pertaining to human rights violation for financial year ended 31st March 2022.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The policy extends to our subsidiary and their unit and, to the extent possible, applicable to suppliers / vendors / service providers etc.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, the Company is compliant with environment, health and safety management systems and is IATF and ISO certified.

   The Company sources a significant portion of its electricity requirements for the manufacturing facility through renewal solar energy from the rooftop solar power panels which accounts to around 20% to 25% of electricity requirements.

   The manufacturing facility is LEED Gold rated by the U.S. Green Building Council. The Bengaluru facility is certified for international quality and environmental management systems such as IATF 16949:2016, ISO 9001:2015 and ISO 45001:2018.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes.

   The Company has been practicing environmental management, health and safety through proactive initiatives for protecting environment including pollution prevention and resource conservation and to provide safe work environment to all employees.

   The Company identifies the risks that can impact the business operations and has established, implemented and maintained a process for the elimination of hazards and reduction of OH&S risks using the following hierarchy of controls:

   a) eliminate the hazard;
   b) substitute with less hazardous processes, operations, materials or equipment;
   c) use engineering controls and reorganization of work;
   d) use administrative controls, including training;
   e) use adequate personal protective equipment.

   Our Bengaluru facility is certified for international quality and environmental management systems such as IATF 16949:2016, ISO 9001:2015 and ISO 45001:2018, that helps us in developing mitigation strategies and take appropriate actions.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   No.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes, as mentioned in the point no. 2

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**
Yes, the emissions/waste generated by the Company are within the permissible limits as indicated by State Pollution Control Board.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**
No show cause/ legal notice from CPCB/ SPCB is pending as of 31st March 2022.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**
The Company is a member of many trade/chamber/ associations. Some of them are:
    1. Confederation of Indian Industry
    2. Indo America Chamber of Commerce
    3. The Plastic Export Promotion Council
    4. The Automotive Component Manufacturers Association
    5. Quality Circle Forum of India
    6. The Society of Indian Automobile Manufacturers

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
Yes, wherever necessary.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**
The Company takes up programs/ initiatives/ projects in pursuit of the principle of inclusive growth and equitable development in pursuance of its Corporate Social Responsibility (CSR) Policy. Detailed information about the specified programs and initiatives undertaken during FY 2021-22 in pursuit of the CSR policy has been given as Annexure - C to the Directors' Report.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**
The Company's Social Responsibility projects are implemented through an internal team as well as through implementation agency.

3. **Have you done any impact assessment of your initiative?**
No.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**
Please refer Annual Report on CSR activities has been given as Annexure - C to the Directors' Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**
Initiatives are identified based on the requirement of the community in such a way that the benefits reach the Community - Please refer Annual Report on CSR activities has been given as Annexure - C to the Directors' Report.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**
There were no customer complaints/consumer cases pending as on 31st March 2022.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**
The information is displayed on products as required by applicable laws and customers' requirement.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**
There have been no cases relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour against the Company.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**
Yes. Customers feedback and opinions are collected on regular basis and corrective actions are taken.

INDEPENDENT AUDITOR'S REPORT

To the Members of S.J.S. Enterprises Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of S.J.S. Enterprises Limited (the " Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

The key audit matter	How the matter was addressed in our audit
Revenue recognition Refer note 2(a) to the standalone financial statements Revenue from the sale of goods in the ordinary course is recognised at the contract price after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government when the control of the goods has been transferred to the customer and there is no unfulfilled performance obligation. Revenue from sale of goods is recognized at the point in time when the goods are delivered to the customer. Revenue recognition is a key audit matter because the Company and its external stakeholders focus on revenue as a key performance indicator. This could result in a risk of revenue being overstated to achieve performance targets without the control being transferred.	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain audit evidence: 1. We evaluated the revenue recognition accounting policies by comparing it with the applicable accounting standards. 2. We tested the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition on transactions selected on a sample basis. 3. We performed testing for the revenue transactions recorded during the year, on a sample basis, and tested underlying documents such as sales order, contractual terms of the invoice and acknowledged delivery receipts. 4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year-end date to determine that only revenue pertaining to current year is recognized based on terms and conditions set out in customer orders and sales invoices. 5. We tested manual journal entries we determined as high risk posted to revenue account to identify unusual items.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our Auditor's Report thereon. The other information is expected to be made available to us after the date of the Auditor's Report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 action as applicable, under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 not defined 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 judgement and maintain professional skepticism throughout the audit. We also:

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

of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 2022 on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.

    b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

for B S R & Co. LLP
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYRK9446

Place: Bengaluru
Date: 26 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS OF S.J.S. ENTERPRISES LIMITED FOR THE YEAR ENDED 31 MARCH 2022

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's report to the members of S.J.S. Enterprises Limited ('the Company") on the standalone financial statements for the year ended 31 March 2022, we report that:

(Referred to in 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. No material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(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 information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year- end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company except as follows:

(Amount in million)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
Q1	Citi Bank	Inventory	327.38	325.09	2.29	No
Q1	Citi Bank	Trade Receivable	456.49	452.81	3.68	No
Q1	State Bank of India	Inventory	327.38	325.09	2.29	No
Q1	State Bank of India	Trade Receivable	456.49	452.81	3.68	No
Q2	Citi Bank	Inventory	317.05	347.90	(30.85)	No
Q2	Citi Bank	Trade Receivable	575.10	571.15	3.95	No
Q2	State Bank of India	Trade Receivable	575.10	571.15	3.95	No
Q3	Citi Bank	Trade Receivable	466.96	463.67	3.29	No
Q3	State Bank of India	Trade Receivable	466.96	463.67	3.29	No
Q4	Citi Bank	Trade Receivable	586.99	591.95	(4.96)	No
Q4	State Bank of India	Trade Receivable	586.99	591.95	(4.96)	No

(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 the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made an investment in a company and granted a loan to its subsidiary and to other parties (employees) in respect of which the requisite information are given below. The Company has not made any investments in firm , limited liability partnership or any other parties. The Company has not granted any loans, secured or unsecured, to firms and limited liability partnership during the year.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted a loan to its subsidiary and other parties as below:

Particulars	Amount (₹ in million)
Aggregate amount during the year	
- Subsidiary	20.00
- Others (employees)	5.38
Balance outstanding as at balance sheet date	
- Subsidiary	20.12
- Others (employees)	2.52

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of a loan given to its subsidiary, in our opinion the repayment of principal and payment of interest has been stipulated however the same is not yet due. In case of loan given to other parties (employees) the repayment of principal has been regular. The loan given to employees are interest free and hence there are no stipulation with respect to the payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advances in the nature of loans to any party during the year.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of the investments made and loan given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and services tax. 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 services tax, Provident fund, Employees' state insurance, Income-tax, Duty of customs, Cess and other statutory dues have been regularly deposited with the appropriate authorities.

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 services tax, Provident fund, Employees' state insurance, Income-tax, Duty of customs, Cess and other statutory dues were in arrears as at 31 March 2022 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, there are no statutory dues relating to Goods and Service Tax, Provident fund, Employees state insurance, Income-tax, duty of customs or cess or other statutory dues which have not been deposited on account of any dispute, except for the following:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act,1961	Income Tax and interest	16,317,609 (16,317,609) *	2009-2010, 2014-2015, 2017-2018 and 2018-19	Deputy Commissioner, Income Tax, Bengaluru
The Central Excise Act, 1944	Sales Rejections which were not repaired, or reworked Cenvat Credit availed for the period from 01 May 2004 to 12 May 2019	3,431,271 (3,000,000) **	June 2006 to March 2009	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
The Central Goods and Service Tax Act, 2017	ITC ineligible on project management services	2,002,862	2017-2018	Assistant commissioner of Central Tax, Bengaluru

* Amount represents amounts adjusted by tax authorities

** Amount mentioned in parenthesis represent payments made under protest

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary,as defined under the Act. The Company does not hold any investment in associates or joint ventures.

(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). The Company does not hold any investment in associates or joint ventures.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government of India.

(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, all 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.

(xvi) (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.

(xvi) (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.

(xvi) (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYRK9446

Place: Bengaluru
Date: 26 May 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF S.J.S. ENTERPRISES LIMITED FOR THE PERIOD ENDED 31 MARCH 2022.

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 Companies Act, 2013

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

OPINION

We have audited the internal financial controls with reference to standalone financial statements of S.J.S. Enterprises Limited ("the Company") as of 31 March 2022 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 standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to standalone 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 RESPONSIBILITY 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 standalone 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone financial statements were established and maintained and whether 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYRK9446

Place: Bengaluru
Date: 26 May 2022

STANDALONE BALANCE SHEET

as at 31 March 2022

(₹ in million)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	1,387.06	1,409.02
Capital work-in-progress	3	1.91	42.52
Right-of-use assets	22	77.04	77.40
Goodwill	4, 42	39.51	39.51
Other Intangible assets	4	23.27	25.98
Financial Assets			
i. Investments	5	640.00	-
ii. Loans	6	20.00	-
iii. Other non-current financial assets	7	9.37	7.97
Income tax assets (net)	8	18.46	16.36
Other non-current assets	9	53.03	31.14
Total non-current assets		**2,269.65**	**1,649.90**
Current assets			
Inventories	10	279.67	332.35
Financial Assets			
i. Investments	5	784.42	814.66
ii. Trade receivables	11	586.99	597.30
iii. Cash and cash equivalents	12	48.12	216.12
iv. Bank balance other than Cash and cash equivalents	13	50.98	159.94
v. Loans	6	2.52	0.95
vi. Other current financial assets	7	43.20	4.36
Other current assets	9	46.02	59.86
Total Current assets		**1,841.92**	**2,185.54**
Total Assets		**4,111.57**	**3,835.44**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	304.38	304.38
Other Equity	15	3,271.06	2,847.78
Total Equity		**3,575.44**	**3,152.16**
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Lease liabilities	22	0.08	0.08
Deferred tax liabilities (net)	16	88.31	91.92
Total Non-current liabilities		**88.39**	**92.00**
Current liabilities			
Financial Liabilities			
i. Current Borrowings	17	76.97	92.07
ii. Lease liabilities	22	-	0.04
iii. Trade payables	18		
a) total outstanding dues to micro enterprises and small enterprises		65.75	100.79
b) total outstanding dues to creditors other than micro enterprises and small enterprises		77.26	152.07
iv. Other current financial liabilities	19	158.36	169.81
Income tax liability (net)	8	47.40	37.21
Other current liabilities	20	17.44	26.67
Provisions	21	4.56	12.62
Total Current liabilities		**447.74**	**591.28**
Total Liabilities		**536.13**	**683.28**
Total Equity and Liabilities		**4,111.57**	**3,835.44**

Significant accounting policies 2

See accompanying notes to the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

Sanjay Thapar
CEO and ED
DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
INCOME			
Revenue From Operations	23	2,678.85	2,516.16
Other Income	24	34.16	35.38
Total Income		**2,713.01**	**2,551.54**
EXPENSES			
Cost of raw materials consumed	25	992.01	990.29
Changes in inventory of finished goods, work-in-progress and stores and spares	26	20.50	(18.49)
Employee benefits expense	27	409.12	360.68
Finance costs	28	4.84	7.77
Depreciation and amortization expense	29	154.13	147.49
Other expenses	30	437.90	422.02
Total Expenses		**2,018.50**	**1,909.76**
Profit before tax		**694.51**	**641.78**
Tax expenses	31		
Current tax		180.12	191.01
Deferred tax (credit)		(4.22)	(26.88)
Total tax expense		**175.90**	**164.13**
Profit for the year		**518.61**	**477.65**
Other Comprehensive income / (expense)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements of defined benefit plans	40	2.43	(0.30)
Income tax relating to items that will not be reclassified to profit or loss	31	(0.61)	0.07
Other Comprehensive income / (expense) for the year, net of tax		**1.82**	**(0.23)**
Total Comprehensive Income for the year		**520.43**	**477.42**
Earnings per equity share (face value of ₹ 10 each)			
Basic (in ₹)	32	17.04	15.69
Diluted (in ₹)	32	16.88	15.69
Significant accounting policies	2		
See accompanying notes to the standalone financial statements			

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

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Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

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DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the Year Ended 31 March 2022

EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance	304.38	304.38
Changes in equity share capital	-	-
Closing balance	**304.38**	**304.38**

OTHER EQUITY

(₹ in million)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	General reserve	Share options outstanding account	Securities premium	Retained earnings		
As at 1 April 2021	**8.85**	**-**	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**
Profit for the year	-	-	-	518.61	-	518.61
Share based payment to employees	-	13.95	-	-	-	13.95
Other comprehensive income / (expense)	-	-	-	-	1.82	1.82
Total comprehensive income	**-**	**13.95**	**-**	**518.61**	**1.82**	**534.38**
Dividend paid during the year	-	-	-	(111.10)	-	(111.10)
As at 31 March 2022	**8.85**	**13.95**	**39.41**	**3,212.53**	**(3.68)**	**3,271.06**
As at 1 April 2020	**8.85**	**-**	**39.41**	**2,449.13**	**(5.27)**	**2,492.12**
Profit for the year	-	-	-	477.65	-	477.65
Other comprehensive income / (expense)	-	-	-	-	(0.23)	(0.23)
Total comprehensive income	**-**	**-**	**-**	**477.65**	**(0.23)**	**477.42**
Dividend paid during the year	-	-	-	(121.76)	-	(121.76)
As at 31 March 2021	**8.85**	**-**	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**

Significant accounting policies (refer Note 2)
See accompanying notes to the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

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Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

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DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

STANDALONE STATEMENT OF CASH FLOWS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities		
Profit before tax	**694.51**	**641.78**
Adjusted for:		
Depreciation and amortization expense	154.13	147.49
Share based payment	13.95	-
Loss on sale and write off of property, plant and equipment, net	3.36	10.30
Interest income	(13.89)	(7.05)
Interest expense	4.84	7.77
Unrealised foreign exchange gain, net	(3.70)	(0.49)
Changes in fair value of financials assets	(4.33)	(9.43)
Gain on sale of investments measured at fair value through profit or loss	(4.76)	(18.08)
Loss allowances on financial assets, net	(0.61)	(3.95)
Provision for doubtful advances and receivables	-	7.84
Bad debt written off	0.92	1.58
Liabilities no longer required, written back	(0.70)	(0.28)
Operating cash flow before working capital changes	**843.72**	**777.48**
Adjustments for increase / decrease in operating assets and liabilities		
Changes in trade receivables	12.93	(144.77)
Changes in inventories	52.68	(54.72)
Changes in loans	(1.57)	(0.21)
Changes in non-financial assets	(2.24)	(16.89)
Changes in financial assets	(42.74)	3.45
Changes in trade payables	(108.81)	39.77
Changes in financial liabilities	0.18	101.22
Changes in provisions	(8.06)	3.34
Changes in other non-financial liabilities	(9.23)	16.69
Cash generated from operations	**736.86**	**725.36**
Income tax paid, net of refund	(172.03)	(145.98)
Net cash generated from operating activities (A)	**564.83**	**579.38**
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(107.33)	(99.65)
Proceeds from sale of property, plant and equipment	0.42	2.01
Purchase of right to use asset (including changes in capital advance)	-	(2.39)
Payment of purchase consideration (refer Note 42)	-	(25.00)
Investment in mutual funds	(1,274.96)	(1,735.53)
Proceeds from sale of mutual funds	1,314.29	1,643.91
Investment in term deposits	(1,108.79)	(224.56)
Proceeds from maturity of term deposits	1,217.75	64.62
Interest received on deposits	16.39	2.10
Inter corporate loan to subsidiary (refer Note 36)	(20.00)	-
Payment for acquisition of subsidiary (refer Note 5)	(640.00)	-
Net cash used in investing activities (B)	**(602.23)**	**(374.49)**

STANDALONE STATEMENT OF CASH FLOWS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from financing activities		
(Repayment) / proceeds of short-term borrowings, net	(15.10)	30.37
Dividend paid	(111.10)	(121.76)
Interest paid	(4.83)	(4.54)
Net cash used in financing activities (C)	**(131.03)**	**(95.93)**
Net (decrease) / increase in Cash and cash equivalents (A+ B+ C)	(168.43)	108.96
Cash and cash equivalents at the beginning of the year	**216.12**	**107.61**
Effects of exchange gain / (loss) on Cash and cash equivalents	0.43	(0.45)
Cash and cash equivalents at the end of the year	**48.12**	**216.12**
Components of Cash and cash equivalents (refer Note 12)		
Cash on hand	0.16	0.22
Balance with banks		
- in current account	30.72	196.13
- in Exchange earner's foreign currency accounts	13.84	16.37
- Deposits with original maturity of less than 3 months	3.40	3.40
Cash and cash equivalents as per Balance Sheet	**48.12**	**216.12**

Reconciliation between opening and closing balance for liabilities arising from financing activities:

(₹ in million)

Particulars	As at 1 April 2021	Cash flows	Non-cash movements	As at 31 March 2022
Short-term borrowings	92.07	(15.10)	-	76.97
Interest accrued but not due	-	(4.83)	4.83	-
Total liabilities from financing activities	**92.07**	**(19.93)**	**4.83**	**76.97**

(₹ in million)

Particulars	As at 1 April 2020	Cash flows	Non-cash movements	As at 31 March 2021
Short-term borrowings	61.70	30.37	-	92.07
Interest accrued but not due	0.01	(4.54)	4.53	-
Total liabilities from financing activities	**61.71**	**25.83**	**4.53**	**92.07**

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

Significant accounting policies (refer Note 2)

See accompanying notes to the standalone financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

Sanjay Thapar
CEO and ED
DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

NOTES

forming part of the financial statements

1) COMPANY OVERVIEW

S.J.S. Enterprises Limited is a Company, incorporated and domiciled in India. The Company was formed as a partnership firm in 1987 and was converted to private limited company in 2005. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) on 15 November 2021. The Company is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive and consumer appliance industry such as automotive dials, overlays, badges and logos.

The registered office of the Company is at Sy.Nos – 28/ P16 Agra Village & 85/ P6 BM Kaval Village, Kengeri Hobli, Bangalore South 560082, Karnataka, India.

a) Statement of Compliance and presentation

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These standalone financial statements were approved by the Board of Directors of the Company in their meeting held on 26 May 2022.

b) Basis of preparation

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except:

a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.

b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

These standalone financial statements have been prepared as a going concern on the basis of relevant Ind AS that are effective at the Company's reporting date, 31 March 2022.

c) Functional currency and presentation

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions up to two decimal places, unless otherwise mentioned.

d) Use of estimates, assumptions and judgements

The preparation of standalone financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of the standalone financial statements and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in which the estimates are revised, and future periods are affected.

Assumptions, judgements and estimation:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;
- Note 2 (g) – Valuation of investments
- Note 2 (h) - Impairment of financial assets

– Note 2 (l) - Measurement of defined benefit obligations: key actuarial assumptions.

– Note 2 (n) - Lease classification;

– Note 2 (p) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Impact of COVID-19 (Global Pandemic)
The Company has been taking steps, proactively, to protect the health of employees and the working environment from the spread of COVID-19. The Company has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

e) Current and non-current classification
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:
- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

f) Fair value measurement
Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

– Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

– Level 3 inputs are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

NOTES

forming part of the financial statements

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 33 and 34: financial instruments

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customer in an amount that reflects the consideration the Company expects to receive in exchange for those goods.

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at the point in time when control is transferred to customer.

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Scrap sales

Revenue from sale of scraps in the course of ordinary activities is measured at the fair value of the consideration received or receivable.

Trade receivables

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Sale of services

Revenue with respect to sale of services is recognized when the services are rendered, and no significant uncertainty exists regarding the collection of consideration.

Export incentives

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same.

Variable consideration

If the consideration in a contract includes a variable amount, such as sales returns and discounts, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income

Other income comprises interest income on deposits, gain/ (losses) on disposal of financial assets and non-financial assets. It is recognised on accrual basis except where the receipt of income is uncertain.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Dividend income is accounted when the right to receive the dividend is established, Dividend income is included under the head "Other income" in the statement of profit and loss account.

(b) Business combination

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Other intangible assets:

Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and is included in depreciation and amortisation expenses in the statements of profit and loss. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

(c) Property, plant and equipment

Property, plant and equipment, excluding Freehold land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on bringing the assets to working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing them and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and such expenditure can be measured reliably.

Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from

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the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment."

A property, plant and equipment is eliminated from the standalone financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under capital work in progress.

Depreciation and useful lives

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Based on the internal technical assessment, the management believes that the useful lives as given below, which are different from those prescribed in Part C of schedule II of the Act, best represent the period over which Management expects to use these assets.

Property, Plant and Equipment	Management's estimate of useful life (in years)	Useful life as per Schedule II
Building	30	30
Electrical Installations	10	10
Plant and machineries	15	15
Furniture and fixtures	10	10
Computers	3	3
Servers	3	6
Office equipment	5	5
Vehicle	8	8

Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains / losses.

(d) Other Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets that is considered for amortization of intangible assets are as follows:

Intangible Asset	Management's estimate of useful life (in years)
Computer Software	3
Technical Know How	3
Customer Relationship	7
Non-compete	3

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss.

(e) Impairment of non-financial asset

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in- use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset / CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.

The method of determination of cost is as follows:

- Raw materials and components– on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes cost of conversion.
- Finished goods– includes cost of conversion.
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

(g) Investment in subsidiaries

Investment in subsidiaries are shown at cost less impairment. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the statement of profit and loss.

On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit and loss.

(h) Financial Instruments

A. Financial assets

i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at

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- Amortised cost
- Fair value through other comprehensive income (FVOCI) - debt instruments;
- Fair value through other comprehensive income (FVOCI) - equity investments; or
- Fair value through profit and loss (FVTPL).

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit or loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVTOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 month ECL.

iii) Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

B. Financial liability

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting

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

(i) Cash and cash equivalents

Cash and cash equivalent includes cash in hand, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(j) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(k) Foreign Currency transactions and translations

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant

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functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(l) Employee benefits

(i) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through a third party trust and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(iii) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages and performance incentives and are recognised as

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expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(m) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production of upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are expensed in the period in which they occur.

(n) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises a right-of-use (ROU) asset representing its right to use the underlying assets for the lease term and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company applies the short-term lease recognition exemption to all assets that have a lease term of 12 months or less from the commencement date. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Further, leases for which the underlying asset is of low value has been recognized immediately in the statement of profit and loss.

(o) Taxation

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction, and temporary investment related to investment in subsidiaries, associates and joint agreements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(p) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future operating losses are not provided for.

(ii) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it,

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are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(iii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

(q) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

(r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the entity as a whole for the purpose of making decisions about resource allocation and performance assessment. Refer Note 41 for segment information and segment reporting.

(s) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(t) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling

items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company does not expect the amendment to have any significant impact in its financial statements.

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3 PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Freehold Land	Buildings	Electrical installations	Plant and machineries	Furniture and fixtures	Computers (including servers)	Office equipment	Vehicles	Total	Capital work-in-progress (Note i)
Cost or Deemed Cost										
As at 31 March 2020	**278.10**	**507.81**	**142.61**	**967.87**	**25.74**	**14.90**	**45.10**	**33.48**	**2,015.61**	**2.46**
Additions	-	-	-	46.57	4.68	1.86	2.39	11.68	**67.18**	40.06
Deletions	-	-	(8.18)	(32.76)	(2.38)	(0.53)	(2.20)	(7.59)	**(53.64)**	-
Capitalised	-	-	-	-	-	-	-	-	**-**	-
As at 31 March 2021	**278.10**	**507.81**	**134.43**	**981.68**	**28.04**	**16.23**	**45.29**	**37.57**	**2,029.15**	**42.52**
Additions	-	2.82	24.39	76.42	3.36	7.59	0.65	12.01	**127.24**	1.91
Deletions	-	-	-	(6.74)	-	(0.03)	-	-	**(6.77)**	-
Capitalised	-	-	-	-	-	-	-	-	**-**	(42.52)
As at 31 March 2022	**278.10**	**510.63**	**158.82**	**1,051.36**	**31.40**	**23.79**	**45.94**	**49.58**	**2,149.62**	**1.91**
Accumulated depreciation										
As at 31 March 2020	**-**	**49.46**	**32.38**	**393.73**	**8.86**	**10.00**	**20.54**	**12.81**	**527.78**	**-**
Depreciation for the year	-	16.02	12.88	88.61	1.99	2.88	7.86	3.44	**133.68**	-
Depreciation on deletions	-	-	(7.77)	(23.84)	(1.97)	(0.50)	(2.07)	(5.18)	**(41.33)**	-
As at 31 March 2021	**-**	**65.48**	**37.49**	**458.50**	**8.88**	**12.38**	**26.33**	**11.07**	**620.13**	**-**
Depreciation for the year	-	16.07	13.61	98.61	2.34	2.84	6.50	5.45	**145.42**	-
Depreciation on deletions	-	-	-	(2.96)	-	(0.03)	-	-	**(2.99)**	-
As at 31 March 2022	**-**	**81.55**	**51.10**	**554.15**	**11.22**	**15.19**	**32.83**	**16.52**	**762.56**	**-**
Net carrying amount										
As at 31 March 2020	278.10	458.35	110.23	574.14	16.88	4.90	24.56	20.67	**1,487.83**	2.46
As at 31 March 2021	**278.10**	**442.33**	**96.94**	**523.18**	**19.16**	**3.85**	**18.96**	**26.50**	**1,409.02**	**42.52**
As at 31 March 2022	**278.10**	**429.08**	**107.72**	**497.21**	**20.18**	**8.60**	**13.11**	**33.06**	**1,387.06**	**1.91**

Note (i)

(a) The ageing information for capital work in progress for the year ended 31 March 2022 and 31 March 2021 are as follows:

(₹ in million)

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	**1 - 2 Years**	**2-3 Years**	**More than 3 years**	**Total**
31 March 2022					
Projects in progress	1.91	-	-	-	1.91
Projects temporarily suspended	-	-	-	-	-
	1.91	**-**	**-**	**-**	**1.91**
31 March 2021					
Projects in progress	42.52	-	-	-	42.52
Projects temporarily suspended	-	-	-	-	-
	42.52	**-**	**-**	**-**	**42.52**

(b) There are no capital work in progress whose completion is overdue or exceeded its cost compared to its original plan.

(c) The title deeds of all immovable properties are held in the name of the Company.

4 OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	Goodwill * (A)	Other intangible assets					Total (A+B)
		Software	Technical Know-how	Customer relationship*	Non-compete fees*	Total (B)	
Cost or Deemed Cost							
As at 31 March 2020	39.51	22.70	2.92	37.56	12.20	**75.38**	**114.89**
Additions	-	0.72	-	-	-	**0.72**	**0.72**
As at 31 March 2021	**39.51**	**23.42**	**2.92**	**37.56**	**12.20**	**76.10**	**115.61**
Additions	-	5.64	-	-	-	**5.64**	**5.64**
As at 31 March 2022	**39.51**	**29.06**	**2.92**	**37.56**	**12.20**	**81.74**	**121.25**
Accumulated amortization							
As at 31 March 2020	-	15.67	2.92	10.29	7.79	**36.67**	**36.67**
Amortization for the year	-	4.02	-	5.37	4.06	**13.45**	**13.45**
As at 31 March 2021	**-**	**19.69**	**2.92**	**15.66**	**11.85**	**50.12**	**50.12**
Amortization for the year	-	2.64	-	5.37	0.34	**8.35**	**8.35**
As at 31 March 2022	**-**	**22.33**	**2.92**	**21.03**	**12.19**	**58.47**	**58.47**
Net carrying amount							
As at 31 March 2020	39.51	7.03	-	27.27	4.41	**38.71**	**78.22**
As at 31 March 2021	**39.51**	**3.73**	**-**	**21.90**	**0.35**	**25.98**	**65.49**
As at 31 March 2022	**39.51**	**6.73**	**-**	**16.53**	**0.01**	**23.27**	**62.78**

*Refer note 42

(a) The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less costs of disposal and its value in use. The Company is expected to benefit from the synergies of the business acquisition and the Company is considered as a single CGU. For the purpose of determining fair value of a CGU, 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.

As of 31 March 2022 and 31 March 2021, the estimated recoverable amount of the CGU exceeded its carrying amount, hence no impairment is triggered.

(b) The Company does not have any intangible assets under development.

5 INVESTMENTS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Non current		
Investment in equity instruments of subsidiary - Unquoted		
Carried at cost		
28,00,000 (31 March 2021: Nil) fully paid up equity shares of Exotech Plastics Private Limited [refer Note (a)]	640.00	-
Total	**640.00**	**-**
Current		
Carried at fair value through profit or loss (FVTPL)		
Investment in mutual funds - Unquoted*	784.42	814.66
Total	**784.42**	**814.66**

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(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Investment in mutual fund - Unquoted		
206,080.20 units (31 March 2021: Nil unit) in Aditya Birla Sun Life Liquid Fund - Growth	70.16	-
344,428.24 units (31 March 2021: Nil unit) in Aditya Birla Sun Life Saving Fund AC	151.66	-
23,245.42 units (31 March 2021: Nil unit) in DSP liquid Fund	70.15	-
23,468.20 units (31 March 2021: Nil unit) in Kotak Liquid Fund	100.42	-
17,478.91 units (31 March 2021: Nil unit) in Nippon India Liquid Fund - Growth	90.27	-
18,692.95 units (31 March 2021: Nil unit) in Tata Money Market Fund	70.77	-
21,048.29 units (31 March 2021: Nil unit) in Tata Liquid Fund - Growth	70.16	-
45,197.78 units (31 March 2021: Nil unit) in Tata Overnight Fund	50.53	-
1,926,537.46 units (31 March 2021: Nil unit) in SBI Short Term Debt Fund	50.18	-
Nil unit (31 March 2021: 117,486.89 units) in Aditya Birla Sun Overnight Fund - Regular - Growth	-	130.36
Nil unit (31 March 2021: 6,519.92 units) in SBI Magnum Overnight Fund - Growth	-	21.64
Nil unit (31 March 2021: 12,309.15 units) in UTI Overnight Fund Growth	-	34.39
Nil unit (31 March 2021: 104,687.40 units) in Axis Overnight Fund - Regular - Growth	-	113.75
Nil unit (31 March 2021: 30,477.46 units) in HDFC Overnight Fund - Regular - Growth	-	92.66
Nil unit (31 March 2021: 1,005,205.37 units) in Nippon India Overnight Fund - Regular - Growth	-	110.80
366,439.10 units (31 March 2021: Nil unit) in SBI Arbitrage Opportunities Fund	10.00	-
3,096,338.10 units (31 March 2021: Nil unit) in Axis Arbitrage Fund	50.12	-
Nil unit (31 March 2021: 5,556,827.67 units) in Kotak Equity Arbitrage Fund - Regular - Growth	-	161.44
Nil unit (31 March 2021: 7,183,204.00 units) in Nippon India Arbitrage Fund - Regular - Growth	-	149.62
Aggregate amount of unquoted investment and market value, thereof	**784.42**	**814.66**

(a) During the year ended 31 March 2022, the Company has entered into an agreement with Exotech Plastics Private Limited ("Exotech") and existing shareholders of Exotech to acquire the entire equity shares. Exotech is engaged in the business of manufacturing and supply of automobile components and other components. The Company has paid ₹ 640.00 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Company, effective from 5 April 2021.

*Information about the Company's exposure to credit and market risks, and fair value measurement is included in note 33 and note 34.

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6 LOANS

Carried at amortised cost

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Unsecured, considered good		
Loan to related party [refer Note 36 and 43]	20.00	-
Total	**20.00**	**-**
Current		
Unsecured, considered good		
Loans to employees	2.52	0.95
Total	**2.52**	**0.95**

7 OTHER FINANCIAL ASSETS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Unsecured, considered good		
Security deposit	9.15	7.87
Interest accrued but not due [refer Note 36]	0.12	-
Margin money deposits*	0.10	0.10
Total	**9.37**	**7.97**
Current		
Unsecured, considered good		
Security deposit **	30.35	0.73
Interest accrued on fixed deposit	0.55	3.05
Export incentives receivables	0.85	0.58
IPO Expenses Receivables [refer Note 36]	11.45	-
Total	**43.20**	**4.36**

* Margin money provided as guarantee for Gurgaon Warehouse to Value Added Tax and Central Sales Tax Department.
** includes a deposit of ₹ 30.00 million to National Stock Exchange of India Limited on account of initial public offerings.

8 INCOME TAX ASSETS AND LIABILITIES (NET)

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Non - current		
Advance tax and tax deducted at source, net of provision for tax	18.46	16.36
Current		
Income tax liabilities, net of tax assets	47.40	37.21

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a) The gross movement in the income tax (liability) / asset for the year ended 31 March 2022 and 31 March 2021 is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net income tax (liability) / asset at the beginning of the year	(20.85)	25.00
Current income tax expense	(180.12)	(193.82)
Interest on income tax	-	-
Income tax paid (including interest)	172.03	183.07
Refund received (including interest)	-	(37.09)
Interest income on tax refund	-	1.99
Net income tax liability at the end of the year	**(28.94)**	**(20.85)**

9 OTHER ASSETS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Non - current		
Unsecured, considered good		
Capital advances [refer Note (b) below]	20.72	17.35
Other advances		
- Prepaid gratuity [refer Note 40]	11.50	2.69
- Prepaid compensated absences [refer Note 40]	-	0.53
Prepaid expenses	0.66	-
Contract acquisition cost	9.58	-
Receivables from government authorities [refer Note (a) below]	10.57	10.57
	53.03	**31.14**
Unsecured, considered doubtful		
Indirect tax paid under protest	3.00	3.00
Less: Provision	(3.00)	(3.00)
	-	**-**
Receivables from government authorities	4.84	4.84
Less: Provision [refer Note (a) below]	(4.84)	(4.84)
	-	**-**
Total	**53.03**	**31.14**
Current		
Unsecured, considered good		
Balances with government authorities	22.40	1.29
Prepaid expenses	5.83	4.09
Contract acquisition costs	6.21	13.79
Advance to suppliers	8.87	32.00
Other advances		
- Prepaid gratuity (refer Note 40)	-	6.99
- Prepaid compensated absences (refer Note 40)	2.25	1.44
Others	0.46	0.26
Total	**46.02**	**59.86**

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a) Bangalore Metro Rail Corporation Limited (BMRCL) has acquired a portion of the freehold land for an agreed compensation of ₹ 15.41 million (including tax deducted at source). On the above land, one of the female legal heirs of the erstwhile owner of the freehold land has raised an allegation for separate possession of certain portion of the freehold land. On account of the dispute, the acquisition compensation amount has been deposited by BMRCL in the Court till the final settlement. During the year ended 31 March 2021, the Company had made a provision of ₹ 4.84 million primarily towards the female legal heir share of claim. The matter is currently pending in the court for further hearing."

b) Pursuant to a memorandum of understanding ("MOU") dated 8 April 2010, the Company had paid an advance of ₹ 15.00 million for lease of four acres of land for construction of a new factory covering 150,000 square feet for a period of 20 years. Subsequently, as the land could not get converted to Industrial land due to conversion restriction from the civic authority, the Company has demanded the refund of the advance. On non-receipt of the advance amount, the Company had filed a suit in the Court of the City Civil and Sessions Judge, Mayo Hall, Bangalore during the year ended 31 March 2011. The matter is currently pending in the court for further hearing.

10 INVENTORIES (VALUED AT LOWER OF COST OR NET REALIZABLE VALUE)

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials [refer Note (a) and (b) below]	140.17	172.35
Work-in-progress	30.20	51.76
Finished goods [refer Note (b) below]	102.85	101.96
Stores and spares	6.45	6.28
Total	**279.67**	**332.35**

(a) Including goods in transit as on 31 March 2022 ₹ 17.86 million (31 March 2021 : ₹ 43.02 million)

(b) Value of inventories above is stated after provisions ₹ 56.22 million (31 March 2021 : ₹ 42.62 million) for write-downs to net realisable value and provision for slow-moving and obsolete items.

11 TRADE RECEIVABLES

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Unsecured and Undisputed		
Considered good	587.65	598.30
Less: Provision for impairment allowance	(0.66)	(1.00)
	586.99	**597.30**
Trade receivables - credit impaired	-	0.27
Less: Provision for impairment allowance	-	(0.27)
	-	**-**
Net trade receivables	**586.99**	**597.30**

(i) The Company's exposure to credit and currency risk and loss allowances related to trade receivables has been disclosed in Note 34.

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(ii) Trade receivables include due from companies in which any director of the Company is a director or member. (Refer note 36).

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Private companies in which any director of the Company is a director or member		
Exotech Plastics Private Limited	0.27	-

(iii) Ageing for trade receivables from the due date of payment for each of the category is as follows:

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
31 March 2022							
i) Undisputed trade receivable - considered good	502.84	84.47	0.34	-	-	-	**587.65**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
iii) Undisputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	**-**
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**502.84**	**84.47**	**0.34**	**-**	**-**	**-**	**587.65**
31 March 2021							
i) Undisputed trade receivable - considered good	542.34	55.80	0.16	-	-	-	**598.30**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
iii) Undisputed trade receivable - credit impaired	-	-	-	0.27	-	-	**0.27**
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	**-**
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	**-**
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	**-**
Total	**542.34**	**55.80**	**0.16**	**0.27**	**-**	**-**	**598.57**

(iv) There are no unbilled trade receivables as on each reporting date.

12 CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks:		
- in current accounts	30.72	196.13
- in Exchange earner's foreign currency accounts	13.84	16.37
- Deposits with original maturity of less than 3 months	3.40	3.40
Cash on hand	0.16	0.22
Total	**48.12**	**216.12**

13 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Other bank balances		
In deposit accounts (with original maturity of more than 3 months and less than 12 months)*	50.98	159.94
Total	**50.98**	**159.94**

* Margin money of ₹ 50.00 million provided against bank guarantee to Kotak bank.

14 EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
Equity shares		
35,000,000 (31 March 2021: 35,000,000) equity shares of ₹ 10 each	350.00	350.00
Total	**350.00**	**350.00**

Issued, subscribed and fully paid-up shares

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Equity share		
30,437,904 (31 March 2021 : 30,437,904) equity shares of ₹ 10 each, fully paid up	304.38	304.38
Total	**304.38**	**304.38**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

(₹ in million)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	30,437,904	304.38	30,437,904	304.38
Issued during the year	-	-	-	-
At the end of the year	**30,437,904**	**304.38**	**30,437,904**	**304.38**

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

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(c) Shares held by holding company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	%	Number of shares	%
Equity shares of ₹ 10 each fully paid up held by:				
Evergraph Holdings Pte. Limited	-	-	23,700,000	77.86%

During the year ended 31 March 2022, the Company has completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹ 10 each at a price of ₹ 542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company has listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

(d) Details of shareholders holding more than 5% shares of a class of shares in the Company:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:				
Evergraph Holdings Pte. Limited	10,600,370	34.83%	23,700,000	77.86%
K. A. Joseph	4,651,244	15.28%	6,311,960	20.74%
Axis Mutual Fund	2,156,994	7.09%	-	-

(e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

During the financial year ended 31 March 2017, the Company had allotted 27,000,000 bonus shares of ₹ 10 each at par to then existing shareholders in the proportion of 9 equity shares of ₹ 10 each for one equity share held by them by capitalisation of surplus. No shares have been bought back, or issued for consideration other than cash during the five years immediately preceding the financial year other than above.

(f) Details of shareholdings by the Promoter's of the Company:

Particulars	As at 31 March 2022		As at 31 March 2021		% Change in the year
	Number of shares	% holding in the class	Number of shares	% holding in the class	
Equity shares of ₹ 10 each fully paid up held by:					
Evergraph Holdings Pte. Limited	10,600,370	34.83%	23,700,000	77.86%	-43.03%
K. A. Joseph	4,651,244	15.28%	6,311,960	20.74%	-5.46%

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15 OTHER EQUITY

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Securities premium [refer Note (a) below]	39.41	39.41
Retained earnings [refer Note (b) below]	3,212.53	2,805.02
General reserve [refer Note (c)] below]	8.85	8.85
Share option outstanding account [refer Note 39 and refer Note (d) below]	13.95	-
Other comprehensive income [refer Note (e) below]	(3.68)	(5.50)
Total	**3,271.06**	**2,847.78**

Nature and purpose of other reserves

a) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve can be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	39.41	39.41
Increase during the year	-	-
Closing balance	**39.41**	**39.41**

b) Retained earnings:

Retained earnings comprises of prior and current year's undistributed earnings after tax.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	2,805.02	2,449.13
Profit for the year	518.61	477.65
Dividend paid [refer note below]	(111.10)	(121.76)
Closing balance	**3,212.53**	**2,805.02**

During the year ended 31 March 2022, the Board of Directors of the Company at their meeting held on 9 April 2021 and 24 September 2021 respectively have declared and paid an interim dividend of ₹ 1.65 per equity share and ₹ 2.00 per equity share respectively (face value of ₹ 10.00 each) aggregating to ₹ 111.10 million. During the year 31 March 2021, the Company had paid an interim divided ₹ 4.00 per equity share (face value of ₹ 10.00 each) approved at the board meeting held on 30 September 2020 aggregating to ₹ 121.76 million from retained earnings.

c) General reserve:

This represents appropriation of profit by the Company. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	8.85	8.85
Increase during the year	-	-
Closing balance	**8.85**	**8.85**

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d) Share option outstanding account:

The Company has share option schemes under which options to subscribe for the Company's shares have been granted to employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of employee benefit expense.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	-	-
Increase during the year (Refer note 39)	13.95	-
Closing balance	**13.95**	**-**

e) Other comprehensive income:

Differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' as other comprehensive income net of taxes.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Remeasurement of net defined benefit liability or asset		
Opening balance	(5.50)	(5.27)
Increase during the year	1.82	(0.23)
Closing balance	**(3.68)**	**(5.50)**

16 DEFERRED TAX LIABILITIES (NET)*

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities		
Property, plant and equipment and intangible assets	125.54	130.53
Contract acquisition cost	3.97	3.47
Prepaid gratuity	2.89	2.44
Prepaid compensated absences	0.57	0.50
Others	1.09	2.37
Total deferred tax liabilities (A)	**134.06**	**139.31**
Deferred tax assets		
Provision for inventory obsolescence	14.15	10.73
Discount payable and provision for sales returns and claim	20.56	30.53
Provision for bonus	5.37	3.84
Lease liability, net**	0.02	-
Loss allowances on financial assets, net	0.17	0.32
Others	5.48	1.97
Total deferred tax assets (B)	**45.75**	**47.39**
Net deferred tax liabilities (A-B)	**88.31**	**91.92**

*Refer Note 31(c)

**The amount are less than ₹ 0.01 million and hence disclosed as (-)

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17 BORROWINGS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Unsecured loan		
From bank		
Bill discounting facility from bank [refer Note (a) below]	76.97	92.07
Total current borrowings	**76.97**	**92.07**

(a) The Company has availed bill discounting facility (with recourse) from State Bank of India which carries interest in the range of 5.95% to 6.75% per annum (31 March 2021: 6.75% to 7.10% per annum) and is payable within 45 days from the date of discounting of bills.

(b) Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

(c) The Company is filing monthly statement of inventories and trade receivables for cash credit facility and working capital loan (unutilised as at balance sheet date). The below is summary of quarterly reconciliation of statement filed to the banks and books of accounts :

(₹ in million)

Name of bank	Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Citi Bank and State bank of India	31 March 2022	Inventory	279.67	279.69	(0.02)	No material variance.
		Trade receivables	586.99	591.95	(4.96)	The variance is due to details submitted to bank prior to year end.
Citi Bank and State bank of India	31 December 2021	Inventory	304.81	304.81	-	No variance.
		Trade receivables	466.96	463.67	3.29	Advance from customer was netted off while submitting the return to bank.
Citi Bank	30 September 2021	Inventory	317.05	347.90	(30.85)	The variance is due to certain inventories reported twice.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
State bank of India	30 September 2021	Inventory	317.05	317.05	-	No variance.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
Citi Bank and State bank of India	30 June 2021	Inventory	327.38	325.09	2.29	The variance is on account of tool stock not included.
		Trade receivables	456.49	452.81	3.68	Advance from customer was netted off while submitting the return to bank.

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18 TRADE PAYABLES

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises [refer Note (ii) below]	65.75	100.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	77.26	152.07
Total	**143.01**	**252.86**

Terms and conditions of above trade payables:

(i) For explanation of Company's credit risk management - refer Note 34

(ii) Disclosure required under Clause 22 of Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal	65.33	100.79
- Interest	0.42	-
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
- Principal	112.29	405.13
- Interest	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.42	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors / suppliers.

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(iii) Ageing for trade payable from the due date of payment for each of the category is as follows:

(₹ in million)

Particulars	Accrued expenses	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2022							
Micro enterprises and small enterprises	-	64.67	1.08	-	-	-	**65.75**
Creditors other than micro enterprises and small enterprises	8.21	67.73	1.32	-	-	-	**77.26**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**8.21**	**132.40**	**2.40**	**-**	**-**	**-**	**143.01**
31 March 2021							
Micro enterprises and small enterprises	-	98.69	2.10	-	-	-	**100.79**
Creditors other than micro enterprises and small enterprises	10.15	95.93	45.99	-	-	-	**152.07**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**10.15**	**194.62**	**48.09**	**-**	**-**	**-**	**252.86**

19 OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Others		
Employee related liabilities	33.93	40.47
Retention money	-	0.30
Capital creditors	9.09	20.42
Discount payable to customers	77.13	108.62
IPO Expenses payable [refer Note 36]	38.21	-
Total	**158.36**	**169.81**

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

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20 OTHER LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Statutory liabilities	16.06	20.50
Advance received from customers	1.38	4.00
Liability for CSR contribution [refer Note 37]	-	2.17
Total	**17.44**	**26.67**

21 PROVISIONS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Provision for claim*	-	2.21
Provision for sales return*	4.56	10.41
Total	**4.56**	**12.62**

*This represents provision made for expected sales returns and claim by the customers. Revenue is adjusted for the expected value of return and claims. It is expected to be utilised within 12 months from the end of the year. The provision is based on estimates made of historical data.

Movement in other provisions for the year ended 31 March 2022

(₹ in million)

Particulars	As at 01 April 2021	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2022
Provision for claim	2.21	-	(1.87)	(0.34)	-
Provision for sales return	10.41	4.56	(4.65)	(5.76)	4.56
Total	**12.62**	**4.56**	**(6.52)**	**(6.10)**	**4.56**

Movement in other provisions for the year ended 31 March 2021

(₹ in million)

Particulars	As at 01 April 2020	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2021
Provision for claim	0.25	2.21	(0.25)	-	2.21
Provision for sales return	9.03	10.41	(4.44)	(4.59)	10.41
Total	**9.28**	**12.62**	**(4.69)**	**(4.59)**	**12.62**

22 LEASES

The Company has recognised right-of-use assets and lease liabilities as below:

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Right of use assets – land	77.04	77.40
Lease liabilities		
Non-current	0.08	0.08
Current	-	0.04

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When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at date of commencement of lease. The weighted-average rate considered is 8.30% p.a.

Right-of-use assets: The details of the right-of-use asset held by the Company is as follows:

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	77.40	35.72
Depreciation charge for the year	(0.36)	(0.36)
Additions to right of use asset*	-	42.04
Closing balance	**77.04**	**77.40**

The Company has certain warehouse and guest house on lease with contract terms of less than one year. These leases are classified as short-term. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

*During the year ended 31 March 2021, the Company had entered into a lease cum sale agreement with Karnataka Industrial Area Development Board (KIADB) for 2 acres of land for a period of 15 years. As per the lease cum sale agreement, the KIADB shall sell the land to the Company on the completion of 15 years, upon lessee performing all the conditions mentioned in the agreement and committed no breach thereof. Management expects that all the conditions stipulated in the agreement will be fulfilled and management has intention to buy the land at the end of 15 years. Accordingly, no depreciation has been charged on land taken on lease from KIADB.

Amounts recognised in statement of profit and loss:

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on lease liabilities*	0.01	-
Depreciation of Right of use assets	0.36	0.36
Expenses relating to short-term leases	3.91	2.47
Total	**4.28**	**2.83**

* The amount are less than ₹ 0.01 million and hence disclosed as (-)

Amounts recognised in statement of cashflows:
During the year, the Company had no cash inflow / outflow related to right-of-use asset (Cash outflow of ₹ 2.39 million during 31 March 2021 for right-of-use asset).

During the year, for lease including cash outflow of short-term leases and leases of low-value assets, the Company had a cash outflow of ₹ 3.91 million (31 March 2021: ₹ 2.47 million).

The table below provides details regarding the undiscounted contractual maturities of lease liabilities as at 31 March 2022 and 31 March 2021.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	0.01	0.04
one to five years	0.03	0.04
more than five years	0.41	0.41
Total	**0.45**	**0.49**

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23 REVENUE FROM OPERATIONS

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contract with customers		
Sale of products	2,644.63	2,477.69
Sale of services	26.65	29.46
Other operating revenues:		
Export incentive benefit	2.56	3.82
Scrap sales	5.01	5.19
Revenue from operations	**2,678.85**	**2,516.16**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue as per contract price	2,662.10	2,578.78
Addition / Reduction towards discount (net)	1.60	(95.27)
Adjustment / Reduction towards sales return (net)	(19.07)	(5.82)
Revenue from contract with customers	**2,644.63**	**2,477.69**

Contract balances

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables	586.99	597.30
Advance from customers	(1.38)	(4.00)

24 OTHER INCOME

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income:		
on deposits with bank	13.47	4.44
on income tax refund	-	1.99
on others	0.42	0.62
Gain on current investment measured at fair value through profit or loss	4.33	9.43
Gain on sale of current investments measured at fair value through profit or loss, net	4.76	18.08
Net gain on foreign currency transactions	10.28	-
Miscellaneous income	0.90	0.82
Total	**34.16**	**35.38**

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25 COST OF RAW MATERIAL CONSUMED

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory of materials at the beginning of the year#	172.35	136.12
Add: Purchases during the year	959.83	1,026.52
Less: Inventory of materials at the end of the year#	140.17	172.35
Total	**992.01**	**990.29**

Net of provision for obsolescence

26 CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STORES AND SPARES

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock		
Finished goods	101.96	85.79
Stores and spares	6.28	7.03
Work-in-progress	51.76	48.69
	160.00	**141.51**
Closing Stock		
Finished goods	102.85	101.96
Stores and spares	6.45	6.28
Work-in-progress	30.20	51.76
	139.50	**160.00**
Changes in inventory of finished goods, work-in-progress and stores and spares	**20.50**	**(18.49)**

27 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	328.77	300.91
Expenses related to post-employment benefit plans-gratuity	8.62	6.99
Expenses related to compensated absences	4.85	1.44
Contribution to provident fund and other fund	12.89	12.16
Share based payments [refer Note 39]	13.95	-
Staff welfare expenses	40.04	39.18
Total	**409.12**	**360.68**

28 FINANCE COSTS

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on:		
Short term borrowings	4.83	4.53
Income tax	-	2.81
Other financial liability	-	0.43
Lease liabilities*	0.01	-
Total	**4.84**	**7.77**

* The amount's are less than ₹ 0.01 million and hence disclosed as (-)

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29 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer Note 3)	145.42	133.68
Amortization of intangible assets (refer Note 4)	8.35	13.45
Depreciation of Right of use assets (refer Note 22)	0.36	0.36
Total	**154.13**	**147.49**

30 OTHER EXPENSES

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Subcontracting charges	175.00	163.00
Power and fuel	59.50	51.77
Freight charges	44.00	38.33
Repairs and maintenance		
- plant and machinery	34.23	29.90
- building	5.39	2.51
- others	7.79	5.37
Rent	3.91	2.47
Legal and professional [refer Note (a) below]	24.80	37.86
Rates and taxes	8.22	7.74
Travel and conveyance	14.79	6.86
Housekeeping charges	19.29	17.45
Corporate social responsibility [refer Note 37]	11.79	11.79
Sales promotion expenses	3.75	8.88
Insurance	8.31	7.41
Printing and stationery	4.57	4.35
Bank charges	4.08	4.92
Communication	1.78	1.82
Loss on sale and write off of property, plant and equipment, net	3.36	10.30
Bad debts written-off	0.92	1.58
Loss allowances on financial assets, net	(0.61)	(3.95)
Provision for doubtful advances and receivables	-	7.84
Donation	0.08	0.04
Net loss on foreign currency transactions	-	1.39
Miscellaneous expenses	2.95	2.39
Total	**437.90**	**422.02**

(a) Payment to auditors:

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Audit fee	7.50	3.90
Tax audit fee	0.20	0.20
Audit related services	3.50	-
Reimbursement of expenses	0.53	0.10
Total	**11.73**	**4.20**

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31 TAX EXPENSES

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Amount recognised in the statement of profit and loss		
Current tax	180.12	191.01
Deferred tax credit	(4.22)	(26.88)
Income tax expense reported in the statement of profit and loss	**175.90**	**164.13**
b) Income tax recognised in other comprehensive income		
On re-measurement of defined benefit obligation	(0.61)	(0.07)
Income tax charges / (credited) to OCI	**(0.61)**	**(0.07)**
c) Reconciliation of tax expense and tax based on accounting profit:		
Profit before income tax expense	694.51	641.78
Tax at the company's domestic tax rate of 25.17% (31 March 2021: 25.17%)	174.79	161.54
Tax effect of:		
Expenditure for which deduction is not allowed under Income Tax Act,1961	3.08	3.03
Tax effect on donation	0.02	0.01
Other deductions	(1.99)	(0.45)
Income tax expense	**175.90**	**164.13**

d) Deferred tax
For the year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax liabilities				
Property, plant and equipment and intangible assets	130.53	-	(4.99)	125.54
Contract acquisition costs	3.47	-	0.50	3.97
Prepaid gratuity	2.44	0.61	(0.16)	2.89
Prepaid compensated absences	0.50	-	0.07	0.57
Others	2.37	-	(1.28)	1.09
Total deferred tax liabilities (A)	**139.31**	**0.61**	**(5.86)**	**134.06**
Deferred tax assets				
Provision for inventory obsolescence	10.73	-	3.42	14.15
Discount payable to customers and provision for sales returns and claim	30.53	-	(9.97)	20.56
Provision for bonus	3.84	-	1.53	5.37
Lease liability, net**	-	-	0.02	0.02
Loss allowances on financial assets, net	0.32	-	(0.15)	0.17
Others	1.97	-	3.51	5.48
Total deferred tax assets (B)	**47.39**	**-**	**(1.64)**	**45.75**
Net deferred tax liabilities (A-B)	**91.92**	**0.61**	**(4.22)**	**88.31**

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For the year ended 31 March 2021

(₹ in million)

Particulars	As at 1 April 2021	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax liabilities				
Property, plant and equipment and intangible assets	134.44	-	(3.91)	130.53
Contract acquisition costs	0.77	-	2.70	3.47
Prepaid gratuity	3.01	(0.07)	(0.50)	2.44
Prepaid compensated absences	0.86	-	(0.36)	0.50
Others	-	-	2.37	2.37
Total deferred tax liabilities (A)	**139.08**	**(0.07)**	**0.30**	**139.31**
Deferred tax assets				
Provision for inventory obsolescence	3.61	-	7.12	10.73
Discount payable to customers and provision for sales returns and claim	9.09	-	21.44	30.53
Provision for bonus	-	-	3.84	3.84
Loss allowances on financial assets, net	1.31	-	(0.99)	0.32
Others	6.20	-	(4.23)	1.97
Total deferred tax asset (B)	**20.21**	**-**	**27.18**	**47.39**
Net deferred tax liabilities (A-B)	**118.87**	**(0.07)**	**(26.88)**	**91.92**

32 EARNINGS PER SHARE ['EPS']

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million, except per equity share data)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Reconciliation of earnings		
Basic EPS		
Profit after tax attributable to equity holders of the Company (a)	518.61	477.65
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904	30,437,904
Basic Earning per share (in ₹) (a/b)	17.04	15.69
Diluted EPS		
Profit after tax attributable to equity holders of the Company for diluted EPS (c)	518.61	477.65
Weighted average number of shares outstanding during the year for diluted EPS (d)	30,729,866	30,437,904
Diluted Earning per share (in ₹) (c/d)	16.88	15.69
Reconciliation of basic and diluted shares used in computing earnings per share :		
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904	30,437,904
Add: Potential equity shares on employee's stock option	291,962	-
Total Weighted average number of shares outstanding during the year for diluted EPS (d)	30,729,866	30,437,904

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33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2022:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2022	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	22.52	-	-	-	-
Trade receivables	586.99	-	-	-	-
Cash and Cash equivalents	48.12	-	-	-	-
Bank balance other than Cash and Cash equivalents	50.98	-	-	-	-
Other financial assets (non-current and current)	52.57	-	-	-	-
Financial assets measured at fair value through profit or loss*					
Investment in mutual funds	784.42	-	784.42	-	784.42
Total financial assets	**1,545.60**	**-**	**784.42**	**-**	**784.42**
Financial liabilities measured at amortised cost					
Lease liabilities	0.08	-	-	-	-
Borrowings	76.97	-	-	-	-
Trade payables	143.01	-	-	-	-
Other financial liabilities (non-current and current)	158.36	-	-	-	-
Total financial liabilities	**378.42**	**-**	**-**	**-**	**-**

*Investment in equity shares of subsidiary are not appearing as financial asset in the table above being investment in subsidiary accounted under Ind AS 27, Separate Financial Statements which is scoped out under Ind AS 109 "Financial Instruments".

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2021:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2021	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	9.55	-	-	-	-
Trade receivables	597.30	-	-	-	-
Cash and cash equivalents	216.12	-	-	-	-
Bank balance other than cash and cash equivalents	159.94	-	-	-	-
Other financial assets (non-current and current)	12.33	-	-	-	-
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	814.66	-	814.66	-	814.66
Total financial assets	**1,809.90**	**-**	**814.66**	**-**	**814.66**

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(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2021	Level 1	Level 2	Level 3	
Financial liabilities measured at amortised cost					
Lease liabilities	0.12	-	-	-	-
Borrowings	92.07	-	-	-	-
Trade payables	252.86	-	-	-	-
Other financial liabilities (non-current and current)	169.81	-	-	-	-
Total financial liabilities	**514.86**	**-**	**-**	**-**	**-**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement at the reporting date.

Financial assets:

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

Current investments: Fair value of unquoted mutual funds units are based on the Net Asset Value (NAV) as at the reporting date

Financial liabilities:

Borrowing: It includes cash credit and bill discounting facilities (current borrowings). Current borrowings are classified and subsequently measured in the standalone financial statements at amortised cost. Considering that the interest rate on short term borrowings is reset on a periodic basis, the carrying amount of the current borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value, as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values.

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34 FINANCIAL RISK MANAGEMENT
The Company's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

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

The Company's Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures and reviews the adequecy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assissted in its oversite role by the internal auditor. Internal Audit function includes both regular and ah-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(i) Credit Risk
Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables
The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer.

Expected credit loss assessment for trade receivables as at 31 March 2022 and 31 March 2021 are as follows:
The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2022 amounting to ₹ 586.99 million (31 March 2021: ₹ 597.30 million). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	1.27	5.22
Net measurement of loss allowance	(0.61)	(3.95)
Balance as at the end of the year	**0.66**	**1.27**

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The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

(₹ in million)

As at 31 March 2022	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	502.84	0.05%	0.23
0-90 days	79.78	0.28%	0.22
91-180 days	4.69	3.20%	0.15
181-270 days	0.22	9.09%	0.02
271-365 days	0.12	33.33%	0.04
> 365 days	-	100.00%	-
Balance as at the end of the year	**587.65**		**0.66**

(₹ in million)

As at 31 March 2021	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	542.34	0.06%	0.35
0-90 days	53.08	0.81%	0.43
91-180 days	2.72	6.99%	0.19
181-270 days	0.16	18.75%	0.03
271-365 days	-	43.88%	-
> 365 days	0.27	100.00%	0.27
Balance as at the end of the year	**598.57**		**1.27**

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing arrangement:

The Company maintains the following line of credit:

(i) The Company has availed bill discounting facility (with recourse) from banks which carries interest in the range of 5.95% to 6.75% per annum (31 March 2021: 6.75% to 7.10% per annum) and is payable within 45 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021. The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements:

As at 31 March 2022

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	76.97	76.97	76.97	-	-
Lease liabilities	0.08	0.46	0.01	0.02	0.43
Trade payables	143.01	143.01	143.01	-	-
Other financial liabilities	158.36	158.36	158.36	-	-

As at 31 March 2021

(₹ in million)

Particulars	Contractual cash flows				
	Carrying Amount	Total	0-1 year	1-3 years	3 years and above
Borrowings	92.07	92.07	92.07	-	-
Lease liabilities	0.12	0.49	0.04	0.03	0.42
Trade payables	252.86	252.86	252.86	-	-
Other financial liabilities	169.81	169.81	169.81	-	-

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk as discussed below:

A) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR, JPY etc.

Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Currency	As at 31 March 2022		As at 31 March 2021	
		Amount in foreign currency	Amount in ₹	Amount in foreign currency	Amount in ₹
Trade receivables	USD	1.83	139.04	1.60	117.61
	EURO*	-	-	-	-
Trade payables	USD	-	-	0.07	5.15
	EURO	-	-	0.02	1.72
	JPY	-	-	0.03	0.02
Bank accounts - EEFC	USD	0.18	13.71	0.22	16.14
	EURO*	-	0.13	-	0.23
Creditors for capital goods	USD	0.08	6.35	0.24	17.64

* The amount's are less than ₹ 0.01 million / €0.01 million and hence disclosed as (-)

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, EURO and JPY against INR at 31 March 2022 and 31 March 2021 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
USD (1% movement)	1.46	(1.46)	1.09	(1.09)
EURO (1% movement)	-	-	-	-
JPY (1% movement)	-	-	-	-
31 March 2021				
USD (1% movement)	1.11	(1.11)	0.83	(0.83)
EURO (1% movement)	(0.01)	0.01	(0.01)	0.01
JPY (1% movement)	-	-	-	-

* The amount's are less than ₹ 0.01 million and hence disclosed as (-)

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings comprises of bill discounting which carries variable rate of interest, which expose it to interest rate risk.

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Variable rate borrowings	76.97	92.07

Sensitivity analysis

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	25 basis points Increase	25 basis points Decrease	25 basis points Increase	25 basis points Decrease
31 March 2022				
Variable rate borrowings	0.19	(0.19)	0.14	(0.14)
31 March 2021				
Variable rate borrowings	0.23	(0.23)	0.17	(0.17)

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35 CAPITAL MANAGEMENT

The Company's policy is to maintain stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitor's the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to equity'. For the purpose of Company's capital management, adjusted net debt is defined as short-term borrowings less cash and cash equivalent, bank balance other than cash and cash equivalents and current investments and total equity includes issued capital and all other equity reserves. The Company's adjusted net debt equity ratio are as follows:

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Short-term borrowings	76.97	92.07
Less : Cash and cash equivalent and other bank balances	99.10	376.06
Less : Current investments	784.42	814.66
Adjusted net debt	**(806.55)**	**(1,098.65)**
Total equity	3,575.44	3,152.16
Net Debt to Equity Ratio	-	-

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

36 RELATED PARTY DISCLOSURE

(i) Name of related parties and description of relationship:

Holding company	1. Evergraph Holdings Pte. Limited (till 14 November 2021)*
Entity having a significant influence	1. Evergraph Holdings Pte. Limited (w.e.f. 15 November 2021)
Subsidiary company	1. Exotech Plastics Private Limited (w.e.f. 5 April 2021)
Key management personnel (KMP)	1. Mr. K. A. Joseph (Managing Director and Shareholder)
	2. Mr. Sanjay Thapar (Executive Director and Shareholder)
	3. Mr. Kazi Arif Uz Zaman (Director)
	4. Mr. Vishal Sharma (Director)
	5. Mr. Kevin Joseph (Director) (w.e.f. 19 July 2021)
	6. Mr. Amit Kumar Garg (Chief Financial Officer) (w.e.f. 12 July 2021 and till 4 March 2022)
	7. Mr. Thabraz Hushain. W (Company secretary and compliance officer)
Transaction with the parties in which directors are interested	1. Sanders Consulting Private Limited (Shareholder)
Relative of key management personnel	1. Mrs. Daisy Joseph (Wife of Mr. K. A. Joseph)
	2. Ms. Nikita Joseph (Daughter of Mr. K. A. Joseph)

* During the year ended 31 March 2022, the Company has completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹ 10 each at a price of ₹ 542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company has listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

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(ii) The following table is the summary of significant transactions with related parties by the Company:

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2022	For the year ended 31 March 2021
Mr. Kazi Arif Uz Zaman	Professional fees	-	3.50
Evergraph Holdings Pte. Limited	Interim dividend paid*	86.51	94.80
Mr. K.A. Joseph	Interim dividend paid*	23.04	25.25
Mrs. Daisy Joseph	Interim dividend paid*	0.29	0.32
Sanders Consulting Private Limited	Interim dividend paid*	1.26	1.39
Mr. Kevin K Joseph	Interim dividend paid*#	-	-
Ms. Nikita Joseph	Interim dividend paid*#	-	-
Mr. Sanjay Thapar	Interim dividend paid*#	-	-
Exotech Plastics Private Limited	Inter-corporate loan given	20.00	-
Exotech Plastics Private Limited	Sale of goods	0.53	-
Exotech Plastics Private Limited	Sale of property, plant and equipment	0.37	-
Exotech Plastics Private Limited	Interest income*	0.14	-
Exotech Plastics Private Limited	Expenses incurred on behalf of	0.06	-
Evergraph Holdings Pte. Limited	IPO expenses incurred on behalf of	291.33	-
Mr. K. A. Joseph	IPO expenses incurred on behalf of	39.47	-

* Gross of Tax Deducted at Source
# The amount's are less than ₹ 0.01 million and hence disclosed as (-)

(iii) Compensation of Key Management Personnel ('KMP')*

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Mr. K.A. Joseph	26.53	24.12
Mr. Sanjay Thapar	26.53	24.12
Mr. Kevin K Joseph	0.84	-
Mr. Amit Kumar Garg	5.47	-
Mr. Thabraz Hushain	1.34	-

*As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above. Further it does not include expenses accrued on account of ESOP's.

Terms and conditions
All transactions with these related parties are at arm's length basis.

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

(₹ in million)

Particulars	Type of transaction	As at 31 March 2022	As at 31 March 2021
Exotech Plastics Private Limited	Inter-corporate loan	20.00	-
Exotech Plastics Private Limited	Trade receivable	0.27	-
Exotech Plastics Private Limited	Interest receivable	0.12	-
Evergraph Holdings Pte. Ltd.	IPO expenses recoverable*	1.86	-
K. A. Joseph	IPO expenses recoverable*	9.59	-

*The management of the Company, vide its board resolution dated 30 June 2021, passed a resolution to list the Company through "offer for sale of securities by certain shareholders". In accordance with this plan, the Company had filed its Draft Red Herring Prospectus (DRHP) on 28 July 2021. Subsequently, the Company got listed on NSE and BSE on 15 November 2021.

As per the arrangement with the Selling Shareholders, the expense related to "offer for sale" is agreed to be borne by the respective Shareholders in their selling shares ratio. Accordingly, the entire expenses incurred has been recorded as a receivable (no charge to the statement of profit and loss).

37 CORPORATE SOCIAL RESPONSIBILITY ('CSR') EXPENDITURE

Details of CSR expenditure are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent by the Company during the year, #	11.77	11.79
Amount spent during the year		
- construction / acquisition of any asset	2.96	-
- on purpose other than above	8.83	9.62
Shortfall at the end of the year	-	2.17
Amount spent on account of previous year shortfall		
- construction/ acquisition of any asset	-	-
- on purpose other than above	2.17	1.13
Total of previous years shortfall	-	2.17
Transaction with the related party	Nil	Nil
Movements in provisions	NA	NA
Nature of CSR activity	Promoting education, Sanitation, Supporting Vulnerable communities during Covid, Rural development	

The amount required to be spent by the Company for the year ended 31 March 2022 is ₹ 11.77 million (31 March 2021: ₹ 11.79 million) and the short spent will be determined at the end of the financial year.

38 COMMITMENTS AND CONTINGENT LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
i) Capital Commitments		
Estimated amounts of contracts remaining to executed on capital account and not provided for	7.18	4.03
ii) Contingent liabilities		
Guarantee deposits with banks	0.10	0.10
Claim towards freehold land [refer Note (a) below]	20.40	20.40

(a) The Company had purchased a freehold land of 37 guntas consisting of Schedule A (19 guntas) and Schedule B (17 guntas) in the year 2001. On transition to Ind AS, the Company has elected to fair value the freehold land as deemed cost at ₹ 278.10 million. The Company is in legal dispute with one of the female legal heir of the erstwhile owner of the freehold land for separate possession of 1/7 share of Schedule A of the freehold land. The above amount of ₹ 20.40 million has been arrived at basis 1/7 share of fair value of Schedule A of the freehold land, as the Company is contesting this claim in the court of law. Outflows and other consequential payments, if any, arising out of this claim would depend on the outcome of this dispute with the legal heir.

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39 EMPLOYEE SHARE BASED PAYMENT PLAN

a) Description of share-based payment plan

The 'SJS Enterprises - Employee Stock Option Plan 2021' ('SJS ESOP -2021') plan was approved by the shareholders at the extraordinary general meeting held on 14 July 2021 and subsequently by Nomination and remuneration committee vide their meeting held on 19 July 2021. The Plan entitles the employees with a right but not an obligation to purchase or subscribe at a future date the shares underlying the option at a pre-determined price, subject to compliance with vesting conditions; all exercised options shall be settled as provided under the SJS ESOP-2021 plan. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 263.86 each as per ESOP Offer letter.

The equity shares covered under these options vest at various dates over a period ranging from three to five years from the date of grant based on the length of service completed by the employee from the date of grant.

The exercise period is six months from the respective date of vesting or within thirty days from the resignation of employee whichever is earlier.

b) The reconciliation of the share options under the share option plan are as follows:

Particulars	As at 31 March 2022
Outstanding at the beginning of the year	-
Granted during the year	1,389,000
Forfeited during the year	-
Lapsed during the year	(189,500)
Exercised during the year	-
Outstanding at the end of the year	1,199,500
Exercisable at the end of the year	-

(i) The Company does not have any ESOP plan during the year ended 31 March 2021.

(ii) The options outstanding as at 31 March 2022 have an exercise price of ₹ 263.86 each. (31 March 2021: Not Applicable).

(iii) The weighted average remaining contractual life is of 3.28 years (31 March 2021: Not Applicable).

c) The fair value per option is measured based on the Black-Scholes option pricing model, which is as below:

Measurement of fair value	Number of options	Range of fair value per option
As on 31 March 2022	1,199,500	₹ 53.46 to ₹ 68.74

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d) The fair value per options mentioned above is calculated on the grant date using the Black-Scholes option pricing model with the following assumptions:

Assumptions	For the year ended 31 March 2022
Weighted average share price on the date of grant (₹)	263.86
Exercise Price (₹)	263.86
Risk free interest rate	5.18% to 5.96%
Dividend yield	1.52%
Expected volatility	18% to 21.06%
Expected life	3.50 years to 5.50 years

Total employee compensation cost pertaining to SJS ESOP - 2021 during the year is ₹ 13.95 million (31 March 2021: Nil).

40 ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Prepaid gratuity	11.50	9.68
Prepaid compensated absences	2.25	1.97
Total employee benefit assets	**13.75**	**11.65**
Non-current	11.50	3.22
Current	2.25	8.43

The Company operates the following post-employment defined benefit plan

(a) Defined benefit plans (funded):

The Company operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. These defined benefit plans expose the Company to actuarial risks., such as longevity risk. currency risk, interest rate risk and market (investment) risk.

A. Funding

Company's gratuity scheme for employees is administered through a trust with the SBI Life Insurance Company Limited. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

B. Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined assets / liability and its components

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Reconciliation of present value of the defined benefit obligation

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Obligation at the beginning of the year	84.84	75.30
Current service cost	9.60	8.01
Interest cost	6.00	5.17
Benefits paid	(1.91)	(3.47)
Actuarial gain / (losses) on obligations recognised in Other Comprehensive Income (OCI)		
Changes in financial assumption	(2.08)	6.73
Experience adjustment	(0.13)	(6.90)
Obligation at the end of the year	**96.32**	**84.84**
Reconciliation of present value of the plan assets		
Plan assets at the beginning of the year at fair value	94.52	87.27
Interest income on plan assets	6.98	6.19
Contributions	8.01	5.00
Benefits paid	(1.91)	(3.47)
Return on plan assets excluding interest income recognised in OCI	0.22	(0.47)
Plan assets at the end of the year at fair value	**107.82**	**94.52**
Net defined benefit asset	**11.50**	**9.68**

C. (i) Expense recognised in the statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	9.60	8.01
Interest cost	6.00	5.17
Interest income	(6.98)	(6.19)
Net gratuity cost	**8.62**	**6.99**

(ii) Remeasurement recognised in other comprehensive Income

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial loss on defined benefit obligation	(2.21)	(0.18)
Return on plan assets, excluding interest income	(0.22)	0.48
Total	**(2.43)**	**0.30**

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D. Plan assets

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Insurance fund	107.82	94.52
Total	**107.82**	**94.52**

E. Actuarial assumption and Sensitivity analysis
(i) Actuarial Assumption:

Particulars	As at 31 March 2022	As at 31 March 2021
Rate of return on plan assets	7.03%	7.03%
Discounting rate	7.13%	7.03%
Future salary growth	12.00%	12.00%
Attrition rate	15.47%	13.98%
Weighted average duration of Defined benefit obligation (in years)	10.63	9.86
Retirement age	58 Years	58 Years

Notes:

(i) The discount rate is based on the prevailing market yield on Governmental Securities as at the balance sheet date for the estimate defined obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management. historical results of the return on plan assets and the Company's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Particulars	As at 31 March 2022	As at 31 March 2021
Projected benefit obligation on Current assumption	96.32	84.84
Impact of change in discount rate by +1%	(7.34)	(7.03)
Impact of change in discount rate by -1%	8.40	8.13
Impact of change in salary rate by +1%	4.78	4.74
Impact of change in salary rate by -1%	(4.77)	(4.78)
Impact of change in employee turnover rate by +1%	(1.61)	(1.73)
Impact of change in employee turnover rate by -1%	1.78	1.94
Impact of change in mortality rate by +10%	(0.04)	(0.04)

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F. Maturity profile of defined benefit obligation

The Defined benefit obligation shall mature after the year ended 31 March 2022 as follows:

(₹ in million)

Particulars	As at 31 March 2022
Year ended:	
31 March 2023	10.01
31 March 2024	7.43
31 March 2025	6.84
31 March 2026	5.92
31 March 2027	4.72
After 31 March 2027	61.38

(b) Defined contribution plan:

The Company makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Company recognised ₹ 12.89 million (31 March 2021 : ₹ 12.16 million) towards defined contribution plans.

41 SEGMENT INFORMATION

The Company is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive and consumer appliance industry such as automotive dials, overlays, badges and logos. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as one component. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Company's revenue from external customers and non - current assets of its single reportable segment by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from external customers		
India	2,210.77	2,112.31
Rest of the world	468.08	403.85
Total	**2,678.85**	**2,516.16**

Non current assets

All non – current assets other than financial instruments of the Company are located in India.

B Major customer

Following is the breakup of customer individually accounted for more than 10% of the revenue from external customers during the year ended 31 March 2022 and 31 March 2021.

(₹ in million)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Customer A	576.61	540.64
Customer B	341.51	298.33
Customer C	280.84	283.25
Customer D	-	270.08
Total	**1,198.96**	**1,392.30**

42 BUSINESS COMBINATIONS

The Company had entered into a Settlement and Termination agreement ('Agreement') dated 18 April 2018, and acquired the business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') effective 1 May 2018 ('Acquisition date'). The Selling parties were earlier acting as sole selling agents of the Company and were providing end-to-end customer relationship and marketing services to the Company. The acquisition was made to gain the synergies of the business and the customers developed by the Selling parties and hence the management concluded this transaction to be a business combination as per Ind AS 103. Pursuant to this Agreement, the Company has acquired the business of the Selling parties for a total cash consideration of ₹ 100.00 million to be paid over a period of 2 years in 24 equal instalments effective 01 October 2018.

The Company had conducted the fair valuation of the business on the date of acquisition and accordingly had recognised the following assets and liabilities at the Acquisition date:

(₹ in million)

Particulars	Amount
Intangible assets	
Customer relationships	37.56
Non-compete fees	12.20
Total fair value of net assets acquired (A)	**49.76**
Fair value of purchase consideration (B)	**89.27**
Goodwill arising on acquisition (C) = (B-A)	**39.51**

The aforesaid goodwill is not deductible under Income Tax Act, 1961.

Impairment testing of Goodwill generated from business combination

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition. The Company internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Acquired business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises has been merged with the Company and their individual performance cannot be identifiable. Hence, management considered these acquired business with the Company as single cash-generating unit.

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The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

Particulars	As at 31 March 2022
Growth rate (%)	7-10%
Operating margin (%)	32% -32.50%
Terminal growth (%)	5%
Discount rate (%)	13.20%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. As at 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

43 DETAILS OF NON - CURRENT INVESTMENTS PURCHASED AND SOLD DURING THE YEAR UNDER SECTION 186(4) OF THE ACT

Investment in equity instruments **

(₹ in million)

Subsidiaries	Face Value per unit	As at 01 April 2021	Purchased during the year	Sold During the year	As at 31 March 2022
Exotech Plastics Private Limited	₹ 10	-	640.00	-	640.00
			(2,800,000)*		(2,800,000)*

* The amounts in parenthesis represents number of shares

Details of inter corporate loans given during the year under section 186(4) of the Act **

(₹ in million)

Name of borrower	Rate of interest	Nature of relationship	As at 01 April 2021	Given during the year	Repayment during the year	As at 31 March 2022
Unsecured						
Exotech Plastics Private Limited	9%	Subsidiary	-	20.00	-	20.00

**Refer note 36

The inter corporate loans has been given to subsidiary in the normal course of business for its operations.

The Company had not given any loan / made any investment under section 186(4) during the year ended 31 March 2021.

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44 FINANCIAL RATIOS

Particulars	Numerator	Denominator	For the year ended 31 March 2022	For the year ended 31 March 2021	Variance (%)
Current ratio (in times)	Total current assets	Total current liabilities	4.11	3.70	11.08%
Debt – equity ratio (in times) *	Debt, consisting of borrowing and lease liabilities	Total equity	0.02	0.03	-33.33%
Debt service coverage ratio (in times)	Earnings available for debt service	Debt service	138.02	141.11	-2.19%
Return on equity (in %)	Net Profits for the year – Preference Dividend (if any)	Average total equity	15.42%	16.06%	-0.64%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	3.31	3.19	3.76%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.52	4.81	-6.03%
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	4.85	4.41	9.98%
Net capital turnover ratio (in times)	Revenue from operations	Working capital	1.92	1.58	21.52%
Net profit ratio (in %)	Net Profit for the year	Revenue from operations	19.36%	18.98%	0.38%
Return on capital employed (in %)	Profit before finance cost and taxes	Capital employed	18.70%	19.47%	-0.77%
Return on investment (in %)	Realised and unrealised gain on investment	Average invested funds in mutual funds	1.14%	3.64%	-2.50%

Note:
Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Finance cost + other non cash adjustments
Debt service = Interest and Lease Payments + Principal repayments
Average working capital = Total current assets minus total current liabilities
Capital Employed = Tangible net worth + Lease liability + Deferred tax liability

* Revenue growth with increase in net profit has resulted in an improvement in the ratio.

45 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46 OTHER STATUTORY INFORMATION :

i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

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forming part of the financial statements

iv) The Company is not classified as wilful defaulter.

v) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

vi) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956

vii) The Company does not have any investment property during the financial year.

viii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), during the financial year which are repayable on demand or without specifying any terms or period of repayment.

47 NOTE ON "CODE ON SOCIAL SECURITY, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13 November 2020 and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published

48 EVENTS AFTER REPORTING PERIOD

Subsequent to the year end, the Company has entered into a Power Supply and Offtake Agreement ("PSOA") and Share Subscription and Shareholders' Agreement ("SSSHA") with Suryaurja Two Private Limited (''STPL"), and acquired 6,00,000 Equity Shares of STPL. The investment is made in order to qualify as a captive consumer in accordance with The Electricity Act, 2003.

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the standalone financial statements for the year ended 31 March 2022 other than stated above.

49 Previous year's figures have been regrouped / reclassified wherever necessary to confirm with amendment in Schedule III to the Companies Act' 2013, issued by Ministry of Corporate Affairs vide notification dated 24 March 2021.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph	**Sanjay Thapar**	**Thabraz Hushain. W**
Managing Director	CEO and ED	Company Secretary
DIN: 00784084	DIN: 01029851	PAN: ABVPW4613P
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date: 26 May 2022	Date: 26 May 2022	Date: 26 May 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of S.J.S Enterprises Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of S.J.S Enterprises Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, 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 (ICAI) and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement were of most significance in our audit of the consolidated financial statements of the current year. 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.

Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
Revenue from sale of goods **Refer note 2(a) to the consolidated financial statements** Revenue from the sale of goods in the ordinary course is recognised at contract price after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government when the control of the goods has been transferred to the customer and there is no unfulfilled performance obligation. Revenue from sale of goods is recognized at the point in time when the goods are delivered to the customer. Revenue recognition is a key audit matter because the Group and its external stakeholders focus on revenue as a key performance indicator. This could result in a risk of revenue being overstated due to fraud resulting from pressure on the Group to achieve performance targets without the control being transferred.	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain audit evidence: 1. We evaluated the revenue recognition accounting policies by comparing it with the applicable accounting standards. 2. We tested the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition on transactions selected on a sample basis. 3. We performed testing for the revenue transactions recorded during the year, on a sample basis, and tested underlying documents such as sales order, contractual terms of the invoice and acknowledged delivery receipts. 4. We tested, on a sample basis, specific revenue transactions recorded before and after the financial year-end date to determine that only revenue pertaining to current year is recognized based on terms and conditions set out in customer orders and sales invoices. 5. We tested manual journal entries we determined as high risk posted to revenue to identify any unusual items.

The key audit matter	How the matter was addressed in our audit
Business Combination: Acquisition of Exotech Plastics Private Limited As described in Note 2(b) and note 42(b) to the consolidated financial statements, the Group completed an acquisition of Exotech Plastics Private Limited in the current financial year. The Group accounted for such acquisition as business combination as per Ind AS 103 'Business Combinations' by recognising identifiable assets and liabilities including intangibles at fair value. Accounting for business combinations can involve judgments in relation to assessments of fair values of assets and liabilities that are recognised on acquisition, particularly the allocation of purchase consideration to goodwill and separately identified intangible assets. A significant proportion of the purchase price has been allocated to goodwill, the valuation of which is dependent on cash flow forecasts including other assumptions like future business growth and the application of discount rate. The fair value was determined by the Group with the assistance of an external valuation expert. Given the complexity and judgment involved in fair value measurement and significance of the acquisition made, this is a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, amongst others, to obtain audit evidence: 1. We tested the design, implementation and operating effectiveness of the key internal controls relating to accounting for the business combination. 2. We obtained and inspected the key documentation such as Share Purchase Agreement and Amendment Agreement to understand the key terms and conditions of the acquisition 3. We assessed the independence and competence of the external valuation expert engaged by the Group 4. We evaluated the cash flow forecasts and the key assumptions such as growth rates, profitability and discount rate applied within the valuation model and assessed for reasonableness; 5. We, together with the assistance of valuation specialists, evaluated and tested the reasonableness of methodology and key assumptions used in allocation of the purchase price to various assets and liabilities acquired and resultant fair values arrived. 6. We evaluated the accounting treatment of the acquisition made and the adequacy of the disclosures in relation to the said acquisition against the requirements of Ind AS 103 'Business combinations'.

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 Annual Report, but does not include the consolidated financial statements and our Auditor's Report thereon. The other information is expected to be made available to us after the date of the Auditor's Report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary action as applicable, under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group 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 judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 judgement 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 Consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 38 to the consolidated financial statements.

b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.

c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2022.

d) (i) The management has represented that, to the best of its knowledge and belief, 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 or its subsidiary company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary company incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary company incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary company incorporated in India have neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. No remuneration is paid by the subsidiary company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYPC6220

Place: Bengaluru
Date: 26 May 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF S.J.S. ENTERPRISES LIMITED FOR THE YEAR ENDED 31 MARCH 2022

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's report to the members of S.J.S. Enterprises Limited ('the Holding Company") on the consolidated financial statements for the year ended 31 March 2022, we report that:

(Referred to in our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO)

Sr. No.	Name of the entity	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	S.J.S. Enterprises Limited	L51909KA2005PLC036601	Holding Company	ii (b)
2	Exotech Plastics Private Limited	U25206MH1996PTC101162	Subsidiary	ii (b)

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYPC6220

Place: Bengaluru
Date: 26 May 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF S.J.S. ENTERPRISES LIMITED FOR THE YEAR ENDED 31 MARCH 2022

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 Companies Act, 2013

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of S.J.S. Enterprises Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated 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 RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for **B S R & Co. LLP**
Chartered Accountants
ICAI firm registration number: 101248W/W-100022

Umang Banka
Partner
Membership No. 223018
UDIN: 22223018AJPYPC6220

Place: Bengaluru
Date: 26 May 2022

CONSOLIDATED BALANCE SHEET

as at 31 March 2022

(₹ in million)

Particulars	Notes	As at 31 March 2022*
ASSETS		
Non-current assets		
Property, Plant and Equipment	3	1,525.66
Capital work-in-progress	3	1.91
Right-of-use assets	22	191.60
Goodwill	4, 42	289.31
Other Intangible assets	4	66.55
Financial Assets		
i. Other non-current financial assets	5	19.73
Income tax assets (net)	6	18.46
Deferred tax assets (net)	7A	15.64
Other non-current assets	8	61.29
Total Non-current assets		**2,190.15**
Current assets		
Inventories	9	415.51
Financial Assets		
i. Investments	10	784.42
ii. Trade receivables	11	858.01
iii. Cash and cash equivalents	12	159.54
iv. Bank balance other than Cash and cash equivalents	13	65.19
v. Loans	14	3.31
vi. Other current financial assets	5	43.51
Other current assets	8	56.52
Total Current assets		**2,386.01**
Total Assets		**4,576.16**
EQUITY AND LIABILITIES		
Equity		
Equity Share capital	15	304.38
Other Equity	16	3,300.33
Total Equity		**3,604.71**
Liabilities		
Non-current liabilities		
Financial Liabilities		
i. Lease liabilities	22	140.83
Deferred tax liabilities (net)	7B	100.03
Total Non-current liabilities		**240.86**
Current liabilities		
Financial Liabilities		
i. Current Borrowings	17	125.85
ii. Lease liabilities	22	27.76
iii. Trade payables	18	
a) total outstanding dues to micro enterprises and small enterprises		150.40
b) total outstanding dues to creditors other than micro enterprises and small enterprises		157.81
iv. Other current financial liabilities	19	171.11
Income tax liability (net)	6	47.90
Other current liabilities	20	41.59
Provisions	21	8.17
Total Current liabilities		**730.59**
Total Liabilities		**971.45**
Total Equity and Liabilities		**4,576.16**

*Read along with note 49 to the consolidated financial statements

Significant accounting policies	2	

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

Sanjay Thapar
CEO and ED
DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain .W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	Notes	For the year ended 31 March 2022*
INCOME		
Revenue From Operations	23	3,698.56
Other Income	24	41.61
Total Income		**3,740.17**
EXPENSES		
Cost of raw materials consumed	25	1,590.88
Changes in inventory of finished goods, work-in-progress and stores and spares	26	(0.10)
Employee benefits expense	27	510.41
Finance costs	28	30.20
Depreciation and amortization expense	29	215.74
Other expenses	30	653.65
Total Expenses		**3,000.78**
Profit before tax		**739.39**
Tax expenses	31	
Current tax		204.39
Deferred tax (credit)		(15.18)
Total tax expense		**189.21**
Profit for the year		**550.18**
Other comprehensive income / (expense)		
Items that will not be reclassified subsequently to profit or loss		
Re-measurements of defined benefit plans	40	(0.76)
Income tax relating to items that will not be reclassified to profit or loss	31	0.28
Other comprehensive income / (expense) for the year, net of tax		**(0.48)**
Total Comprehensive Income for the year		**549.70**
Profit attributable to:		
Owners of the Company		550.18
Non-controlling interest		-
Profit for the year		**550.18**
Other Comprehensive Income attributable to:		
Owners of the Company		(0.48)
Non-controlling interest		-
Other comprehensive income / (expense) for the year, net of tax		**(0.48)**
Total comprehensive income attributable to:		
Owners of the Company		549.70
Non-controlling interest		-
Total Comprehensive Income for the year		**549.70**
Earnings per equity share (face value of ₹ 10 each)		
Basic (in ₹)	32	18.08
Diluted (in ₹)	32	17.90

*Read along with note 49 to the consolidated financial statements

Significant accounting policies 2

See accompanying notes to the consolidated financial statements

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Date: 26 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Year Ended 31 March 2022

EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31 March 2022*
Opening Balance	304.38
Changes in equity share capital	-
Closing balance	**304.38**

OTHER EQUITY

(₹ in million)

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	General reserve	Share options outstanding account	Securities premium	Retained earnings		
As at 1 April 2021	**8.85**	**-**	**39.41**	**2,805.02**	**(5.50)**	**2,847.78**
Profit for the year	-	-	-	550.18	-	550.18
Share based payment to employees	-	13.95	-	-	-	13.95
Other comprehensive income / (expense)	-	-	-	-	(0.48)	(0.48)
Total comprehensive income	**-**	**13.95**	**-**	**550.18**	**(0.48)**	**563.65**
Dividend paid during the year	-	-	-	(111.10)	-	(111.10)
As at 31 March 2022	**8.85**	**13.95**	**39.41**	**3,244.10**	**(5.98)**	**3,300.33**

*Read along with note 49 to the consolidated financial statements

Significant accounting policies (refer Note 2)
See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

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for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
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CONSOLIDATED STATEMENT OF CASH FLOWS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022*
Cash flow from operating activities	
Profit before tax	**739.39**
Adjusted for:	
Depreciation and amortization expense	215.74
Share based payments	13.95
Loss on sale and write off of property, plant and equipment, net	2.74
Interest income	(17.12)
Interest expense	30.20
Unrealised foreign exchange gain, net	(3.70)
Changes in fair value of financials assets	(4.33)
Gain on sale of investments measured at fair value through profit or loss	(4.76)
Loss allowances on financial assets, net	(0.94)
Bad debt written off	1.00
Liabilities no longer required, written back	(0.70)
Operating cash flow before working capital changes	**971.47**
Adjustments for increase / decrease in operating assets and liabilities	
Changes in trade receivables	(32.46)
Changes in inventories	29.34
Changes in loans	(1.81)
Changes in non-financial assets	15.54
Changes in financial assets	(43.05)
Changes in trade payables	(92.22)
Changes in financial liabilities	1.31
Changes in provisions	(7.32)
Changes in non-financial liabilities	(31.09)
Cash generated from operations	**809.71**
Income tax paid, net of refund	(203.49)
Net cash generated from operating activities (A)	**606.22**
Cash flow from investing activities	
Purchase of property, plant and equipment and intangible assets	(134.96)
Proceeds from sale of property, plant and equipment	0.94
Investment in mutual funds	(1,274.96)
Proceeds from sale of mutual funds	1,314.29
Investment in term deposits	(1,108.79)
Proceeds from maturity of term deposits	1,217.75
Interest received on deposits	18.92
Payment for acquisition of subsidiary, net of Cash and cash equivalents acquired [refer Note 42(b)]	(528.77)
Net cash used in investing activities (B)	**(495.58)**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the Year Ended 31 March 2022

(₹ in million)

Particulars	For the year ended 31 March 2022*
Cash flow from financing activities	
Repayment of short-term borrowings, net	(1.99)
Repayment of long-term borrowings	(13.61)
Payment of lease liabilities (including interest)	(27.77)
Dividend paid	(111.10)
Interest paid	(13.18)
Net cash used in financing activities (C)	**(167.65)**
Net decrease in Cash and cash equivalents (A+ B+ C)	(57.01)
Cash and cash equivalents at the beginning of the year	216.12
Effects of exchange gain on Cash and cash equivalents	0.43
Cash and cash equivalents at the end of the year	**159.54**
Components of cash and cash equivalents (refer Note 12)	
Cash on hand	0.16
Balance with banks	
- in current account	30.92
- in cash credit account	49.70
- in Exchange earner's foreign currency accounts	13.84
- Deposits with original maturity of less than 3 months	64.92
Cash and cash equivalents as per Balance Sheet	**159.54**

*Read along with note 49 to the consolidated financial statements

Reconciliation between opening and closing balance for liabilities arising from financing activities:

(₹ in million)

Particulars	As at 1 April 2021	Liability assumed in acquisition	Cash flows	Non-cash movements	As at 31 March 2022
Long-term borrowings	-	13.61	(13.61)	-	-
Leases	-	179.08	(27.77)	17.28	168.59
Short-term borrowings	92.07	35.77	(1.99)	-	125.85
Interest accrued but not due	-	0.05	(13.18)	13.13	-
Total liabilities from financing activities	**92.07**	**228.51**	**(56.55)**	**30.41**	**294.44**

The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows" prescribed under the Companies (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

Significant accounting policies (refer Note 2)

See accompanying notes to the consolidated financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

Sanjay Thapar
CEO and ED
DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain .W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

NOTES
forming part of the financial statements

1) COMPANY OVERVIEW

S.J.S Enterprises Limited (formerly S.J.S Enterprises Private Limited) ("S.J.S" or the "Company" or the "Parent Company") together with its subsidiary (collectively the "Group") is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive, consumer durables and consumer appliance industry such as automotive dials, overlays, badges and logos, spare parts, assemblies, accessories of plastic and other materials.

The Company was formed as a partnership firm in 1987 and was converted to private limited company in 2005. The shares of the Company were listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) on 15 November 2021.

The registered office of the Company is at Sy.Nos – 28/ P16 Agra Village & 85/ P6 BM Kaval Village, Kengeri Hobli, Bangalore South 560082, Karnataka, India.

This is the first set of consolidated financial statement prepared by the Parent Company as the Parent Company had not any subsidiary, associate, joint venture etc till the previous year.

a) Statement of Compliance and presentation

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Group's consolidated financial statements for the year ended 31 March 2022 were approved by the Board of Directors of the Group in their meeting held on 26 May 2022.

b) Basis of preparation

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except:

a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.

b) Certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

These consolidated financial statements have been prepared as a going concern on the basis of relevant Ind AS that are effective at the Group's reporting date, 31 March 2022.

c) Functional currency and presentation

These consolidate financial statements are presented in Indian Rupees (INR), which is also the Parent Company's functional currency. All amounts have been rounded-off to the nearest millions up to two decimal places, unless otherwise mentioned.

d) Use of estimates, assumptions and judgements

The preparation of consolidated financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amount of income and expenses for the year reported. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised in the year in which the estimates are revised, and future periods are affected.

Assumptions, judgements and estimation:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the amounts recognised in the consolidate financial statements is included in the following notes:

– Note 2 (b) – Accounting for Business combination

– Note 2 (c) and Note 2 (d)- Useful life of property, plant and equipment and intangible assets;

– Note 2 (g) - Impairment of financial assets

– Note 2 (k) - Measurement of defined benefit obligations: key actuarial assumptions.

– Note 2 (m) - Lease classification;

– Note 2 (o) - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Impact of COVID-19 (Global Pandemic)

The Group has been taking steps, proactively, to protect the health of employees and the working environment from the spread of COVID-19. The Group has considered the possible effects that may result from the global health pandemic relating to COVID-19 on its operations. Management believes that it has taken into account external and internal information for assessing the possible impact of COVID-19 on various elements of its financial results, including its liquidity position and the recoverability of assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions and the consequent impact on its business, if any.

e) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

f) Fair value measurement

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES
forming part of the financial statements

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 33 and 34: financial instruments.

g) Basis of Consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balances and unrealised gains on transactions between Group Companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are aligned where necessary to ensure consistency with the policies adopted by the Group.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in statement of profit and loss. Any investment retained is recognised at fair value.

The subsidiary company which is included in the consolidation and the Company's holdings therein is as under:

Name of Company (Nature of Business)	Country of incorporation	Ownership interest as at 31 March 2022
Exotech Plastics Private Limited	India	100%*
(Manufacturing of automobile components)		

The Company has acquired the subsidiary on 5 April, 2021.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Revenue recognition

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customer's in an amount that reflects the consideration the Group expects to receive in exchange for those goods.

The Group recognises revenue to depict the transfer of promised goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax, etc. For certain contracts that permits the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Revenue from sale of products is recognised at the point in time when control is transferred to customer.

Costs that relate directly to a contract and incurred in securing a contract are recognized as an asset and amortized over the contract term as reduction in revenue

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Scrap sales

Revenue from sale of scraps in the course of ordinary activities is measured at the fair value of the consideration received or receivable.

Trade receivables

A trade receivable is recognised if the amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section - Financial instruments – initial recognition and subsequent measurement.

Unbilled revenue

Unbilled revenue are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Sale of services

Revenue with respect to sale of services is recognized when the services are rendered, and no significant uncertainty exists regarding the collection of consideration.

Export incentives

Government incentives are accrued for based on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same.

Variable consideration

If the consideration in a contract includes a variable amount, such as sales returns and discounts, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Other income

Other income comprises interest income on deposits, gain/ (losses) on disposal of financial assets and non-financial assets. It is recognised on accrual basis except where the receipt of income is uncertain.

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

Dividend income is accounted when the right to receive the dividend is established, Dividend income is included under the head "Other income" in the statement of profit and loss account.

(b) Business combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for

NOTES
forming part of the financial statements

recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

Other intangible assets:
Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated and is included in depreciation and amortisation expenses in the statements of profit and loss. The estimated useful life of amortisable intangibles are reviewed and where appropriate are adjusted, annually.

(c) Property, plant and equipment
Property, plant and equipment, excluding Freehold land are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on bringing the assets to working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing them and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and such expenditure can be measured reliably.

Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment."

A property, plant and equipment is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the statement of profit and loss.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under capital work in progress.

Depreciation and useful lives
Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. Based on the internal technical assessment, the management believes that the useful lives as given below, which are different from those prescribed in Part C of schedule II of the Act, best

NOTES
forming part of the financial statements

represent the period over which Management expects to use these assets.

Property, Plant and Equipment	Management's estimate of useful life (in years)	Useful life as per Schedule II
Building	30	30
Electrical Installations	10	10
Plant and machineries	15	15
Furniture and fixtures	10	10
Computers	3	3
Servers	3	6
Office equipment	5	5
Vehicle	8	8

Freehold land is not depreciated. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains / losses.

(d) Other Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The useful lives of intangible assets that is considered for amortization of intangible assets are as follows:

Intangible Asset	Management's estimate of useful life (in years)
Computer Software	3
Technical Know How	3
Customer Relationship	7
Non-compete	3

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted, if appropriate.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss.

(e) Impairment of non-financial asset

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in- use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset / CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.

The method of determination of cost is as follows:

- Raw materials and components– on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes cost of conversion.
- Finished goods– includes cost of conversion.
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

(g) Financial Instruments

A. Financial assets

i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to contractual provisions of the instrument.

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- Amortised cost
- Fair value through other comprehensive income (FVOCI) - debt instruments;
- Fair value through other comprehensive income (FVOCI) - equity investments; or
- Fair value through profit and loss (FVTPL).

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

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- The contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in profit or loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVTOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Group determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12 month ECL.

iii) Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

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Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

B. Financial liability

i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting

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

(h) Cash and cash equivalents

Cash and cash equivalent includes cash in hand, demand deposit with bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Cash dividend to equity holders of the Company

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

(j) Foreign Currency transactions and translations

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

(k) Employee benefits

(i) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plans

The Group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent

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actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Group's gratuity scheme is administered through a third party trust and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(iii) Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, wages and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(l) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs allocated to and utilized for qualifying assets pertaining to the period from commencement of activities directly attributable to the acquisition, construction or production of upto the date of capitalisation of such asset are added to the cost of the assets. Qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. All other borrowing costs are expensed in the period in which they occur.

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(m) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease, that is if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises a right-of-use (ROU) asset representing its right to use the underlying assets for the lease term and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group applies the short-term lease recognition exemption to all assets that have a lease term of 12 months or less from the commencement date. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term. Further, leases for which the underlying asset is of low value has been recognized immediately in the Statement of Profit and Loss.

(n) Taxation

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction, and temporary investment related to investment in subsidiaries, associates and joint agreements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Group recognises a deferred tax asset only to the extent that it has sufficient

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taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(o) Provisions and Contingent Liabilities

(i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Expected future operating losses are not provided for.

(ii) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(iii) Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

(p) Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The CODM monitors the operating results of the entity as a whole for the purpose of making decisions about resource allocation and performance assessment. Refer Note 41 for segment information and segment reporting.

(r) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

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(s) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in proportion to the depreciation charged over the expected useful life of the related asset.

(t) Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Group does not expect the amendment to have any significant impact in its financial statements.

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3 PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Freehold Land	Leasehold Improvements	Buildings	Electrical installations	Plant and machineries	Furniture and fixtures	Computers (including servers)	Office equipment	Vehicles	Total	Capital work-in-progress (Note i)
Cost or Deemed Cost											
As at 31 March 2021	**278.10**	**-**	**507.81**	**134.43**	**981.68**	**28.04**	**16.23**	**45.29**	**37.57**	**2,029.15**	**42.52**
Additions due to acquisition [Refer note 42(b)]	-	18.28	-	-	199.29	4.58	-	1.15	3.81	**227.11**	-
Additions	-	-	2.82	24.39	90.60	3.49	7.59	1.98	12.01	**142.88**	1.91
Deletions	-	-	-	-	(10.22)	-	-	-	-	**(10.22)**	-
Capitalised	-	-	-	-	-	-	-	-	-	**-**	(42.52)
As at 31 March 2022	**278.10**	**18.28**	**510.63**	**158.82**	**1,261.35**	**36.11**	**23.82**	**48.42**	**53.39**	**2,388.92**	**1.91**
Accumulated depreciation											
As at 31 March 2021	**-**	**-**	**65.48**	**37.49**	**458.50**	**8.88**	**12.38**	**26.33**	**11.07**	**620.13**	**-**
Additions due to acquisition [Refer note 42(b)]	-	3.45	-	-	59.09	1.24	-	0.52	1.00	**65.30**	-
Depreciation for the year	-	1.73	16.07	13.61	134.40	2.97	2.84	6.97	5.95	**184.54**	-
Depreciation on deletions	-	-	-	-	(6.71)	-	-	-	-	**(6.71)**	-
As at 31 March 2022	**-**	**5.18**	**81.55**	**51.10**	**645.28**	**13.09**	**15.22**	**33.82**	**18.02**	**863.26**	**-**
Net carrying amount											
As at 31 March 2021	**278.10**	**-**	**442.33**	**96.94**	**523.18**	**19.16**	**3.85**	**18.96**	**26.50**	**1,409.02**	**42.52**
As at 31 March 2022	**278.10**	**13.10**	**429.08**	**107.72**	**616.07**	**23.02**	**8.60**	**14.60**	**35.37**	**1,525.66**	**1.91**

Note (i)

(a) The ageing information for capital work in progress for the year ended 31 March 2022 is as follows:

(₹ in million)

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	**1 - 2 Years**	**2-3 Years**	**More than 3 years**	**Total**
31 March 2022					
Projects in progress	1.91	-	-	-	1.91
Projects temporarily suspended	-	-	-	-	-
	1.91	**-**	**-**	**-**	**1.91**

(b) There are no capital work in progress whose completion is overdue or exceeded its cost compared to its original plan.

(c) The tittle of all immovable properties are held in the name of the Group.

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4 OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	Goodwill * (A)	Other intangible assets					Total (A+B)
		Software	Technical Know-how	Customer relationship*	Non-compete fees*	Total (B)	
Cost or Deemed Cost							
As at 31 March 2021	**39.51**	**23.42**	**2.92**	**37.56**	**12.20**	**76.10**	**115.61**
Additions due to acquisition [Refer note 42(b)]	249.80	0.33	-	39.00	13.00	52.33	302.13
Additions	-	6.89	-	-	-	6.89	6.89
As at 31 March 2022	**289.31**	**30.64**	**2.92**	**76.56**	**25.20**	**135.32**	**424.63**
Accumulated amortization							
As at 31 March 2021	**-**	**19.69**	**2.92**	**15.66**	**11.85**	**50.12**	**50.12**
Additions due to acquisition [Refer note 42(b)]	-	0.31	-	-	-	0.31	0.31
Amortization for the year	-	2.73	-	10.94	4.67	18.34	18.34
As at 31 March 2022	**-**	**22.73**	**2.92**	**26.60**	**16.52**	**68.77**	**68.77**
Net carrying amount							
As at 31 March 2021	**39.51**	**3.73**	**-**	**21.90**	**0.35**	**25.98**	**65.49**
As at 31 March 2022	**289.31**	**7.91**	**-**	**49.96**	**8.68**	**66.55**	**355.86**

*Refer note 42

(a) Goodwill comprises of goodwill aggregating ₹ 249.80 million pertains to acquisition of a subsidiary (refer note 42(b)) and the remaining goodwill of ₹ 39.51 million pertains to business acquisition of Delta Ram, Srisha Enterprises and SM Enterprises (refer note 42(a)).

The Group had carried out a formal impairment assessment of goodwill accounted upon business acquisitions. The recoverable amount of a cash-generating unit (CGU) is the higher of its fair value less costs of disposal and its value in use. The Group is expected to benefit from the synergies of the business acquisition. For the purpose of determining fair value of a CGU, 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.

As of 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount, hence no impairment is triggered.

(b) The Group does not have any Intangible assets under development.

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5 OTHER FINANCIAL ASSETS

(₹ in million)

Particulars	As at 31 March 2022
Non-current	
Unsecured, considered good	
Security deposit	19.63
Margin money deposits *	0.10
Total	**19.73**
Current	
Unsecured, considered good	
Security deposit **	30.35
Interest accrued on fixed deposit	0.86
Export incentives receivables	0.85
IPO expenses receivables [refer Note 36]	11.45
Total	**43.51**

* Margin money provided as guarantee for Gurgaon Warehouse to Value Added Tax and Central Sales Tax Department.
** includes a deposit of ₹ 30.00 million to National Stock Exchange of India Limited on account of initial public offerings.

6 INCOME TAX ASSETS AND LIABILITIES (NET)

(₹ in million)

Particulars	As at 31 March 2022
Non - current	
Advance tax and tax deducted at source, net of provision for tax	18.46
Current	
Income tax liabilities, net of tax assets	47.90

a) The gross movement in the income tax liability for the year ended 31 March 2022 is as follows:

(₹ in million)

Particulars	For the year ended 31 March 2022
Net income tax liability at the beginning of the year	(20.85)
Net income tax liability assumed in acquisition [refer Note 42(b)]	(7.69)
Current income tax expense	(204.39)
Income tax paid (including interest)	203.49
Net income tax liability at the end of the year	**(29.44)**

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7A DEFERRED TAX ASSETS (NET)*

(₹ in million)

Particulars	As at 31 March 2022
Deferred tax assets	
Provision for gratuity	1.10
Provision for compensated absences	1.12
Financial asset, carried at amortised cost	2.15
Lease liability	46.88
Provision for sales returns	0.24
Provision for discount	0.16
Provision for bonus	0.25
Loss allowances on financial assets, net	0.55
Provision for doubtful advances and receivables	2.57
Total deferred tax asset (A)	**55.02**
Deferred tax liabilities	
Property, plant and equipment and intangible assets	7.51
Right-of-use assets	31.87
Total deferred tax liabilities (B)	**39.38**
Net deferred tax assets (A-B)	**15.64**

*Refer note 31(c)

7B DEFERRED TAX LIABILITIES (NET)*

(₹ in million)

Particulars	As at 31 March 2022
Deferred tax liabilities	
Property, plant and equipment and intangible assets	125.54
Contract acquisition costs	3.97
Prepaid gratuity	2.89
Prepaid compensated absences	0.57
Intangible assets acquired in acquisition	11.72
Others	1.09
Total deferred tax liabilities (A)	**145.78**
Deferred tax assets	
Provision for inventory obsolescence	14.15
Discount payable to customers and provision for sales returns and claim	20.56
Provision for bonus	5.37
Lease liability, net	0.02
Loss allowances on financial assets, net	0.17
Others	5.48
Total deferred tax asset (B)	**45.75**
Net deferred tax liabilities (A-B)	**100.03**

*Refer note 31(c)

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8 OTHER ASSETS

(₹ in million)

Particulars	As at 31 March 2022
Non - current	
Unsecured, considered good	
Capital advances [refer Note (b) below]	32.93
Other advances	
- Prepaid gratuity [refer Note 39]	7.55
Prepaid expenses	0.66
Contract acquisition costs	9.58
Receivables from government authorities [refer Note (a) below]	10.57
	61.29
Unsecured, considered doubtful	
Indirect tax paid under protest	3.00
Less: Provision	(3.00)
	-
Receivables from government authorities	4.84
Less: Provision [refer Note (a) below]	(4.84)
	-
Total	**61.29**
Current	
Unsecured, considered good	
Balances with government authorities	22.40
Prepaid expenses, considered good	7.92
Contract acquisition costs	6.21
Advance to suppliers	19.53
Others	0.46
	56.52
Unsecured, considered doubtful	
Balances with government authorities	8.28
Less: Provision [refer Note 21 (a)]	(8.28)
	-
Total	**56.52**

a) Bangalore Metro Rail Corporation Limited (BMRCL) has acquired a portion of the freehold land for an agreed compensation of ₹ 15.41 million (including tax deducted at source). On the above land, one of the female legal heirs of the erstwhile owner of the freehold land has raised an allegation for separate possession of certain portion of the freehold land.

On account of the dispute, the acquisition compensation amount has been deposited by BMRCL in the Court till the final settlement. During the year ended 31 March 2021, the Group had made a provision of ₹ 4.84 million primarily towards the female legal heir share of claim. The matter is currently pending in the court for further hearing.

b) Pursuant to a memorandum of understanding ("MOU") dated 8 April 2010, the Group had paid an advance of ₹ 15.00 million for lease of four acres of land for construction of a new factory covering 150,000 square feet for a period of 20 years. Subsequently, as the land could not get converted to Industrial land due to conversion restriction from the civic authority, the Group has demanded the refund of the advance. On non-receipt of the advance amount, the Group had filed a suit in the Court of the City Civil and Sessions Judge, Mayo Hall, Bangalore during the year ended 31 March 2011. The matter is currently pending in the court for further hearing.

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9 INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

(₹ in million)

Particulars	As at 31 March 2022
Raw materials [refer Note (a) and (b) below]	171.25
Work-in-progress	110.08
Finished goods [refer Note (b) below]	127.73
Stores and spares	6.45
Total	**415.51**

(a) Including goods in transit as on 31 March 2022 ₹ 23.06 million

(b) Value of inventories above is stated after provisions ₹ 56.22 million for write-downs to net realisable value and provision for slow-moving and obsolete items.

10 INVESTMENTS

(₹ in million)

Particulars	As at 31 March 2022
Current	
Carried at fair value through profit or loss (FVTPL)	
Investment in Mutual funds - Unquoted*	784.42
Total	**784.42**

(₹ in million)

Particulars	As at 31 March 2022
Investment in mutual fund - Unquoted	
206,080.20 units in Aditya Birla Sun Life Liquid Fund - Growth	70.16
344,428.24 units in Aditya Birla Sun Life Saving Fund AC	151.66
23,245.42 units in DSP liquid Fund	70.15
23,468.20 units in Kotak Liquid Fund	100.42
17,478.91 units in Nippon India Liquid Fund - Growth	90.27
18,692.95 units in Tata Money Market Fund	70.77
21,048.29 units in Tata Liquid Fund - Growth	70.16
45,197.78 units in Tata Overnight Fund	50.53
1,926,537.46 units in SBI Short Term Debt Fund	50.18
366,439.10 units in SBI Arbitrage Opportunities Fund	10.00
3,096,338.10 units in Axis Arbitrage Fund	50.12
Aggregate amount of unquoted investment and market value, thereof	**784.42**

*Information about the Group's exposure to credit and market risks, and fair value measurement is included in note 33 & note 34.

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11 TRADE RECEIVABLES

(₹ in million)

Particulars	As at 31 March 2022
Current	
Unsecured and Undisputed	
Considered good	856.88
Less: Provision for impairment allowance	(2.20)
	854.68
Trade receivables - credit impaired	0.45
Less: Provision for impairment allowance	(0.45)
	-
Unbilled revenue	3.33
Net trade receivables	**858.01**

(i) The Group's exposure to credit and currency risks, and loss allowances related to trade receivables is disclosed in note 34.

(ii) Ageing for trade receivables from the due date of payment for each of the category is as follows:

(₹ in million)

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months to 1 Year	1 -2 Years	2 -3 Years	More than 3 Years	
31 March 2022								
i) Undisputed trade receivable - considered good	3.33	722.58	132.96	1.34	-	-	-	**860.21**
ii) Undisputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
iii) Undisputed trade receivable - credit impaired	-	-	-	-	0.45	-	-	**0.45**
iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-	**-**
v) Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
vi) Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	**-**
Total	**3.33**	**722.58**	**132.96**	**1.34**	**0.45**	**-**	**-**	**860.66**

12 CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 March 2022
Balances with banks:	
- in current accounts	30.92
- in cash credit account	49.70
- in Exchange earner's foreign currency accounts	13.84
- Deposits with original maturity of less than 3 months	64.92
Cash on hand	0.16
Total	**159.54**

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13 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in million)

Particulars	As at 31 March 2022
Current	
Other bank balances	
In deposit accounts (with original maturity of more than 3 months and less than 12 months)	65.19
Total	**65.19**

(a) Includes fixed deposit of ₹ 62.62 million provided to banks against bank guarantee and cash credit facility.

14 LOANS

Carried at amortised cost

(₹ in million)

Particulars	As at 31 March 2022
Current	
Unsecured, considered good	
Loans to employees	3.31
Total	**3.31**

15 EQUITY SHARE CAPITAL

(₹ in million)

Particulars	As at 31 March 2022
Authorised	
Equity shares	
35,000,000 equity shares of ₹ 10 each	350.00
Total	**350.00**

Issued, subscribed and fully paid-up shares

(₹ in million)

Particulars	As at 31 March 2022
Equity share	
30,437,904 equity shares of ₹ 10 each, fully paid up	304.38
Total	**304.38**

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

(₹ in million)

Particulars	As at 31 March 2022	
	Number of shares	Amount
Equity shares		
At the beginning of the year	30,437,904	304.38
Issued during the year	-	-
At the end of the year	**30,437,904**	**304.38**

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(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company:

During the year ended 31 March 2022, the Company has completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹ 10 each at a price of ₹ 542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company has listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited (the earstwhile holding company) has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, the Company does not have any holding company.

(d) Details of shareholders holding more than 5% shares of a class of shares in the Company: -

Particulars	As at 31 March 2022	
	Number of shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:		
Evergraph Holdings Pte. Ltd.	10,600,370	34.83%
K. A. Joseph	4,651,244	15.28%
Axis Mutual Fund	2,156,994	7.09%

(e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

During the financial year ended 31 March 2017, the Company had allotted 27,000,000 bonus shares of ₹ 10 each at par to then existing shareholders in the proportion of 9 equity shares of ₹ 10 each for one equity share held by them by capitalisation of surplus. No shares have been bought back, or issued for consideration other than cash during the five years immediately preceding the financial year other than above.

(f) Details of shareholdings by the Promoter's of the Company: -

Particulars	As at 31 March 2022		As at 31 March 2021		% Change in the year
	Number of shares	% holding in the class	Number of shares	% holding in the class	
Equity shares of ₹ 10 each fully paid up held by:					
Evergraph Holdings Pte. Limited	10,600,370	34.83%	23,700,000	77.86%	-43.03%
K. A. Joseph	4,651,244	15.28%	6,311,960	20.74%	-5.46%

16 OTHER EQUITY

(₹ in million)

Particulars	As at 31 March 2022
Securities premium [refer Note (a) below]	39.41
Retained earnings [refer Note (b) below]	3,244.10
General reserve [refer Note (c) below]	8.85
Share option outstanding [refer Note 39 and refer Note (d) below]	13.95
Other comprehensive income [refer Note (e) below]	(5.98)
Total	**3,300.33**

Nature and purpose of other reserves

a) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve can be utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

(₹ in million)

Particulars	As at 31 March 2022
Opening balance	39.41
Increase during the year	-
Closing balance	**39.41**

b) Retained earnings:

Retained earnings comprises of prior and current year's undistributed earnings after tax.

(₹ in million)

Particulars	As at 31 March 2022
Opening balance	2,805.02
Profit for the year	550.18
Dividend paid (Refer note below)	(111.10)
Closing balance	**3,244.10**

During the year ended 31 March 2022, the Board of Directors of the Company at their meeting held on 9 April 2021 and 24 September 2021 respectively have declared and paid an interim dividend of ₹ 1.65 per equity share and ₹ 2.00 per equity share respectively (face value of ₹ 10.00 each) aggregating to ₹ 111.10 million.

c) General reserve:

This represents appropriation of profit by the Group. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

(₹ in million)

Particulars	As at 31 March 2022
Opening balance	8.85
Increase during the year	-
Closing balance	**8.85**

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d) Share option outstanding:

The Group has share option schemes under which options to subscribe for the Company's shares have been granted to employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as part of employee benefit expense.

(₹ in million)

Particulars	As at 31 March 2022
Opening balance	-
Increase during the year (Refer note 39)	13.95
Closing balance	**13.95**

e) Other comprehensive income:

Differences between the interest income on plan assets and the return actually achieved and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other equity' as other comprehensive income net of taxes.

(₹ in million)

Particulars	As at 31 March 2022
Remeasurement of net defined benefit liability or asset	
Opening balance	(5.50)
Increase during the year	(0.48)
Closing balance	**(5.98)**

17 BORROWINGS

(₹ in million)

Particulars	As at 31 March 2022
Current	
Unsecured loan	
From bank	
Bill discounting facility from bank [refer Note (b) below]	125.85
Total current borrowings	**125.85**

(a) Term loan from Mahindra & Mahindra Financial Services Private Limited of ₹ 35.00 million carries an interest rate of 2.05% p.a over and above SBI's base rate. The interest rate for year ending 31 March 22 was 9.60% p.a. (31 March 2021: 9.35% p.a.) The loan is repayable in 48 monthly predetermined instalments which has commenced from 15 March 2018. The loan is secured by a) Demand Promissory Note for the entire loan along with the interest, b) All assets proposed to be funded for the Plating Plant and c) Cross collateralization of all machinery funded in the earlier term loan. During the year, the Group has repaid the loan.

(b) The Group has availed bill discounting facility (with recourse) from Banks which carries interest in the range of 5.95% to 10.00% per annum and is payable within 45 days to 64 days from the date of discounting of bills.

(c) The Group has been sanctioned a cash credit facility from ICICI bank (unutilised as at 31 March 2022 by the Group) carrying interest rate (I-MCLR 6M + Spread 1.70%). These are secured by first and exclusive charge on the current assets (inventory and trade receivables) both present and future and on movable assets (except assets financed by Mahindra & Mahindra Financial Services Limited and vehicles) both present and future.

(d) Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

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(e) The Group is filing monthly statement of inventories, trade receivables and trade payable to Banks for cash credit facility and working capital loan (unutilised as at 31 March 2022 by the Group). The below is summary of quarterly reconciliation of statement filed to the banks and books of accounts :

(₹ in million)

Name of bank	Quarter ended	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancy
Parent company						
Citi Bank and State Bank of India	31 March 2022	Inventory	279.67	279.69	(0.02)	No material variance.
		Trade receivables	586.99	591.95	(4.96)	The variance is due to details submited to bank prior to year end.
Citi Bank and State Bank of India	31 December 2021	Inventory	304.81	304.81	-	No variance.
		Trade receivables	466.96	463.67	3.29	Advance from customer was netted off while submitting the return to bank.
Citi Bank	30 September 2021	Inventory	317.05	347.90	(30.85)	Variance is due to certain inventories reported twice.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
State Bank of India	30 September 2021	Inventory	317.05	317.05	-	No variance.
		Trade receivables	575.10	571.15	3.95	Advance from customer was netted off while submitting the return to bank.
Citi Bank and State Bank of India	30 June 2021	Inventory	327.38	325.09	2.29	The variance is on account of tool stock not included.
		Trade receivables	456.49	452.81	3.68	Advance from customer was netted off while submitting the return to bank.
Subsidiary company						
ICICI Bank	31 March 2022	Inventory	135.90	135.30	0.60	Goods in transit not adjusted.
		Trade receivables	271.29	228.94	42.35	Bill discounted adjusted against the trade receivable.
		Trade payables	165.47	157.17	8.30	Expense payable and capital creditors not adjusted.
ICICI Bank	31 December 2021	Inventory	122.31	121.72	0.59	Goods in transit not adjusted.
		Trade receivables	214.05	187.26	26.79	Bill discounted adjusted against the trade receivable.
		Trade payables	121.28	110.44	10.84	Expense payable and capital creditors not adjusted.
ICICI Bank	30 September 2021	Inventory	113.76	113.17	0.59	Goods in transit not adjusted.
		Trade receivables	217.56	192.18	25.38	Bill discounted adjusted against the trade receivable.
		Trade payables	143.50	125.90	17.60	Expense payable, advance to supplier and capital creditors not adjusted.
ICICI Bank	30 June 2021	Inventory	122.93	117.27	5.66	Goods in transit not adjusted.
		Trade receivables	156.64	128.24	28.40	Bill discounted adjusted against the trade receivable.
		Trade payables	96.56	75.44	21.12	Expense payable, advance to supplier and capital creditors not adjusted.

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18 TRADE PAYABLES

(₹ in million)

Particulars	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises (refer (ii))	150.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	157.81
Total	**308.21**

Terms and conditions of above trade payables:

(i) For explanation of Group's credit risk management - refer Note 34

(ii) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)

(₹ in million)

Particulars	As at 31 March 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
- Principal	149.98
- Interest	0.42
(b) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	
- Principal	112.29
- Interest	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.42
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-

The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors / suppliers.

(iii) Ageing for trade payable from the due date of payment for each of the category is as follows:

(₹ in million)

Particulars	Accrued expenses	Outstanding for following periods from due date of payment					Total
		Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2022							
Micro enterprises and small enterprises	-	144.75	5.65	-	-	-	**150.40**
Creditors other than micro enterprises and small enterprises	18.06	125.69	12.91	1.10	-	0.05	**157.81**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Total	**18.06**	**270.44**	**18.56**	**1.10**	**-**	**0.05**	**308.21**

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19 OTHER FINANCIAL LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022
Current	
Others	
Employee related liabilities	44.20
Capital creditors	10.86
Discount payable	77.69
Other liability	0.15
IPO expenses payable (Refer note 36)	38.21
Total	**171.11**

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 34

20 OTHER LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022
Current	
Statutory liabilities	24.99
Advance received from customers	16.60
Total	**41.59**

21 PROVISIONS

(₹ in million)

Particulars	As at 31 March 2022
Current	
Provision for employee benefits	
Provision for compensated absence	1.78
Provision for claim*	-
Provision for sales return*	5.44
Provision for goods and service tax	0.95
Total	**8.17**

*This represents provision made for expected sales returns and claim by the customers. Revenue is adjusted for the expected value of return and claims. It is expected to be utilised within 12 months from the end of the year. The provision is based on estimates made of historical data.

Movement in provisions for year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Assumed in acquisition [refer Note 42(b)]	Provision made during the year	Provision utilised during the year	Provision reversed during the year	As at 31 March 2022
Provision for claim	2.21	-	-	(1.87)	(0.34)	-
Provision for sales return	10.41	1.77	5.44	(4.65)	(7.53)	5.44
Provision for goods and service tax	-	-	0.95	-	-	0.95
	12.62	**1.77**	**6.39**	**(6.52)**	**(7.87)**	**6.39**

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a) During the year ended 31 March 2022, the Group has received an Intimation of Liability u/s 74(5) of CGST Act, 2017 amounting to ₹ 10.61 million, including penalty, with regards to ineligible input tax credit availed against tax invoices issued by M/s V Accurate Management Services Private Limited during the period July 2017 to December 2018. The Group has been legally advised that the Group has a good case on merit as it has genuinely availed the services and paid GST to the vendor. However, as a matter of prudence, the Group has made a provision amounting to ₹ 9.23 million during the year as per note 8 and note 22 and disclosed the amount of penalty of ₹ 1.38 million as contingent liability in note 38.

22 LEASES

The Group has recognised right-of-use assets and lease liabilities as below:

(₹ in million)

Particulars	As at 31 March 2022
Right of use assets – land	191.60
Lease liabilities	
Non-current	140.83
Current	27.76

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at date of commencement of lease. The weighted-average rates considered in the range of 8.30% p.a. to 10.00% p.a.

Right-of-use assets: The details of the right-of-use asset held by the Group is as follows:

(₹ in million)

Particulars	As at 31 March 2022
Opening balance	204.46
Depreciation charge for the year	(12.86)
Closing balance	**191.60**

The Group has certain warehouse and guest house on lease with contract terms of less than one year. These leases are classified as short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Amounts recognised in statement of profit and loss:

(₹ in million)

Particulars	For the year ended 31 March 2022
Interest on lease liabilities	17.21
Depreciation of right-of-use assets	12.86
Expenses relating to short-term leases	5.45
Other income - Finance income	(0.55)
Total	**34.97**

Amounts recognised in statement of cashflows:

During the year, the Group had cash outflow of ₹ 27.77 million related to right-of-use asset. The Group has not made any non-cash additions to right-of-use assets and lease liabilities.

During the year, for lease including cash outflow of short-term leases and leases of low-value assets, the Group had a cash outflow of ₹ 5.45 million

The table below provides details regarding the undiscounted contractual maturities of lease liabilities as at 31 March 2022.

(₹ in million)

Particulars	As at 31 March 2022
Less than one year	27.77
one to five years	138.85
more than five years	90.64
Total	**257.26**

23 REVENUE FROM OPERATIONS

(₹ in million)

Particulars	For the year ended 31 March 2022
Revenue from contract with customers	
Sale of products	3,663.57
Sale of services	26.65
Other operating revenues:	
Export incentive benefit	2.56
Scrap sales	5.78
Revenue from operations	**3,698.56**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2022
Revenue as per contract price	3,695.64
Addition / reduction towards discount (net)	(1.01)
Adjustment / reduction towards sales return (net)	(31.06)
Revenue from contract with customers	**3,663.57**

Contract balances

(₹ in million)

Particulars	As at 31 March 2022
Trade receivables (including unbilled)	858.01
Advance from customers	(16.60)

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24 OTHER INCOME

(₹ in million)

Particulars	For the year ended 31 March 2022
Interest income:	
On deposits with bank	16.19
On others	0.93
Gain on current investment measured at fair value through profit or loss	4.33
Gain on sale of current investments measured at fair value through profit or loss, net	4.76
Net gain on foreign currency transactions	10.25
Income from government grant	3.86
Miscellaneous income	1.29
Total	**41.61**

25 COST OF RAW MATERIAL CONSUMED

(₹ in million)

Particulars	For the year ended 31 March 2022
Inventory of materials at the beginning of the year#	200.69
Add: Purchases during the year	1,561.44
Less: Inventory of materials at the end of the year#	171.25
Total	**1,590.88**

Net of provision for obsolescence

26 CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STORES AND SPARES

(₹ in million)

Particulars	For the year ended 31 March 2022
Opening stock	
Finished goods	125.11
Stores and spares	6.28
Work-in-progress	112.77
	244.16
Closing Stock	
Finished goods	127.73
Stores and spares	6.45
Work-in-progress	110.08
	244.26
Changes in inventory of finished goods, work-in-progress and stores and spares	**(0.10)**

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27 EMPLOYEE BENEFITS EXPENSE

(₹ in million)

Particulars	For the year ended 31 March 2022
Salaries, wages and bonus	418.37
Expenses related to post-employment benefit plans-gratuity	9.89
Expenses related to compensated absences	4.85
Contribution to provident fund and other fund	16.59
Share based payment [refer Note 39]	13.95
Staff welfare expenses	46.76
Total	**510.41**

28 FINANCE COSTS

(₹ in million)

Particulars	For the year ended 31 March 2022
Interest expense on:	
Borrowings	12.61
Income tax	0.06
Lease liabilities	17.21
Other borrowing costs	0.32
Total	**30.20**

29 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in million)

Particulars	For the year ended 31 March 2022
Depreciation of property, plant and equipment [refer Note 3]	184.54
Amortisation of intangible assets [refer Note 4]	18.34
Depreciation of Right of use assets [refer Note 22]	12.86
Total	**215.74**

30 OTHER EXPENSES

(₹ in million)

Particulars	For the year ended 31 March 2022
Subcontracting charges	225.68
Consumption of stores, spare and other supplies	21.92
Power and fuel	97.62
Job work charges	19.51
Freight charges	59.27
Repairs and maintenance	
- plant and machinery	50.09
- building	5.39
- others	11.67
Rent	5.45
Legal and professional [refer Note (a) below]	33.55
Rates and taxes	9.03

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(₹ in million)

Particulars	For the year ended 31 March 2022
Travel and conveyance	30.09
Housekeeping charges	24.51
Corporate social responsibility [refer Note 37]	14.41
Sales promotion expenses	3.75
Insurance	10.53
Printing and stationery	4.57
Bank charges	4.21
Communication	2.77
Loss on sale and write off of property, plant and equipment, net	2.74
Bad debts written-off	1.00
Loss allowances on financial assets, net	(0.94)
Provision for doubtful advances	9.23
Donation	0.08
Miscellaneous expenses	7.52
Total	**653.65**

(a) Payment to auditors:

(₹ in million)

Particulars	For the year ended 31 March 2022
Audit fee	8.85
Tax audit fee	0.35
Audit related services	3.50
Reimbursement of expenses	0.57
Total	**13.27**

31 TAX EXPENSES

(₹ in million)

Particulars	For the year ended 31 March 2022
a) Amount recognised in the statement of profit and loss	
Current tax	204.39
Deferred tax credit	(15.18)
Income tax expense reported in the statement of profit and loss	**189.21**
b) Income tax recognised in other comprehensive income	
On re-measurement of defined benefit obligation	0.28
Income tax charges to OCI	**0.28**
c) Reconciliation of tax expense and tax based on accounting profit:	
Profit before income tax expense	749.35
Tax at the company's domestic tax rate of 25.17% / 27.82%	190.05
Tax effect of:	
Expenditure for which deduction is not allowed under Income Tax Act,1961	3.88
Tax effect on donation	0.02
Other deductions	(4.74)
Income tax expense	**189.21**

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d) Deferred tax
For the year ended 31 March 2022

(₹ in million)

Particulars	As at 1 April 2021	Deferred tax liabilities assumed in acquisition	Recognised in Other Comprehensive Income	Recognised in Statement of Profit and Loss	As at 31 March 2022
Deferred tax liabilities					
Property, plant and equipment and intangible assets	130.53	12.26	-	(9.74)	133.05
Right of use assets	-	35.35	-	(3.48)	31.87
Contract acquitition cost	3.47	-	-	0.50	3.97
Prepaid gratuity	2.44	(0.03)	(0.28)	(0.34)	1.79
Intangible assets acquired in acquisition	-	14.47	-	(2.75)	11.72
Others	2.37	-	-	(1.28)	1.09
Total deferred tax liabilities (A)	**138.81**	**62.05**	**(0.28)**	**(17.09)**	**183.49**
Deferred tax assets					
Provision for inventory obsolescence	10.73	-	-	3.42	14.15
Provision for compensated absences	(0.50)	0.86	-	0.19	0.55
Discount payable to customers and provision for sales returns and claim	30.53	0.49	-	(10.06)	20.96
Provision for bonus	3.84	-	-	1.78	5.62
Lease liability, net	-	49.82	-	(2.92)	46.90
Loss allowances on financial assets, net	0.32	0.65	-	(0.25)	0.72
Provision for doubtful advances and receivables	-	-	-	2.57	2.57
Financial assets carried at amortised cost	-	2.30	-	(0.15)	2.15
Others	1.97	-	-	3.51	5.48
Total deferred tax asset (B)	**46.89**	**54.12**	**-**	**(1.91)**	**99.10**
Net deferred tax liabilities (A-B)	**91.92**	**7.93**	**(0.28)**	**(15.18)**	**84.39**

32 EARNINGS PER SHARE ['EPS']
The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in million except per equity share data)

Particulars	For the year ended 31 March 2022
Reconciliation of earnings	
Profit after tax attributable to equity holders of the Group (a)	550.18
Weighted average number of shares outstanding during the year for basic EPS (b)	30,437,904
Basic Earning per share (in ₹) (a/b)	18.08
Diluted EPS	
Profit after tax attributable to equity holders of the Group for diluted EPS (c)	550.18
Weighted average number of shares outstanding during the year for diluted EPS (d)	30,729,866
Diluted Earning per share (in ₹) (c/d)	17.90
Reconciliation of basic and diluted shares used in computing earnings per share :	
Weighted average number of shares outstanding during the year for diluted EPS (b)	30,437,904
Add: Potential equity shares on employee stock options	291,962
Total weighted average number of shares outstanding during the year for diluted EPS (d)	30,729,866

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33 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level of fair value hierarchy:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amounts of financial assets and financial liabilities as at 31 March 2022:

(₹ in million)

Particulars	Carrying Amount	Fair Value			Total
	31 March 2022	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans (non-current and current)	3.31	-	-	-	-
Trade receivables	858.01	-	-	-	-
Cash and cash equivalents	159.54	-	-	-	-
Bank balance other than Cash and cash equivalents	65.19	-	-	-	-
Other financial assets (non-current and current)*	63.24	-	-	-	-
Financial assets measured at fair value through profit or loss					
Investment in mutual funds	784.42	-	784.42	-	784.42
Total financial assets	**1,933.71**	**-**	**784.42**	**-**	**784.42**
Financial liabilities measured at amortised cost					
Lease liabilities	168.59	-	-	-	-
Borrowings	125.85	-	-	-	-
Trade payables	308.21	-	-	-	-
Other financial liabilities (non-current and current)	171.11	-	-	-	-
Total financial liabilities	**773.76**	**-**	**-**	**-**	**-**

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes investment in mutual funds. The fair values of investments in units of mutual fund are based on the Net Asset Value (NAV) as per the fund statement.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values. Investments in mutual funds carried at fair value are generally based on the Net Asset Value (NAV) as per the fund statement at the reporting date.

Financial assets:
The Group has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

Current investments: Fair value of unquoted mutual funds units are based on the Net Asset Value (NAV) at the reporting date.

Financial liabilities:
Borrowing: It includes cash credit and bill discounting facilities (current borrowings). Current borrowings are classified and subsequently measured in the consolidated financial statements at amortised cost. Considering that the interest rate on current borrowings is reset on a periodic basis, the carrying amount of the current borrowings would be a reasonable approximation of its fair value.

Trade payables and other financial liabilities: Fair values of trade payables and other financials liabilities are measured at balance sheet date value, as most of them are satisfied within a short period and so their fair values are assumed almost equal to balance sheet date values.

34 FINANCIAL RISK MANAGEMENT
The Group's activities expose to a variety of financial risks: credit risk, liquidity risk and market risk.

Risk management
The Group's Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Group's Audit Committee overseas how management monitors compliance with the Group's risk management policies and procedures and reviews the adequecy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assissted in its oversite role by the internal auditor. Internal Audit function includes both regular and ah-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(i) Credit Risk
Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

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Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Group are spread across diverse industries and geographical areas. The Group limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customer.

Expected credit loss assessment for trade receivables as at 31 March 2022 is as follows:

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2022 amounting to ₹ 858.01 million. The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

(₹ in million)

Particulars	As at 31 March 2022
Balance as at the beginning of the year	1.27
Assumed in acquisition	2.32
Net measurement of loss allowance	(0.94)
Balance as at the end of the year	**2.65**

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

(₹ in million)

As at 31 March 2022	Gross carrying amount	Weighted average loss rate	Loss allowance
Current (not past due)	725.64	0.18%	1.28
0-90 days	123.89	0.33%	0.41
91-180 days	9.34	2.78%	0.26
181-270 days	1.02	8.82%	0.09
271-365 days	0.32	50.00%	0.16
> 365 days	0.45	100.00%	0.45
Balance as at the end of the year	**860.66**		**2.65**

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligation as they become due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management monitors rolling forecast of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the management in accordance with practice and limits set by the Group.

In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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Financing arrangement:

The Group maintains the following line of credit:

(i) The Group has availed bill discounting facility (with recourse) from banks and financial institutions which carries interest in the range of 5.95% p.a. to 10.00% p.a. and is payable within 45 days to 64 days from the date of discounting of bills.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022. The amounts are gross and undiscounted contractual cash flow includes contractual interest payment and excludes netting arrangements:

As at 31 March 2022

(₹ in million)

Particulars	Carrying Amount	Contractual cash flows			
		Total	0-1 year	1-3 years	3 years and above
Borrowings	125.85	125.85	125.85	-	-
Lease liabilities	168.59	257.26	27.77	83.31	146.18
Trade payables	308.21	308.21	308.21	-	-
Other financial liabilities	171.11	171.11	171.11	-	-

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and equity price risk as discussed below:

A) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Group. The functional currency of the Group is primarily INR. The currencies in which these transactions are primarily denominated are USD, EUR etc.

Management monitors the movement in foreign currency and the Group's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Group decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to management is as follows:

(₹ in million)

Particulars	Currency	As at 31 March 2022	
		Amount in foreign currency	Amount in ₹
Trade receivables	USD	1.83	139.04
	EURO*	-	-
Trade payables	EURO*	-	0.08
Bank accounts - EEFC	USD	0.18	13.71
	EURO*	-	0.13
Creditors for capital goods	USD	0.08	6.35

* The amount's are less than ₹ 0.01 million / $0.01 million / €0.01 million and hence disclosed as (-)

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD and EURO against INR at 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2022				
USD (1% movement)	1.46	(1.46)	1.09	(1.09)
EURO (1% movement)	-	-	-	-

* The amount's are less than ₹ 0.01 million and hence disclosed as (-)

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowings comprises of bill discounting which carries variable rate of interest, which expose it to interest rate risk.

(₹ in million)

Particulars	As at 31 March 2022
Variable rate borrowings	76.97

Sensitivity analysis

(₹ in million)

Particulars	Profit and loss		Equity, net of tax	
	25 basis points Increase	25 basis points Decrease	25 basis points Increase	25 basis points Decrease
31 March 2022				
Variable rate borrowings	0.19	(0.19)	0.14	(0.14)

35 CAPITAL MANAGEMENT

The Group's policy is to maintain stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Group monitors capital using a ratio of 'adjusted net debt' to equity'. For the purpose of Group's capital management, adjusted net debt is defined as short-term borrowings less cash and cash equivalent, bank balance other than cash and cash equivalents and current investments and total equity includes issued capital and all other equity reserves.

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The Group's adjusted net debt equity ratio are as follows:

(₹ in million)

Particulars	As at 31 March 2022
Short term borrowings	125.85
Less : Cash and cash equivalents and other bank balances	224.73
Less : Current Investments	784.42
Adjusted net debt	**(883.30)**
Total equity	3,604.71
Net Debt to Equity Ratio	-

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022.

36 RELATED PARTY DISCLOSURE

(i) Name of related parties and description of relationship:

Holding Company	1. Evergraph Holdings Pte. Limited (till 14 November 2021)*
Entity having a significant influence	1. Evergraph Holdings Pte. Limited (w.e.f. 15 November 2021)
Key management personnel (KMP)	1. Mr. K.A. Joseph (Managing Director and Shareholder)
	2. Mr. Sanjay Thapar (Executive Director and Shareholder)
	3. Mr. Kazi Arif Uz Zaman (Director)
	4. Mr. Vishal Sharma (Director)
	5. Mr. Kevin Joseph (Director) (w.e.f. 19 July 2021)
	6. Mr. Amit Kumar Garg (Chief Financial Officer) (w.e.f. 12 July 2021 and till 4 March 2022)
	7. Mr. Thabraz Hushain. W (Company secretary and compliance officer)
Transaction with the parties in which directors are interested	1. Sanders Consulting Private Limited (Shareholder)
Relative of key management personnel	1. Mrs. Daisy Joseph (Wife of Mr. K. A. Joseph)
	2. Ms. Nikita Joseph (Daughter of Mr. K. A. Joseph)

* During the year ended 31 March 2022, the Company has completed its Initial Public Offering (IPO) of 14,760,146 equity shares of face value of ₹ 10 each at a price of ₹ 542 per equity shares, consisting entire equity shares as an "offer for sale" by the Selling Shareholders. The Company has listed its equity shares on BSE and NSE on 15 November 2021. Out of which, Evergraph Holding Pte. Limited has sold 13,099,630 equity shares and reduced its shareholding to 34.83% from 77.86%. Accordingly, Evergraph Holdings Pte. Limited is no longer a holding company.

(ii) The following table is the summary of significant transactions with related parties by the Company:

(₹ in million)

Particulars	Type of transaction	For the year ended 31 March 2022
Evergraph Holdings Pte. Limited	Interim dividend paid*	86.51
Mr. K.A. Joseph	Interim dividend paid*	23.04
Mrs. Daisy Joseph	Interim dividend paid*	0.29
Sanders Consulting Private Limited	Interim dividend paid*	1.26
Mr. Kevin K Joseph	Interim dividend paid*#	-
Ms. Nikita Joseph	Interim dividend paid*#	-
Mr. Sanjay Thapar	Interim dividend paid*#	-
Evergraph Holdings Pte. Limited	IPO Expenses incurred on behalf of	291.33
Mr. K. A. Joseph	IPO Expenses incurred on behalf of	39.47

* Gross of Tax Deducted at Source
# The amount's are less than ₹ 0.01 million and hence disclosed as (-)

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(iii) Compensation of Key Management Personnel ('KMP')*

(₹ in million)

Particulars	For the year ended 31 March 2022
Mr. K.A. Joseph	26.53
Mr. Sanjay Thapar	26.53
Mr. Kevin K Joseph	0.84
Mr. Amit Kumar Garg	5.47
Mr. Thabraz Hushain	1.34

*As the liability for gratuity and compensated leave absences is provided on an actuarial basis for the Group as a whole, the amount pertaining to the directors are not included above. Further it does not include Expenses accrued on account of ESOPs.

Terms and conditions

All transactions with these related parties are at arm's length basis.

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

(₹ in million)

Particulars	Type of transaction	As at 31 March 2022
Evergraph Holdings Pte. Limited	IPO expenses recoverable*	1.86
K. A. Joseph	IPO expenses recoverable*	9.59

*The management of the Company, vide its board resolution dated 30 June 2021, passed a resolution to list the Company through "offer for sale of securities by certain shareholders". In accordance with this plan, the Company had filed its Draft Red Herring Prospectus (DRHP) on 28 July 2021. Subsequently, the Company got listed on NSE and BSE on 15 November 2021.

As per the arrangement with the Selling Shareholders, the expense related to "offer for sale" is agreed to be borne by the respective Shareholders in their selling shares ratio. Accordingly, the entire expenses incurred has been recorded as a receivable (no charge to the statement of profit and loss).

37 CORPORATE SOCIAL RESPONSIBILITY ('CSR') EXPENDITURE

Details of CSR expenditure are as follows:

(₹ in million)

Particulars	For the year ended 31 March 2022
Amount required to be spent by the Group during the year, #	13.16
Amount spent during the year	
- construction / acquisition of any asset	4.33
- on purpose other than above	8.83
Shortfall at the end of the year	-
Amount spent on account of previous year shortfall	
- construction / acquisition of any asset	-
- on purpose other than above	4.33
Total of previous years shortfall	-
Transaction with the related party	Nil
Movements in provisions	NA
Nature of CSR activity	Promoting education, Sanitation, Supporting Vulnerable communities during Covid, Rural development

The amount required to be spent by the Group for year ended 31 March 2022 is ₹ 13.16 million and the short spent will be determined at the end of the financial year.

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38 COMMITMENTS AND CONTINGENT LIABILITIES

(₹ in million)

Particulars	As at 31 March 2022
i) Capital Commitments	
Estimated amounts of contracts remaining to executed on capital account and not provided for	39.17
ii) Contingent liabilities	
Guarantee deposits with banks	1.35
Goods and service tax [refer Note (a) below]	1.38
Claim towards freehold land [refer Note (b) below]	20.40

(a) The above amounts have been arrived at based on the notice of demand or the assessment orders, as the case may be, and the Group is contesting these claims with the respective authorities. Outflows including interest and other consequential payments, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the judiciary. The Group doesn't expect any reimbursements in respect of the above contingent liabilities.

(b) The Group had purchased a freehold land of 37 guntas consisting of Schedule A (19 guntas) and Schedule B (17 guntas) in the year 2001. On transition to Ind AS, the Group has elected to fair value the freehold land as deemed cost at ₹ 278.10 million. The Group is in legal dispute with one of the female legal heir of the erstwhile owner of the freehold land for separate possession of 1/7 share of Schedule A of the freehold land. The above amount of ₹ 20.40 million has been arrived at basis 1/7 share of fair value of Schedule A of the freehold land, as the Group is contesting this claim in the court of law. Outflows and other consequential payments, if any, arising out of this claim would depend on the outcome of this dispute with the legal heir.

39 EMPLOYEE SHARE BASED PAYMENT PLAN

a) Description of share-based payment plan

The 'SJS Enterprises - Employee Stock Option Plan 2021' ('SJS ESOP -2021') plan was approved by the shareholders at the extraordinary general meeting held on 14 July 2021 and subsequently by Nomination and remuneration committee vide their meeting held on 19 July 2021. The Plan entitles the employees with a right but not an obligation to purchase or subscribe at a future date the shares underlying the option at a pre-determined price, subject to compliance with vesting conditions; all exercised options shall be settled as provided under the SJS ESOP-2021 plan. As per the plan, holders of vested options are entitled to purchase one equity share for every option at an exercise price of ₹ 263.86 each as per ESOP Offer letter.

The equity shares covered under these options vest at various dates over a period ranging from three to five years from the date of grant based on the length of service completed by the employee from the date of grant.

The exercise period is six months from the respective date of vesting or within thirty days from the resignation of employee whichever is earlier.

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b) The reconciliation of the share options under the share option plan are as follows:

Particulars	As at 31 March 2022
Outstanding at the beginning of the year	-
Granted during the year	1,389,000
Forfeited during the year	-
lapsed during the year	(189,500)
Exercised during the year	-
Outstanding at the end of the year	1,199,500
Exercisable at the end of the year	-

(i) The Company does not have any ESOP plan during the year ended 31 March 2021.

(ii) The options outstanding as at 31 March 2022 have an exercise price of ₹ 263.86 each.

(iii) The weighted average remaining contractual life is of 3.28 years

c) The fair value per option is measured based on the Black-Scholes option pricing model, which is as below:

Measurement of fair value	Number of options	Range of fair value per option
As on 31 March 2022	1,199,500	₹ 53.46 to ₹ 68.74

d) The fair value per options mentioned above is calculated on the grant date using the Black-Scholes option pricing model with the following assumptions:

Assumptions	For the year ended 31 March 2022
Weighted average share price on the date of grant (₹)	263.86
Exercise Price (₹)	263.86
Risk free interest rate	5.18% to 5.96%
Dividend yield	1.52%
Expected volatility	18% to 21.06%
Expected life	3.50 years to 5.50 years

Total employee compensation cost pertaining to SJS ESOP - 2021 during the year is ₹ 13.95 million.

40 ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

(₹ in million)

Particulars	As at 31 March 2022
Prepaid gratuity	7.55
Total employee benefit assets	**7.55**
Non-current	7.55
Current	-

(₹ in million)

Particulars	As at 31 March 2022
Provision for compensated absence	1.78
Total employee benefit liabilities	**1.78**
Non-current	-
Current	1.78

The Group operates the following post-employment defined benefit plan

(a) Defined benefit plans (funded):

The Group operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act,1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Group to actuarial risks., such as longevity risk. currency risk, interest rate risk and market (investment) risk.

A. Funding

Group's gratuity scheme for employees is administered through trusts. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

B. Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net defined assets / liability and its components

Reconciliation of present value of the defined benefit asset

(₹ in million)

Particulars	As at 31 March 2022
Obligation at the beginning of the year	103.31
Current service cost	10.79
Interest cost	7.16
Benefits paid	(2.51)
Actuarial losses on obligations recognised in Other Comprehensive Income (OCI)	
Changes in financial assumption	0.37
Experience adjustment	0.69
Obligation at the end of the year	**119.81**
Reconciliation of present value of the plan assets	
Plan assets at the beginning of the year at fair value	112.89
Interest income on plan assets	8.15
Contributions	8.71
Mortality charges and taxes	(0.09)
Benefits paid	(2.60)
Return on plan assets excluding interest income recognised in OCI	0.30
Plan assets at the end of the year at fair value	**127.36**
Net defined benefit asset	**7.55**

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C.(i) Expense recognised in the statement of profit and loss

(₹ in million)

Particulars	For the year ended 31 March 2022
Current service cost	10.79
Interest cost	7.16
Interest income	(8.15)
Mortality charges and taxes	0.09
Net gratuity cost	**9.89**

(ii) Remeasurement recognised in other comprehensive Income

(₹ in million)

Particulars	For the year ended 31 March 2022
Actuarial loss on defined benefit obligation	1.06
Return on plan assets, excluding interest income	(0.30)
Total	**0.76**

D. Plan assets

(₹ in million)

Particulars	As at 31 March 2022
Insurance fund	127.36
Total	**127.36**

E. Defined benefit obligation
(i) Actuarial Assumption:

Particulars	As at 31 March 2022
Rate of return on plan assets	6.40% to 7.03%
Discounting rate	6.80% to 7.13%
Future salary growth	9.00% to 12.00%
Attrition rate	12.00% to 15.47%
Weighted average duration of Defined benefit obligation (in years)	6.84 years to 10.63 years
Retirement age	58 years

Notes:

(i) The discount rate is based on the prevailing market yield on Governmental Securities as at the balance sheet date for the estimate defined obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Particulars	As at 31 March 2022
Projected benefit obligation on Current assumption	119.81
Impact of change in discount rate by +1%	(8.56)
Impact of change in discount rate by -1%	9.75
Impact of change in salary rate by +1%	5.89
Impact of change in salary rate by -1%	(5.79)
Impact of change in employee turnover rate by +1%	(1.73)
Impact of change in employee turnover rate by -1%	1.92
Impact of change in mortality rate by +10%	(0.04)

E. Maturity profile of defined benefit obligation

The Defined benefit obligation shall mature after the year ended 31 March 2022 as follows:

(₹ in million)

Particulars	As at 31 March 2022
Year ended:	
31 March 2023	14.98
31 March 2024	9.86
31 March 2025	10.13
31 March 2026	9.10
31 March 2027	7.27
After 31 March 2027	77.89

(b) Defined contribution plan:

The Group makes contributions for qualifying employees to Provident Fund and other defined contribution plans. During the year, the Group recognised ₹ 16.59 million towards defined contribution plan.

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41 SEGMENT INFORMATION

The Group is engaged in the business of manufacturing of decorative aesthetic products primarily for automotive, consumer durables and consumer appliance industry such as automotive dials, overlays, badges and logos, spare parts, assemblies, accessories of plastic and other materials. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence, CODM reviews them as one component. Further, the economic environment in which the Group operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and net profit of the sole reportable segment.

A Geographical information

The geographical information analyses the Group's revenue from external customers and non - current assets of its single reportable segment by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Revenue from operations

(₹ in million)

Particulars	For the year ended 31 March 2022
Revenue from external customers	
India	3,230.48
Rest of the world	468.08
Total	**3,698.56**

Non current assets

All non – current assets other than financial instruments of the Group are located in India.

B Major customer

Following is the breakup of customer individually accounted for more than 10% of the revenue from external customers during the year ended 31 March 2022.

(₹ in million)

Particulars	For the year ended 31 March 2022
Customer A	678.80
Customer B	450.26
Total	**1,129.06**

42 BUSINESS COMBINATIONS

The Group had entered into a Settlement and Termination agreement ('Agreement') dated 18 April 2018, and acquired the business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises ('Selling parties') effective 1 May 2018 ('Acquisition date'). The Selling parties were earlier acting as sole selling agents of the Group and were providing end-to-end customer relationship and marketing services to the Group. The acquisition was made to gain the synergies of the business and the customers developed by the Selling parties and hence the management concluded this transaction to be a business combination as per Ind AS 103. Pursuant to this Agreement, the Group has acquired the business of the Selling parties for a total cash consideration of ₹ 100.00 million to be paid over a period of 2 years in 24 equal instalment effective 01 October 2018.

The Group had conducted the fair valuation of the business on the date of acquisition and accordingly had recognised the following assets and liabilities at the Acquisition date:

(₹ in million)

Particulars	Amount
Intangible assets	
Customer relationships	37.56
Non-compete	12.20
Total fair value of net assets acquired (A)	**49.76**
Fair value of purchase consideration (B)	**89.27**
Goodwill arising on acquisition (C) = (B-A)	**39.51**

The aforesaid goodwill is not deductible under Income Tax Act, 1961.

Impairment testing of Goodwill generated from business combination
For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Acquired business of Delta Ram Enterprises, Sirisha Enterprises and SM Enterprises has been merged with the Group and their individual performance cannot be identifiable. Hence, management considered these acquired business with the Company as single cash-generating unit.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

Particulars	As at 31 March 2022
Growth rate (%)	7% - 10%
Operating margin (%)	32%-32.50%
Terminal growth (%)	5%
Discount rate (%)	13.20%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. As at 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

b) The Group has entered into an agreement dated 11 March 2021 as amended on 01 April 2021, with Exotech Plastics Private Limited ("Exotech") and existing shareholders of Exotech to acquire the entire equity shares in Exotech. Exotech is engaged in the business of manufacturing and supply of automobile components and other components. The Group has paid ₹640.00 million as a consideration for acquisition and accordingly, Exotech has become a wholly owned subsidiary of the Group. The acquisition was made to enhance the Group's product portfolio, manufacturing capabilities, customer base and cross selling opportunities.

The Group has conducted the fair valuation of the business on the date of acquisition and accordingly have recognised the following assets and liabilities at the acquisition date. The acquisition date is 5 April 2021.

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(₹ in million)

Particulars	Amount
Non-current assets	
Property, plant and equipment	161.81
Right-of-use assets	127.06
Intangible assets	0.02
Intangible assets recognised upon acquisition	
Customer relationship	39.00
Non-compete	13.00
Other non-current financial assets	9.89
Income tax assets (net)	0.42
Deferred tax assets (net)	6.54
Other Non-current assets	1.26
Current assets	
Inventories	112.50
Trade receivables	225.16
Cash and cash equivalents	111.23
Bank balance other than Cash and cash equivalents	13.60
Loans	0.55
Other current financial assets	0.36
Other assets	30.53
Total Assets (A)	**852.93**
Non-current liabilities	
Borrowings	(13.61)
Lease liabilities	(151.32)
Deferred tax on Intangibles arising on acquisition	(14.47)
Current liabilities	
Borrowings	(35.77)
Lease liabilities	(27.76)
Trade payables	(148.61)
Other financial liabilities	(11.19)
Income tax liability	(8.11)
Other current liabilities	(46.01)
Current provisions	(5.88)
Total Liabilities (B)	**(462.73)**
Total fair value of net assets acquired (C) = (A-B)	**390.20**
Goodwill arising on acquisition	
Purchase consideration transferred (D)	640.00
Total fair value of net assets acquired (E)	(390.20)
Goodwill (F) = (D-E)	**249.80**

The aforesaid goodwill is not deductible under Income Tax Act, 1961. The goodwill on acquisition can be attributable to the expected synergies of operations, cross selling opportunities and future revenue.

Impairment testing of Goodwill generated from business combination

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition. The Group internally reviews the goodwill for impairment at the operating segment level, after allocation of the goodwill to CGU's.

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A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Exotech Plastics Private Limited, a subsidiary of the Company, is operating independently and generating cash flows depending on its own assets or group of assets. Hence, management considered its a separate cash-generating unit.

The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. The fair value of a CGU is determined based on the market capitalization. Value-in-use is determined based on discounted future cash flows. The key assumptions used for the calculations are as follows:

Particulars	As at 31 March 2022
Growth rate (%)	7-9%
Operating margin (%)	13.70% to 14.00%
Terminal growth (%)	5%
Discount rate (%)	13.20%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) of the Group. As at 31 March 2022, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating units.

43 FINANCIAL RATIO

Particulars	Numerator	Denominator	For the year ended 31 March 2022
Current ratio (in times)	Total current assets	Total current liabilities	3.27
Debt – equity ratio (in times)	Debt, consisting of borrowing and lease liabilities	Total equity	0.08
Debt service coverage ratio (in times)	Earnings available for debt service	Debt service	14.54
Return on Equity (in %)	Net Profits for the year – Preference dividend (if any)	Average total equity	15.26%
Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	3.83
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.31
Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	5.07
Net capital turnover ratio (in times)	Revenue from operations	Working capital	2.23
Net profit ratio (in %)	Net profit for the year	Revenue from operations	14.88%
Return on capital employed (in %)	Profit before finance cost and taxes	Capital employed	19.24%
Return on investment (in %)	Realised and unrealised gain on investment	Average invested funds in mutual funds	1.16%

Note:
Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses + Finance cost + other non cash adjustments
Debt service = Interest and Lease Payments + Principal repayments
Working capital = Total current assets minus total current liabilities
Capital Employed = Tangible net worth + Lease liability + Deferred tax liability

44 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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45 OTHER STATUTORY INFORMATION :

i) The Group does not have any Benami property or any proceeding is pending against the Group for holding any Benami property.

ii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

iv) The Group is not classified as wilful defaulter.

v) The Group doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

vi) The Group did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

vii) The Group does not have any investment property during the financial year.

viii) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act,2013), during the financial year which are repayable on demand or without specifying any terms or period of repayment.

46 NOTE ON "CODE ON SOCIAL SECURITY, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 EVENTS AFTER REPORTING PERIOD

Subsequent to the year end, the Group has entered into a Power Supply and Offtake Agreement ("PSOA") and Share Subscription and Shareholders' Agreement ("SSSHA") with Suryaurja Two Private Limited (''STPL"), and acquired 6,00,000 Equity Shares of STPL. The investment is made in order to qualify as a captive consumer in accordance with The Electricity Act, 2003.

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the consolidated financial statements for the year ended 31 March 2022 other than stated above.

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48 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements for the year ended 31 March, 2022

(₹ in million)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or (loss)		Share in Comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent Company								
S.J.S. Enterprises Limited (formerly known as S.J.S. Enetrprises Private Limited)								
	99.18%	3,575.44	94.26%	518.61	-379.17%	1.82	94.68%	520.43
Subsidiary								
Exotech Plastics Private Limited	10.80%	389.15	7.05%	38.78	479.17%	(2.30)	6.64%	36.48
Consolidation adjustments	-9.98%	(359.88)	-1.31%	(7.21)	-	-	-1.32%	(7.21)
Total	**100.00%**	**3,604.71**	**100.00%**	**550.18**	**100.00%**	**(0.48)**	**100.00%**	**549.70**

49 The Company has acquired Exotech Plastics Private Limited ("Exotech'') effective from 5 April 2021. With the acquisition of the Exotech, the Group has prepared its consolidated financial statement year ended 31 March 2022 for the first time. Since the acquisition was effective from 5 April 2021, consolidated financial statements for year ended 31 March 2021 is not applicable to the Group.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm's registration number: 101248W/W-100022

Umang Banka
Partner
Membership number: 223018

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of

S.J.S. Enterprises Limited
(formerly known as S.J.S. Enterprises Private Limited)

K A Joseph
Managing Director
DIN: 00784084

Place: Bengaluru
Date: 26 May 2022

Sanjay Thapar
CEO and ED
DIN: 01029851

Place: Bengaluru
Date: 26 May 2022

Thabraz Hushain. W
Company Secretary
PAN: ABVPW4613P

Place: Bengaluru
Date: 26 May 2022

NOTICE OF SEVENTEENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventeenth ("17th") Annual General Meeting ("AGM") of the Shareholders/Members of S.J.S. Enterprises Limited [Formerly known as S.J.S. Enterprises Private Limited] ("Company") will be held on Thursday, 15th September 2022 at 11.30 a.m. through Video Conferencing (''VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESSES:

1. **To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2022 together with the reports of the Board of Directors and Auditors thereon:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2022 including Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement for the year ended as on that date together with the notes forming part of accounts as audited and reported by the Auditors of the Company and the Directors' Report, as circulated to the Shareholders/ Members be and are hereby approved and adopted."

2. **Re-appointment of Mr. Kazi Arif Uz Zaman (DIN: 00237331), who retires by rotation and being eligible, offers himself for re-appointment:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Kazi Arif Uz Zaman, Director (DIN: 00237331) of the Company, who retires by rotation at the 17th AGM and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Ratification of Cost Auditor's Remuneration:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of Audit Committee and approval of the Board, the remuneration payable to M/s PSV & Associates, Bengaluru, Cost Accountants, (Firm Registration Number 000304), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023, amounting to ₹ 4,00,000/- (Rupees Four Lakhs Only) exclusive of Goods and Services Tax & Re-imbursement of out-of-pocket expenses in connection with the aforesaid audit, be and is hereby ratified."

By Order of the Board
For S.J.S. Enterprises Limited

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

Place: Bengaluru
Date: 18/08/2022

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect of the special business under Item No.3 is annexed herewith and forms part of this Notice.

2. Pursuant to Section 20(2) of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, as amended, companies are permitted to send official documents to their Shareholders/ Members electronically.

3. In view of the global outbreak and continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA"), has vide its General Circular No. 14/ 2020 dated 8th April 2020, General Circular No. 17/ 2020 dated 13th April 2020, General Circular No. 20/ 2020 dated 5th May 2020, General Circular No. 02/2021 dated 13th January 2021, General Circular No. 2/2022 dated 05th May 2022 and General Circular No. 3/2022 dated 05th May 2022 (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") has vide its Circular No. SEBI / HO / CFD / CMD1 / CIR / P / 2020 / 79 dated 12th May 2020, SEBI / HO / CFD / CMD2 / CIR / P / 2021 / 11 dated 15th January 2021 and Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May 2022 (collectively referred to as "SEBI Circulars") permitted the holding of General Meetings including the Annual General Meeting by the Companies through VC/OAVM, without the physical presence of the Shareholders/Members at a common venue. In compliance with the provisions of the Companies Act, 2013, MCA Circulars and SEBI Circulars, the 17th AGM of the Company is being held through VC/ OAVM (Please see instructions/ guidelines below).

4. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Shareholders/Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited ("LIIPL") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a Shareholders/ Members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by LIIPL.

5. The Shareholders/Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to Shareholders/Members on first-come-first-serve basis.

   This will not include large Shareholders/Members (Shareholders/Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-serve basis.

6. Shareholders/Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The instructions for remote e-voting by Shareholders/ Members holding shares in dematerialized mode and for Shareholders/Members who have not registered their email address is provided in the e-voting section, which forms part of this Notice. The attendance of the Shareholders/Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. A Shareholders/Members entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a Shareholders/Members. Since the AGM is being held through VC/OAVM, physical attendance of Shareholders/ Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders/ Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes.

8. Institutional/Corporate Shareholders/Members are required to send a scanned copy (in PDF/JPG format) of certified true copy of the Board resolution/authorization letter authorising their representative to vote through remote e-voting and attend the AGM through VC/OAVM.

NOTICE

The said certified true copy of the Board resolution/ authorization letter should be sent to the Scrutinizer by email through their respective registered email addresses to the Scrutinizer at ananta.deshpande@csdco.in with a copy marked to compliance@sjsindia.com and enotices@linkintime.co.in.

9. In line with the MCA Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sjsindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of LIIPL at https://instavote.linkintime.co.in.

10. In compliance with the aforesaid MCA Circulars, Notice of the AGM and Annual Report as well as the weblink for joining the meeting is being sent only through electronic mode to those Shareholders/Members whose email addresses are registered with the Company.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013 and a Certificate from the Secretarial Auditor of the Company as required under Regulation 13 of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 regarding compliance with the same will be available electronically for inspection by the Shareholders/Members, without any fee, from the date of circulation of this Notice up to the date of AGM. The Shareholders/Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at compliance@sjsindia.com.

12. Pursuant to Section 152 of the Companies Act, 2013, Mr. Kazi Arif Uz Zaman (DIN 00237331), retires by rotation at this AGM and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment. Details of the Director proposed to be re-appointed as required in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS - 2) issued by The Institute of Company Secretaries of India, is provided as "Annexure - A".

13. Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors of the Company have appointed Mr. Ananta R Deshpande (Membership No. FCS 11869; CP No. 20322), Practicing Company Secretary as Scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.

14. Process for registration of e-mail ID for obtaining Annual Report in electronic mode and User ID / password for E-voting is annexed to this Notice.

15. All documents referred to in the Notice will be open for inspection through electronic mode. Shareholders/ Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at compliance@sjsindia.com.

16. Shareholders/Members holding shares as on cut-off date, i.e., Thursday, 08th September 2022, may cast their votes electronically. A Shareholder/Member will not be allowed to vote again on any resolution on which his/her vote has already been cast. The voting rights of Shareholders/Members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Shareholder/Member as on the cut-off date is requested to treat this Notice for information purposes only.

17. Shareholders/Members who have acquired shares after the dispatch of this Notice and before the cut-off date may approach the Company/ LIIPL for issuance of User ID and Password for exercising their votes by electronic means.

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

VOTING RESULTS:

1. The Scrutinizer shall, after the conclusion of the AGM, electronically submit the Consolidated Scrutinizer's Report (i.e. votes cast through Remote e-voting and e-voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the AGM or to any other person authorised by the Chairman of the Company.

2. Based on the Scrutinizer's Report, the result will be declared within two working days of the conclusion of the AGM and the details of result along with Scrutinizer's Report will be placed on the website of the Company at www.sjsindia.com and on the website of LIIPL at https://instavote.linkintime.co.in and the same will also be communicated to BSE and NSE.

THE INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

1. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company provides to Shareholders/Members the facility of exercising their right to cast vote(s) at the AGM by electronic means and the businesses may be transacted through e-voting services.

2. The voting period begins on Monday, 12th September 2022 at 9.00 am IST and ends on Wednesday, 14th September 2022 at 5.00 pm IST. During this period, Shareholders/Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, 08th September 2022 may cast their vote electronically. The e-voting module shall be disabled by LIIPL for voting thereafter.

3. The facility for electronic voting system, shall also be made available at the AGM. The Shareholders/Members attending the AGM, who have not cast their votes through remote e-voting and are otherwise not barred from doing so, shall be able to exercise their voting rights at the AGM. The Shareholders/Members who have already casted their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

4. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December 2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its Shareholders/Members, in respect of all Shareholders'/Members' resolutions. However, it has been observed that the participation by the public non-institutional Shareholders/Members, retail Shareholders/ Members is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the Shareholders/Members. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

5. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December 2020, on e-Voting facility provided by Listed Companies, Individual Shareholders/Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders/Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

   Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual Shareholders/Members holding securities in Demat mode is given below:

   Shareholders/Members will be able to attend the AGM through VC/OAVM through InstaMeet provided by LIIPL.

NOTICE

A. REMOTE E-VOTING INSTRUCTIONS:

The instructions and other information relating to remote e-voting are as under:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. 2. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode	Individual Shareholders/Members of the company, holding shares in physical form / Non-Individual Shareholders/Members holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under: 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. 2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: - **A. User ID:** Shareholders/Members holding shares in **physical form shall provide** Event No. + Folio Number registered with the Company. Shareholders/Members holding shares in **NSDL demat account shall provide** 8 Character DP ID followed by 8 Digit Client ID; Shareholders/Members holding shares in **CDSL demat account shall provide** 16 Digit Beneficiary ID. **B. PAN:** Enter your 10-digit Permanent Account Number (PAN) Shareholders/Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. **C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format). **D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company. *Shareholders/Members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above *Shareholders/Members holding shares in NSDL form, shall provide 'D' above. • Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter). • Click "confirm" (Your password is now generated). 3. Click on 'Login' under '**SHARE HOLDER**' tab. 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'. **Cast your vote electronically:** 1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon. 2. E-voting page will appear. 3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). 4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.

Guidelines for Institutional Shareholders/Members:

Institutional Shareholders/Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders/Members holding securities in physical mode/ Institutional Shareholders/ Members:

Shareholders/Members facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

NOTICE

Helpdesk for Individual Shareholders/Members holding securities in demat mode:

Individual Shareholders/Members holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

Individual Shareholders/Members holding securities in Physical mode has forgotten the password:

If an Individual Shareholders/Members holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the Shareholders/Members can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case a Shareholders/Members is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders/Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders/Members holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. + Folio Number registered with the Company.

Individual Shareholders/Members holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders/Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participant's website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders/Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, Shareholders/Members can login any number of times till they have voted on the resolution(s) for a particular "Event".

B. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING ("AGM") THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in.
2. Select the "Company" and "Event Date" and register with your following details:-

Demat Account No. or Folio No.	• Shareholders/Members holding shares in CDSL: 16 Digit Beneficiary ID; • Shareholders/Members holding shares in NSDL: 8 Character DP ID followed by 8 Digit Client ID; and • Shareholders/Members holding shares in physical form: Folio Number registered with the Company
PAN	• Enter your 10-digit Permanent Account Number (PAN) • Shareholders/Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
Mobile No. and Email ID	• Enter your mobile number • Enter your e-mail ID, as recorded with your DP/ Company.

3. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

4. Please refer the instructions for the software requirements given in point 'E' below and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

C. INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO SPEAK DURING THE AGM THROUGH INSTAMEET:

1. Shareholders/Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request atleast 3 days before the AGM mentioning their name, demat account number/folio number, e-mail ID, mobile number at compliance@sjsindia.com.

2. Shareholders/Members will get confirmation on first-come-first-serve basis depending on the availability of time at the AGM.

3. Shareholders/Members will receive "speaking serial number" once they mark attendance for the meeting.

4. Shareholders/Members are requested to remember speaking serial number and start your conversation only when moderator of the meeting/ management will announce the name and serial number for speaking.

5. The Shareholders/Members who do not wish to speak during the AGM but have queries may send their queries in advance 3 (three) days prior to the AGM mentioning their name, demat account number/folio number, e-mail ID, mobile number at compliance@sjsindia.com. The Company will give response to the queries suitably by email.

   Shareholders/Members may note that the Company reserves the right to restrict the number of questions and number of speakers during the AGM, depending upon availability of time and for conducting the proceedings of the meeting smoothly. However, the Company will suitably respond to the questions which have remained unanswered during the meeting, over email.

D. INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO VOTE DURING THE AGM THROUGH INSTAMEET:

1. Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, Shareholders/Members who have not exercised their vote through the remote e-Voting can cast the vote as under:

Sr. no.	Steps
1.	On the Shareholders/Members VC page, click on the link for e-Voting "Cast your vote"
2.	Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3.	After successful login, you will see "Resolution Description" and against the same the option "Favour / Against" for voting
4.	Cast your vote by selecting appropriate option i.e. "Favour / Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under "Favour/ Against".
5.	After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6.	Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

2. Shareholders/Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

NOTICE

3. Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

4. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

5. In case Shareholders/Members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: 022-49186175.

E. INSTRUCTIONS FOR THE SOFTWARE REQUIREMENTS AND OTHER GENERAL INSTRUCTIONS:

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

1. Please download and install the Webex application by clicking on the link https://www.webex.com/downloads.html/

   OR

2. If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:
   - Enter your First Name, Last Name and Email ID and click on Join Now.
   - If you have already installed the Webex application on your device, join the meeting by clicking on Join Now.
   - If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
   - Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

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

Shareholders/Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form. The email addresses can be registered with the Depository Participant ("DP") in case the shares are held in electronic form and with the Registrar and Transfer Agent of the Company ("RTA") in case the shares are held in physical form.

For any assistance regarding share transfers, transmissions, change of address or bank mandates, duplicate / missing share certificates and other related matters, the RTA of the Company may be contacted at the following address:

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West),
Mumbai - 400083.
Tel.: 022 - 4918 6270/ 4918 6200 / 1800 1020 878
Fax: 022 - 4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE 17TH AGM OF THE COMPANY IN RESPECT OF ITEM NO. 3 OF THE SAID NOTICE:

ITEM NO.3

Ratification of Cost Auditor's Remuneration:

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 provides for:

- appointment of a Cost Accountant in Practice, to conduct audit of cost records of a company, by the Board of Directors on the recommendation of Audit Committee; and
- ratification of remuneration payable to him by the Shareholders/Members of the company.

In terms of the aforesaid provisions, the Board of Directors of the Company at its meeting held on 12th May 2022 and based on the recommendation of Audit Committee has approved the appointment of M/s. PSV & Associates, Bengaluru, Cost Accountants (Registration Number: 000304), to conduct the audit of the cost records of the Company for the financial year ending 31st March 2023. The remuneration fixed for their appointment is ₹ 4,00,000/- (Rupees Four Lakh only) plus applicable Goods and Services Tax (GST) and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Shareholders/ Members of the Company.

Accordingly, consent of the Shareholders/Members is sought to ratify the remuneration payable to the Cost Auditors.

The Board recommends the Ordinary Resolution set out at Item No. 3 for the approval of the Shareholders/Members.

Interest of directors & key managerial personnel:

None of the Directors or key managerial personnel of the Company or their relatives is/ are directly or indirectly concerned or interested, financially or otherwise, in this resolution.

By Order of the Board
For S.J.S. Enterprises Limited

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

Place: Bengaluru
Date: 18/08/2022

NOTICE

Annexure-A

Details of Directors seeking appointment/re-appointment at the 17th AGM to be held on 15th September 2022

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meeting (SS-2)]

Agenda Item No.	2
Name of the Director	Kazi Arif Uz Zaman
Category	Non-Executive Director
Director Identification Number (DIN)	00237331
Date of Birth and Age	11/07/1971 & 52 years
Nationality	Indian
Residential Address (along with Phone, Fax and Email)	No. 34/4, 1st Main 5th Cross, Near Kothanur Bus Stop, Anjanappa Layout, North Dr Shivarama Karanth Nagar, Bengaluru 560 077, Karnataka, India
Educational/ Professional Qualifications	He holds a bachelor's degree of technology with honours in electrical engineering from the Indian Institute of Technology, Kharagpur and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is a chartered financial analyst (CFA) charter holder from the Association for Investment Management and Research (now known as CFA Institute, USA).
Expertise in specific functional area	He has previously worked with ANZ Grindlays Bank Limited/ Standard Chartered Grindlays Bank/ ANZ Capital Private Limited, ICICI Venture Funds Management Company Limited and Everstone Capital Advisors Private Limited where his last designation was Managing Director – Private Equity.
First appointment on the Board of the Company	September 24, 2015
Date of appointment in current designation	September 16, 2016
Terms and Conditions of Appointment	Liable to retire by rotation
Remuneration details	Nil
Number of shares held in the Company (including shareholding as a beneficial owner) as on: a) 31st March 2022 b) 31st July 2022	Nil
Relationship with other Directors/Manager/Key Managerial Personnel	Nil
Number of Board Meetings attended during the I. FY 2020-21 II. FY 2021-22	 I. 6 out of 6 II. 13 out of 13
Directorships held in other Companies in India	Ascentios Advisors Private Limited
Directorships held in other Listed Companies in India	Nil

Name(s) of other organizations or entities or associations or Unincorporated entities in which the person has held the post of Chairman or Managing Director or Director or Chief Executive Officer or associated with the above entities in any other capacity. Indicating the activity of the Company and regulators, if any	Nil
Chairmanships/Memberships of the Committees of other Listed and public limited companies as on March 31, 2022:	
a. Audit Committee	NA
b. Stakeholders' Relationship Committee	Member
c. Nomination and Remuneration Committee	-
d. CSR Committee	-
e. Other Committee(s)	-
Brief Resume of Director	Mr. Kazi Arif Uz Zaman holds a bachelor's degree of technology with honours in electrical engineering from the Indian Institute of Technology, Kharagpur and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is a chartered financial analyst (CFA) charter holder from the Association for Investment Management and Research (now known as CFA Institute, USA). He has over 25 years of experience and has previously worked with ANZ Grindlays Bank Limited/Standard Chartered Grindlays Bank/ ANZ Capital Private Limited, ICICI Venture Funds Management Company Limited and Everstone Capital Advisors Private Limited where his last designation was Managing Director – Private Equity. He is presently a partner of GestAlt Network LLP.
Listed entities from which the person has resigned in the past three years	Nil

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