Sirca®
WOOD COATINGS (ITALY)

SIRCA PAINTS INDIA LIMITED
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011-42083083 info@sircapaints.com
www.sircapaints.com
CIN NO : L24219DL2006PLC145092

TO,
LISTING DEPARTMENT
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
EXCHANGE PLAZA, 5TH FLOOR, PLOT NO. C/1
G-BLOCK, BANDRA-KURLA COMPLEX, BANDRA (E)
MUMBAI-400051

Date: June 30, 2022

SUB: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

SYMBOL-SIRCA

Dear Sir/Ma'am,

This is with reference to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"). Please find enclosed herewith the Copy of the Annual Report of **Sirca Paints India Limited** comprising of Management's Discussion and Analysis, Risk Management Report, Notice for 17th Annual General Meeting, Director's Report, Corporate Governance Report, Secretarial Audit Report, Business Responsibility Report, Auditors Report, Financial Statements and other documents and information as required in the terms of the Listing Regulations and other applicable provisions, for the financial year ended March 31, 2022

Further Pursuant to **Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")** notice of AGM along with the annual report for the financial year 2021-22 is also being made available on the website of the Company at: www.sircapaints.com

This is for your information and record.

Thanking You,

Yours Faithfully,

For Sirca Paints India Limited

SIRCA PAINTS INDIA LIMITED DELHI

Suraj Singh
Company secretary & Compliance officer

Sirca
WOOD COATINGS (ITALY)

Growing Wide. Growing Fast. Growing Strong.

2022

Annual Report **2021-22**

Contents

Strategic Priorities

Learn how Sirca plans to navigate the future through its carefully devised strategies

Presence

Learn how Sirca is getting closer to its customers, across India

Branding and Marketing

Learn all about Sirca's latest campaign "Your Italian Autograph"

08

Product Portfolio

Learn more about Sirca's growing portfolio of niche products

Safe Harbour Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Further informantion can be found online by visiting
sircapaints.com

FY22 Highlights

₹ 200.02 Cr
REVENUE FROM OPERATIONS

₹ 37.76 Cr
OPERATING PROFITS

₹ 27.73 Cr
PROFITS AFTER TAX

Inside

STRATEGIC REVIEW

04 Growing Wide.
06 About Us
08 Brand & Product Portfolio
12 Presence

14 Growing Fast.
16 Business Model
18 Key Performance Indicators
20 Strategic Priorities

24 Growing Strong.
26 Board of Directors
28 Letter to Shareholders
30 Branding and Marketing Initiatives

32 Management Discussion and Analysis

38 Risk Management Report

STATUTORY REPORT
42 Notice
57 Director's Report
65 Report on Corporate Governance
97 Business Responsibility Report (BRR)

FINANCIAL STATEMENTS
105 Standalone Financial
141 Consolidated Financial

Growing Wide

Growing wide

PRODUCTS AND PRESENCE

Sirca, currently, is undergoing a phase of transformation. The Company's objective is to broaden its portfolio of products as well as to reach out to a wider market. Towards this, being the customer-centric organisation it is, the Company has been breaking new ground by introducing innovative and benchmark-setting products, designed to meet growing demands of the aspirational Indian. Sirca is also gearing up to strengthen its presence in the South, West and East India as well as in other South Asian countries, with the goal of tapping these evolving markets. The Company is firing on all cylinders and is marching towards one primary goal - to make Sirca a household name in India.

1,580
Strong retail presence through 1,580 dealers across India

19
Sirca Studios for class-apart consumer experience

13
Branches & depots

587
Serving 587 OEMs

04
Exclusive sponsor of 4 marquee brands in India

Growing Fast

Growing fast

PERFORMANCE

While broadening its horizons, Sirca has seen robust growth, galvanising its strong fundamentals into focussed performance. Even through the global pandemic and the unforeseen challenges faced within Sirca, such as the fire incident at our facility 2 years ago, the Company has always ensured that the core financial propositions remain stable. Sirca aims to keep up the momentum of its performance in the coming years, and leverage its expansion plans as the bedrock for creating value for its shareholders. It believes that the asset additions it is in the process of consummating would firmly establish it as a force in its industry.

19.4 %
Revenue
(5 year CAGR)

15.1 %
PAT
(5 year CAGR)

13.3 %
EBITDA
(5 year CAGR)

Growing Strong

Growing strong

PEOPLE

Perhaps Sirca's most asset is its relationship with its people. It believes that there is no greater force than the people it engages with - be it its employees, dealers, consumers or influencers. The Company is heavily invested in cultivating its relationship with its dealers, who in turn are the conduits for the products of the Company touching the lives of the end-users. It deploys proactive efforts to ensure that its products meet the demands in the market, and creates platforms for engaging effectively with its customers. The Company understands that its true value is in its sustainability, which it aims to achieve by not only fostering lasting goodwill for itself and its products, but also by supporting the communities its operations touch.

Millions
Touched lives of millions of consumers

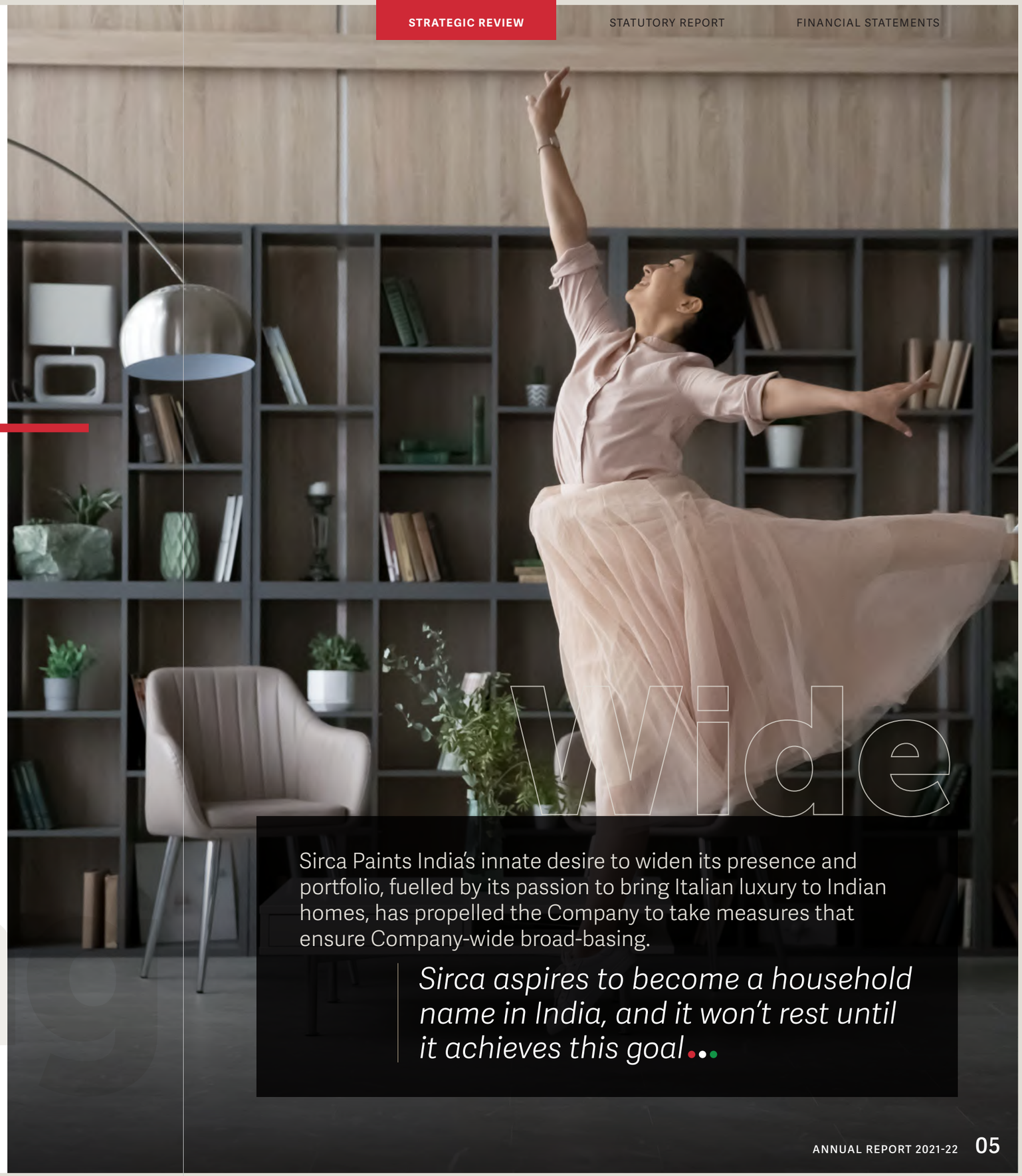
395
Team strength of 395

Growing Wide

06 About Us
08 Brand & Product Portfolio
12 Presence

Growing Fast

Growing Strong



Wide

Sirca Paints India's innate desire to widen its presence and portfolio, fuelled by its passion to bring Italian luxury to Indian homes, has propelled the Company to take measures that ensure Company-wide broad-basing.

Sirca aspires to become a household name in India, and it won't rest until it achieves this goal...

Bringing Italy to Indian Homes

Sirca Paints India Limited ('Sirca') is one of the leading brands for wood coating products in India, with over two decades of experience in the industry. The Company is engaged in the manufacturing and sales of wood coatings and other decorative paints, under its owned or exclusively licensed brands such as Sirca, Unico, San Marco and DuranteVivan, and is also geared to begin exporting its products in some of the South Asian countries shortly. Sirca is significantly expanding its domestic footprint by setting up additional manufacturing facilities & infrastructure to strengthen its position in the East, West and South Indian markets.

Sirca's sole motto is to breathe life into the walls & furniture of its customers, and into their homes.

SIRCA'S STRENGTHS

- Wide range of product offerings, targeted at a diverse set of customers and available at various price-points, from entry-range to ultra-luxury
- Effective marketing and promotion strategy, designed to foster inclusivity, trust and loyalty, while maintaining consistent brand messaging
- Seasoned promoters and management with demonstrated track record of value creation
- Strong governance framework, including Board of Directors from diverse backgrounds

SIRCA'S VISION

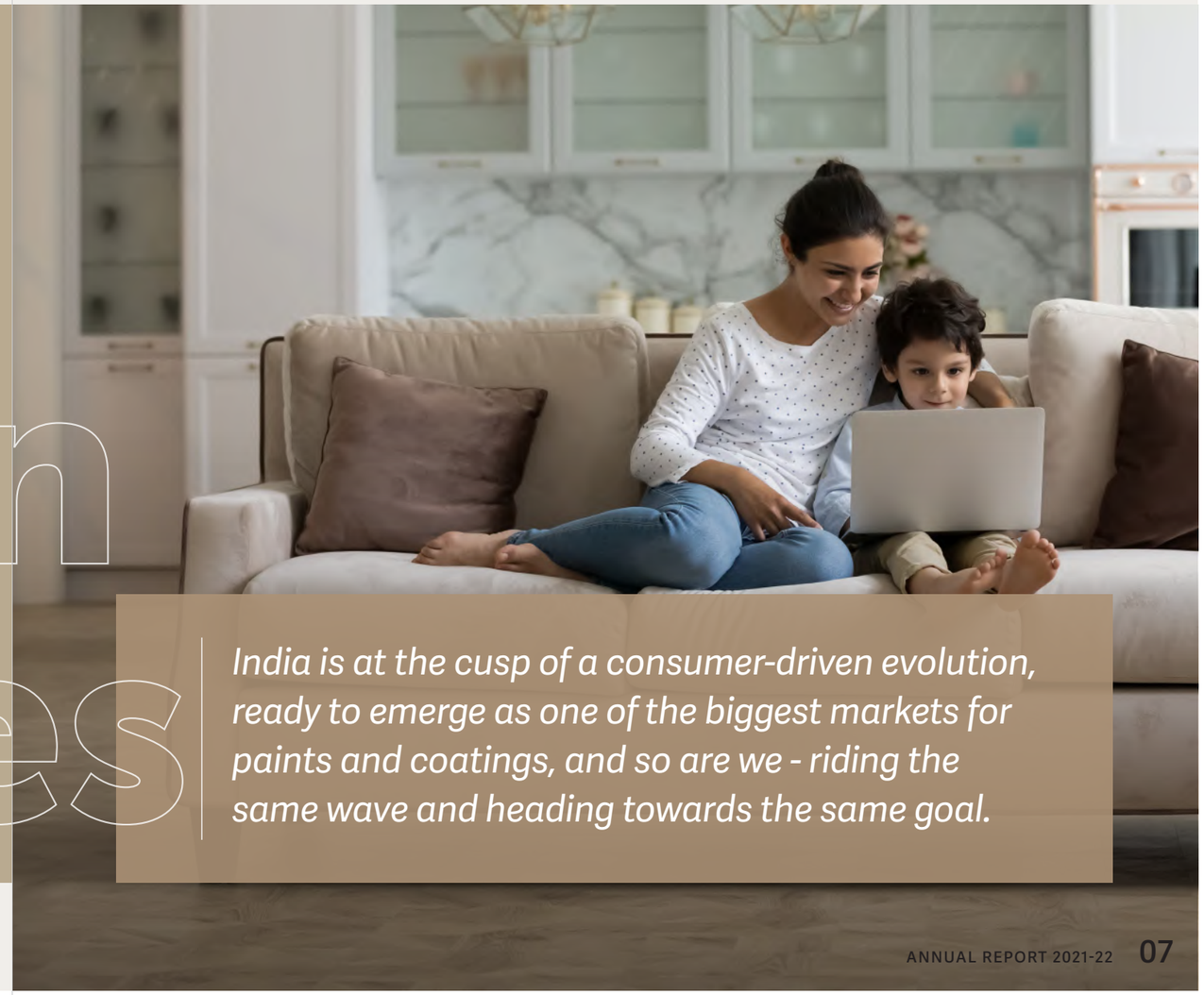
To become an industry leader of paints and coating solutions in India

SIRCA'S MISSION

- To provide technologically advanced and innovative paint and coating solutions to our customers
- To transform dreams into reality, by catering to the growing needs and desires of every Indian household

Sirca's aesthetically superior and luxurious wood coatings & finish products cater to the growing needs of the average Indian consumer, whose aspirations and purchasing power have grown leaps and bounds in the last decade. The Company is focused on growing wide, thus matching its trajectory with the growth of the Indian market.

Indian Homes



India is at the cusp of a consumer-driven evolution, ready to emerge as one of the biggest markets for paints and coatings, and so are we - riding the same wave and heading towards the same goal.

Diverse Brands.
Uniform Values.

Sirca's brands exemplify simplicity and modernity, while also delving into extravagance. Its diverse range of products are designed to provide its customers with a luxurious experience. Sirca brings the Italian fantasy alive by being consistent with its quality, R&D and innovation, thus enabling its customers to choose refined and customised products.

India's growing need to consume luxurious and aesthetically pleasing products comes from its augmented purchasing power and its increased disposable income, which percolates down to the way an Indian home looks today - minimalistic and chic.

Brands

Premium Italian wood, metal and glass coatings

This category of products is aimed at covering a broad spectrum of protection and aesthetic solutions for wood, glass and metal surfaces, catering to an aspiring crowd that is quality and health conscious.

Wood
Wood stains, polyurethane polish (PU), polyester (lamination), acrylic finishes, UV products, wood fillers, wood care products, handmade effects, special effects, additives and many more

Glass
Bicomponent water-borne and solvent-borne pigmented topcoats for coating and colour effects

Metal
Paints and coating to protect from corrosion and to add artistic features to metal surfaces

Mass market wood coating solutions

Nitrocellulose (NC) and melamine wood coating, and thinners
Even though globally, there is a consumer driven shift towards Polyurethane products, this range of products was introduced to satiate the needs of the Indian customers and give them exactly what they want. This product range appeals to the price-conscious consumer and distinctly differs from Sirca's core offerings. With the ultimate goal of making in-roads into the larger Indian market, the Company aims to drive demand for its core Italian product portfolio through the uptake of its Unico product range.

Diverse Brands. Uniform Values.

Wall paints range

This range had its humble beginnings with only 7 products, focused on a few premium products. However, having garnered a tremendously positive response in just two years, the range expanded to include 19 products with 4 new additions in FY22. These products are designed to adhere with the Indian requirements and match international standards, to recreate an ambience of high sheen levels, ensuring the smoothest finish and a plethora of shade choices. Sirca also offers white cement wall putty to complement its wall paints range.

Key product attributes

- Non-toxic
- Non-flammable
- Eco-friendly
- Health-friendly
- Low in Volatile Organic Compounds (VOC)
- Stain resistance
- Excellent coverage
- Resistance against algae and fungal damage

Sirca wall paints range offers all that and much more.

Decorative and solid colour finishes

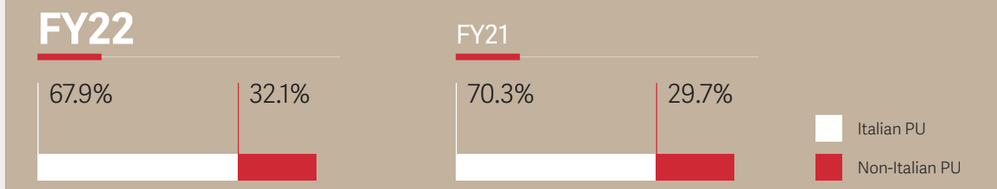
This is a renowned Italian special effects brand brought to India, in collaboration with the San Marco Group, globally accepted as the trendsetter in the decorative and solid colour finishes segment. This brand offers exclusive creations that go well beyond the average customisation needs - serving classics like the Venetian plaster, to serving contemporary effects that play with the refraction of light, uber innovative concrete and oxidised metal effects.

Values

Adhesives

This brand is a gold standard in Europe and an industry leader in Italy, and its flagship product is hot melt adhesives. Sirca is leveraging the experience, expertise and credibility of this global product, and is focused on upgrading the needs of the Indian market. The Company is currently focused on offering this product to its existing OEM clientele, who are equipped to use this, as it endeavours to market other retail products under this brand through its distribution network in the future.

Revenue contribution of Sirca's products



Brand Spectrum

** includes Bangladesh, Sri Lanka and Nepal*

Getting Close to Our Customers, Across India

Sirca is working hard to get closer to its customers all throughout India. The Company has evolved from being predominantly a north-India brand to establishing a presence across the country. To build on this, the Company is cultivating a strong dealer community, introducing superior home-improvement solutions, and establishing strategically positioned infrastructure.

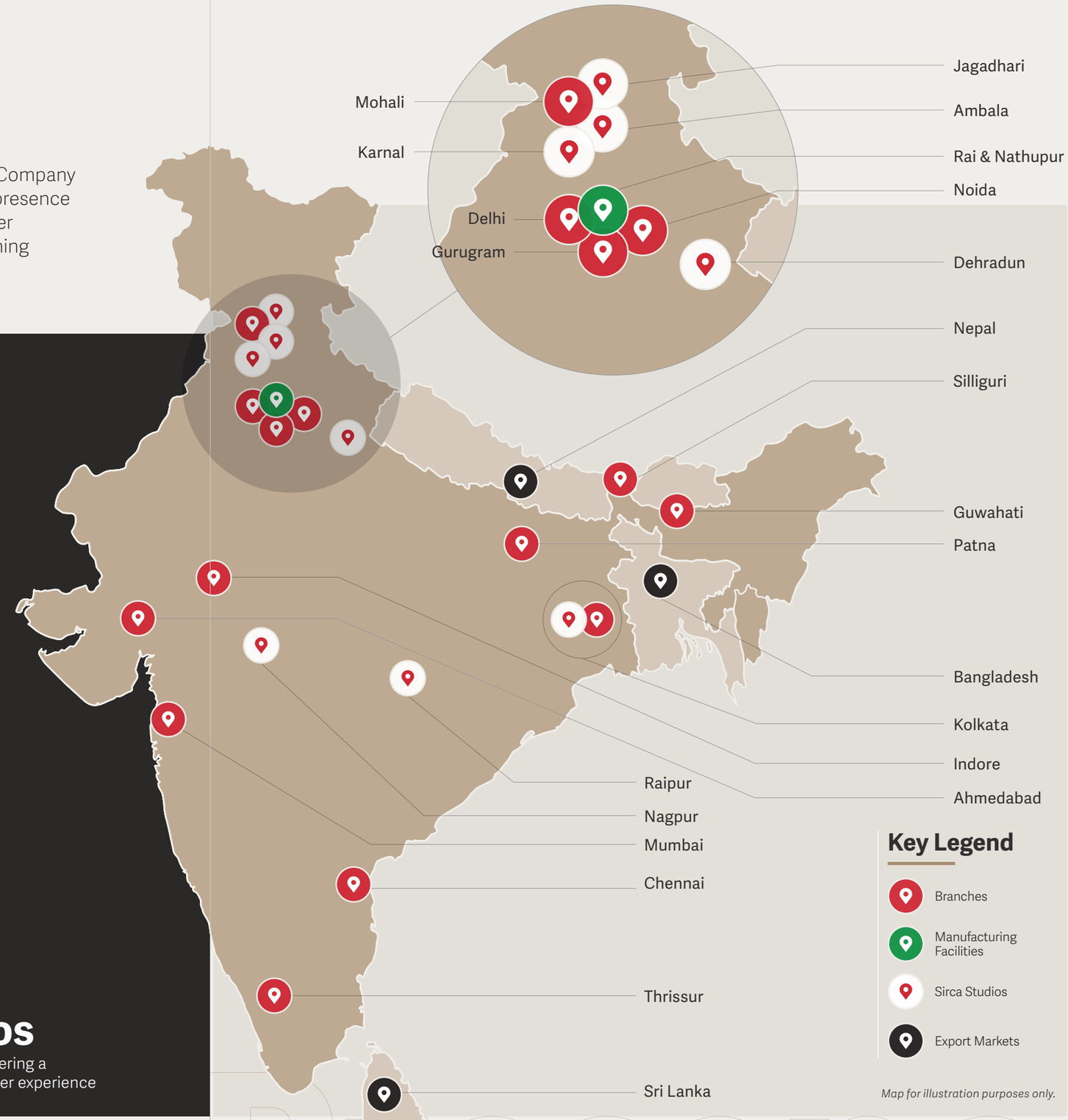
Making Indian our playground

	2019	2022
Dealers	555	1,580
Branches and depots	07	13
Sirca Studios	10	19

Pan-India
A growing pan-India presence

~1,150
Shop boards installed for enhanced brand visibility

Sirca Studios
Sirca Studios offering a superior customer experience



Map for illustration purposes only.

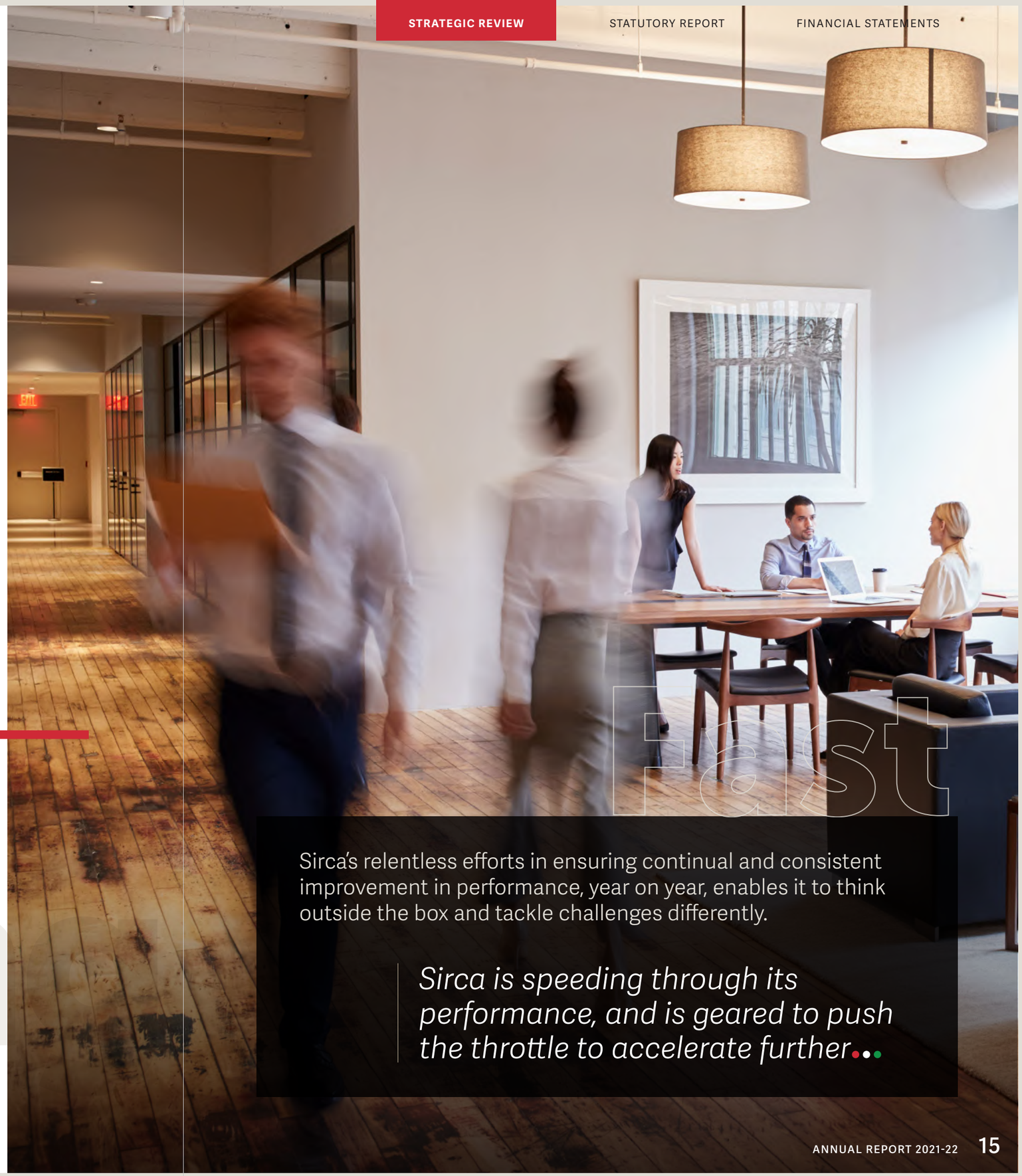
Presence

Growing
Wide

Growing Fast

Growing
Strong

16 Business Model
18 Key Performance Indicators
20 Strategic Priorities



Fast

Sirca's relentless efforts in ensuring continual and consistent improvement in performance, year on year, enables it to think outside the box and tackle challenges differently.

Sirca is speeding through its performance, and is geared to push the throttle to accelerate further...

The nitty gritties of the **Italian Experience**

Sirca, synonymous with innovation and constant value creation, aims at building a robust organisation with a dedicated workforce. The Company's goal is to make itself a household name, and to that extent, it is focussed on working relentlessly until it achieves what it has set out to.

Experience

INPUTS

Financial Capital

- Shareholders' funds of ₹ 225.15 Crore
- Debt free balance sheet

Manufacturing Capital

- State-of-the-art wood coatings manufacturing plant at Sonipat, Haryana
- Wall paints and putty manufacturing facility in NCR
- Resin manufacturing line being added at Sonipat facility
- 1 upcoming plant announced in South India

Human Capital

- Committed team of 395 people
- Continuously expanding sales & marketing team of ~120

Distribution Prowess

- Growing dealer community of 1,580 members
- 587 satisfied OEM's Client
- 13 branches and depots to better serve our customers

VALUE CREATION

Mission

- To provide technologically advanced and innovative paints and coating solutions to our customers, on-time always
- To transform dreams into reality, by catering to the growing needs and desires of every Indian household

Strengths

- Wide range of product offerings
- Effective marketing and promotion strategy
- Strong promoters and management with demonstrated track record of value creation
- Strong governance framework, including Board of Directors from diverse backgrounds

Strategic priorities

- Strengthening distribution network
- Nurturing OEM relationships
- Augmenting brand equity
- Exploring export market opportunities
- Expanding product portfolio
- Building strong organisational capabilities
- Strategically located manufacturing plants & infrastructure
- Gearing for robust financials

> Pg. 20 *read more here*

OUTPUTS

Niche Product Portfolio

- Premium Italian wood, metal and glass coatings
- Wall paints and putty range
- Mass market wood coatings: nitrocellulose (NC), melamine, and thinners
- Exclusive decorative and solid colour finishes
- Adhesives

Strong Brand Spectrum

> Pg. 06 *read more here*

OUTCOMES

Leadership

- Among the top 3 premium category wood coatings brand in India
- Market leader in premium wood coatings in North India
- Preferred OEM vendor for premium wood coatings

Robust Financial Results

- Revenue ₹ 200.02 Crore
- Operating Profits ₹ 37.76 Crore
- PAT ₹ 27.73Crore
- EPS: ₹ 10.12

Superior Manufacturing Capabilities

- 8,000 Tonnes for NC, Melamine and Economical PU products
- 4,000 Tonnes for PU Thinner and above-mentioned products
- 48 Lakh Litres for Wall Paints

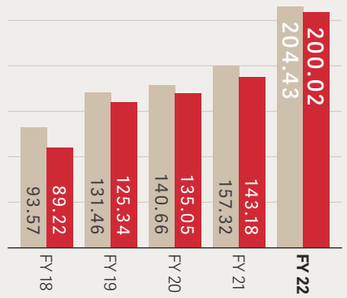
Committed Workforce

- Upskilled
- Motivated
- Experienced

Achieving Milestones with **Robust Financial Health**

TOTAL INCOME & REVENUE FROM OPERATIONS

(₹ IN CRORES)



40% Y-O-Y

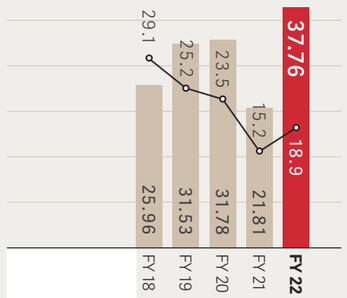
19% 5Y CAGR

Total income

Revenue from Operations

EBITDA & EBITDA MARGIN

(₹IN CRORES & IN %)



73% Y-O-Y

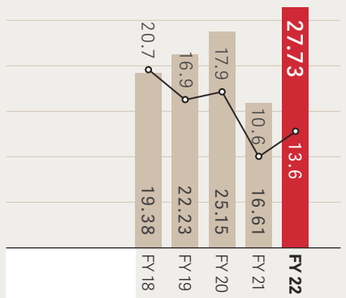
13% 5Y CAGR

EBITDA

EBITDA Margin

PROFIT AFTER TAXES & PAT MARGIN

(₹IN CRORES & IN %)



67% Y-O-Y

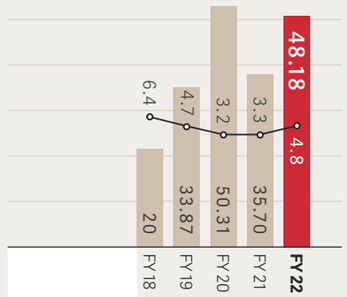
15% 5Y CAGR

Profit After Taxes

PAT Margin

FIXED ASSETS & FIXED ASSET TURNOVER

(₹IN CRORES & IN TIMES)



35% Y-O-Y

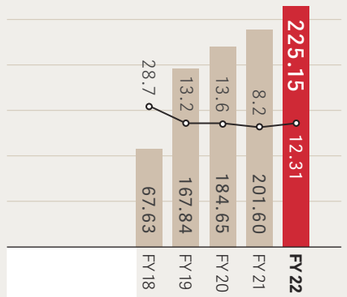
FIXED ASSETS

Fixed Assets

Fixed Assets Turnover

EQUITY (SHAREHOLDERS FUND) & ROE

(₹IN CRORES & IN %)



408 BPS Y-O-Y

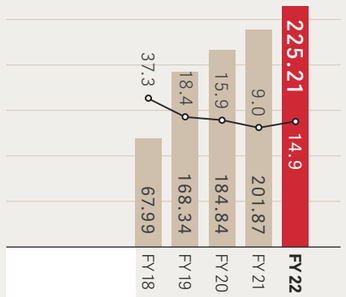
ROE

Equity

ROE

CAPITAL EMPLOYED & ROCE

(₹IN CRORES & IN %)



594 BPS Y-O-Y

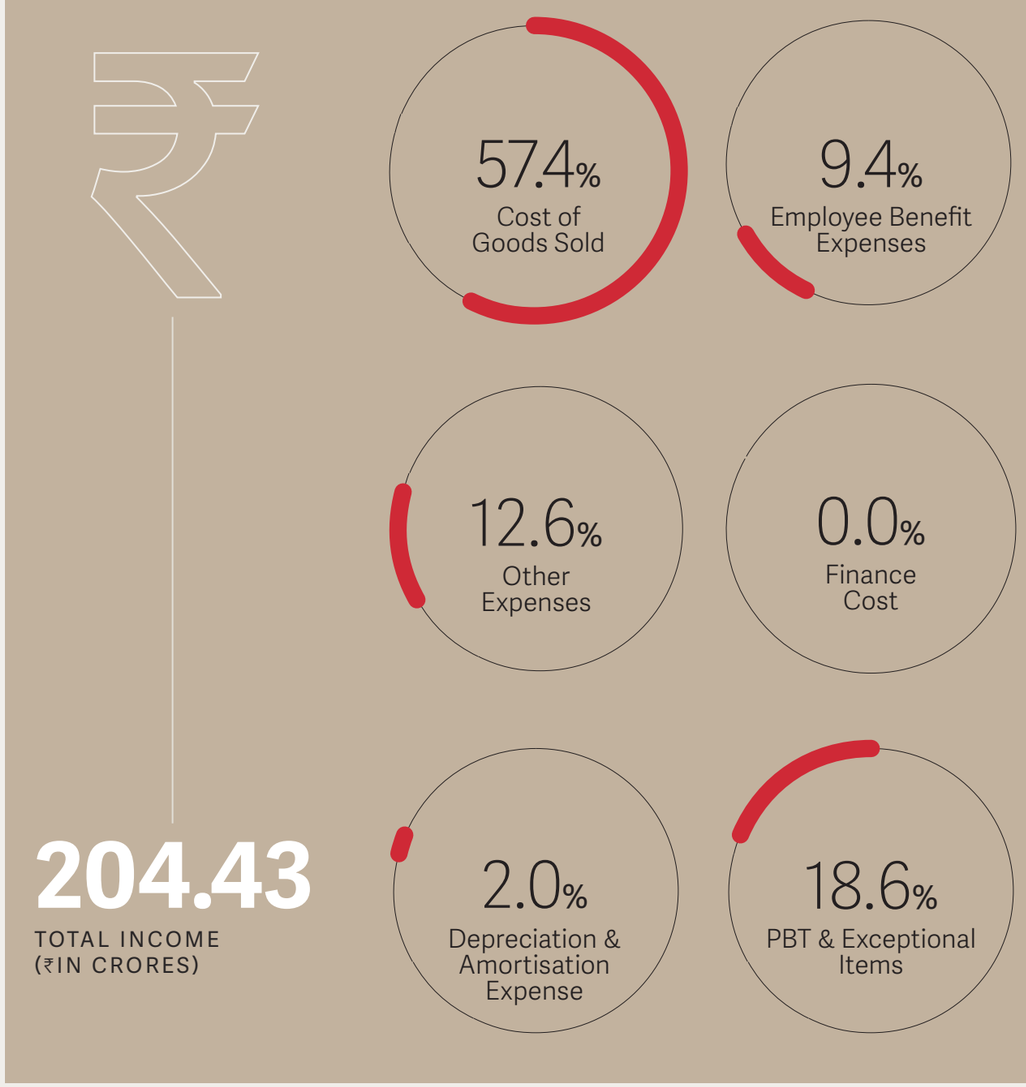
ROCE

Capital Employed

ROCE

Sirca's strength lies in its ever-improving performance, year on year, and its Key Performance Indicators are a testament to that fact. Apart from valuing its customers, distributors, employees and other associated people, it is also incumbent upon us to reflect steady growth numbers that further the trust and loyalty in Sirca. The Company projects a strong trajectory in the coming years, enabled by its numerous endeavours to penetrate India with its growing portfolio of niche products, thus making the wait worth it.

TOTAL INCOME BUILT-UP FOR FY22



Prioritising

Key Focus Areas

For any Company, as for Sirca too, its strategies reflect on its existing capitals while also defining its course for the future. It is the means to achieve the set-out goals and objectives, and a steering wheel to guide the Company through the many obstacles. At Sirca, strategies are the key to unlocking success, and therefore is the most critical priority for the Company.

Strategic

01

Strengthening distribution network

Over the last three years, the Company has significantly expanded its distribution network. From 555 nodes three years ago to 1,580 nodes at present - the Company's distribution has grown leaps and bounds. In order to better serve its new markets, the Company has also significantly expanded its branch & depot network, which has grown from 7 three years ago to 13. As it moves forward, the Company plans on adding more dealers and distributors to diversify its geographical presence and strengthen its foothold in markets beyond North India. In order to strengthen its dealer community, the Company has implemented several initiatives such as expanding its product portfolio, creating appealing propositions for newly recruited dealers, introducing channel finance, among other incentives.

> Pg. 08 *read more here*

02

Nurturing OEM relationships

Over the last two decades, Sirca has earned a reputation among Original Equipment Manufacturers (OEMs) as a trustworthy partner who provides high-quality wood coatings solutions as well as exceptional technical support and after-sales service. This has allowed us to build a sizable clientele of 587 OEMs around the country, which has proven to be a profitable sales channel for the Company. While Sirca wood coatings was the primary offering to OEMs in the first leg of our journey, the Company intends to build on its trust and relationship with this important sales channel by introducing new brands and products. DuranteVivan, an Italian adhesives brand with its signature hot-melt glue solution, is one such recent addition.

03

Augmenting brand equity

The Company has been investing in consistent marketing and promotional activities as part of a 360-degree marketing effort targeted at increasing brand equity and improving customer recall of the 'Sirca' brand. Sirca has launched the campaign 'Your Italian Autograph.' to portray the Company as an uber-luxury, Italian aesthetic product range that elegantly beautifies the house. With Sirca, the Company is promoting a consistent message across the board: "Bring Italy to Your Home!" Apart from its flagship brand, the Company is advertising its Unico brand aggressively, particularly in the new regions it is entering.

> Pg. 30 *read more here*

04

Exploring export market opportunities

The Company has begun the journey of going beyond Indian shores and bringing its stellar product range to the emerging class of aspirational consumers in other South Asian countries such as Nepal, Bangladesh and Sri Lanka. Towards this, Sirca seeks to be a stakeholder in the promising growth stories of India's neighbours like Nepal, Bangladesh and Sri Lanka. Some of these geographies are all experiencing the emergence of growing industries and an ever-expanding consumer base, which Sirca seeks to effectively leverage in the times to come and emerge as a strong player in these markets.

Prioritising
Key Focus Areas

Priorities

05 Expanding product portfolio

Sirca has always been one to marry Indian tastes with international standards. On the one hand, its existing portfolio of wall paints has been augmented with new offerings, while on the other hand, the Company has come out with brand new wood coatings product range specifically for the Indian markets. Unico, a line of nitrocellulose, melamine, polyurethane wood coatings and thinners, have been introduced, keeping in mind the specific needs of the Indian markets. Unico's quality range of products is being offered at an attractive price-point catering to the price-conscious segment of the Indian markets. The Company has also introduced the renowned Italian special effects brand San Marco to India, offering exclusive customisation options to the consumers. Furthermore, in the adhesives category, Sirca has also brought DuranteVivan, the apex European adhesives brand, to India, intending to give its customers the best value proposition.

> Pg. 08 *read more here*

06 Building strong organisational capabilities

The Company has been concentrating on bringing in new and seasoned personnel, as well as training its existing employees. Some of the new senior team members have impressive credentials and are committed to propelling the Company to new heights. Simultaneously, the in-house expertise is dedicated to increasing the Company's market positioning and growing the business even further. The Company believes that its robust, competent and motivated workforce will drive it towards even better performance.

07 Strategically located manufacturing plants & infrastructure

The Company is and will be making crucial investments in establishing an additional manufacturing facility, newer branches, depots and Sirca Studios to better serve the markets the Company has tapped in the last few years. It will also help us cater to the strong demand arising out of the new markets. In addition, strategically located facilities in proximity to newer markets such as South India will give the desired advantages in terms of supply-chain management and optimising logistics costs.

Furthermore, to establish stringent quality control and achieve consistency in finished products, the Company has undertaken a project to set up a manufacturing line for resins - a key starting material for wood coatings - at its existing facility in Sonipat. In addition to quality, resins will also help optimise production costs. Resins produced out of this line will be used for the Unico range of products. This project is expected to be completed in H1FY23.

08 Gearing for robust financials

The Company has a history of steady yet sustainable growth, which is backed by its strong financial credentials. Sirca believes that its planned expansion and consequent capital allocation will serve as the bedrock for its future performance. The Company is emboldened by the trust which has been reposed in it by its stakeholders and is committed to boosting its operations in a way that would cement its place in the industry and create lasting value for its stakeholders. Sirca is confident that its financial resources, planning and execution would lead to robust gains for all its stakeholders.

> Pg. 18 *read more here*

Growing Wide Growing Fast Growing Strong

26 Board of Directors
28 Letter to Shareholders
30 Branding and Marketing Initiatives

Sirca believes in the power of collective - be it its people coming together and helping unlock opportunities for the Company or the communities that are part of the Company's journey.

Sirca understands and acknowledges the efforts and contribution of its people and strongly affirms that the best kind of growth is one which is inclusive

Leading **by Example**

An active board focussed on strategic decision making

07 Board Meetings During FY22

70% Overall Attendance Rate at Board Meetings

15 Board Committee Meetings During FY22

84% Overall Attendance Rate at Board Committee meetings

05 Years Term Limit for Independent Directors

53 Years Median Director Age

Legend

- A *Audit Committee*
- N *Nomination and Remuneration Committee*
- S *Stakeholders Relationship Committee*
- C *Corporate Social Responsibility Committee*
- R *Risk Management Committee*

Mr. Sanjay Agarwal

CHAIRMAN AND MANAGING DIRECTOR

Mr. Agarwal is one of the co-founders of Sirca Paints India Limited; he has been working in the Paints & Coatings industry for more than three decades. Under his able leadership, Sirca has risen to the ranks as one of the most prominent brands of luxury wood coatings in the country. A Chartered Accountant by qualification, Mr. Agarwal currently looks after the finance and strategy functions of the organisation.

Mr. Apoorv Agarwal

JOINT MANAGING DIRECTOR

Mr Agarwal has a bachelor's degree from Delhi University and a master's degree in Finance & Marketing from IIPM. He has a decade of experience and training in the Italian furnishing and Italian wood coatings space. In addition, he has worked with prominent Italian furnishing brands like B&B Italia, Reflex, Laura Meroni, Simon Cenedese, and many others. At Sirca Paints India, he looks after the Sales and Marketing functions. He has also been tasked with establishing Sirca's presence across the country through its distribution network.

Mr. Gurjeet Singh Bains

NON-EXECUTIVE DIRECTOR

Mr Gurjit Singh Bains is one of the co-founders of Sirca Paints India, and he has more than two decades of experience in wood coatings and the Italian furniture industry. He was among the early introducers & trendsetters of branded Italian furniture in India.

Mr. Ugo Pelosin

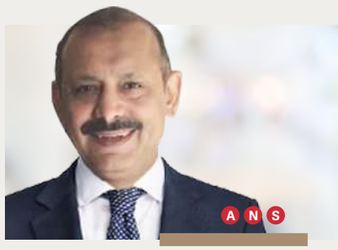
NON-EXECUTIVE DIRECTOR

Mr Pelosin has over two decades of experience in wood coatings, with a thorough exposure to global markets for paints and coatings. Apart from being the Non-Executive Director of Sirca Paints India, he is also the Export Director of Sirca S.p.A (Italy). He was nominated as the Non-Executive Director of the Company by Sirca S.p.A (Italy) as per the Shareholder Agreement entered between the companies.

Mr. Shyam Lal Goyal

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mr Goyal was the Audit and Finance Advisor at Ghazanfar Bank. He leads each firm's lines of business - the Banking Sector and FMCG industries in an expeditious manner. He holds an experience of over 30 years and has held various senior positions in India and abroad. His expertise in global financial operations, Corporate Governance, Enterprise-wide systems, and Financing is a proven asset to the Company.



Dr. Sanjay Kapoor

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Dr Kapoor is a doctor by profession and holds an MBBS and DCH (Diploma of Child Health) with over 20 years of experience in the paediatrics department. His diverse experience is a valuable addition to the Board.

Mrs. Anu Chauhan

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mrs Chauhan has a vast experience of over a decade in management and team leadership skills. She has a proven track record of running successful operations and nurturing & growing businesses. Her core area of expertise includes - business management, directing and planning, supervising multi-disciplinary teams, processes, documentation, business control checks, audits, and vendor management.

Mr. Anil Kumar Mehrotra

NON-EXECUTIVE AND INDEPENDENT DIRECTOR

Mr Mehrotra is an experienced finance professional who has worked as a CFO in the Automotive and FMCG industry for over 30 years in multiple corporations in 4 different countries. His areas of expertise include business strategy and financial planning, international operations, acquisitions, corporate governance, taxation, business unit restructuring & integration systems.

Delivering Results Despite a Challenging Year

Greetings, Shareholders,

It's a pleasure to write to you all again in my annual shareholder letter. Sirca Paints India Limited has had a very eventful year. In terms of our overall performance for the year, we had a strong year despite a slow start in Q1 FY22, when the second wave of Covid-19 had a severe impact on the business.

Nonetheless, from Q2 onwards, we immediately recovered and have had good quarters ever since. The Company's topline increased by nearly 40% year over year, with our highest-ever Revenue from Operations exceeding 200 crores. This growth has come from a combination of our iconic Italian PU portfolio and emerging categories like Wall Paints and Unico's product offerings.

We experienced some operational turbulence throughout FY22. To begin with, the second wave of Coronavirus had a significant impact in Q1, particularly in our mainstay NCR market. While this trend held until May, we saw a rise in demand from June onwards once lockdown restrictions were relaxed. Following that, profit margins were pressured as the paints and coatings industry as a whole saw severe cost inflation due to increased raw material prices. While the industry had to raise prices, it did so gradually so as to not upset the initial signs of demand recovery. During the H2 in north India, there were some disruptions, including brief lockdowns and a restriction on spray painting in the NCR to reduce pollution during the peak of the winter season.

Results

Sirca is here to create a market for wood coatings and other niche home-improvement products, with the mission of bringing the world's best to the growing aspirational Indian consumer.

Despite these challenges, we emerged victorious, ending the year with solid topline growth driven by a healthy increase in volume while improving our profitability in a challenging year. Our operating profit margin for the year was 18.9%, up from 15.2% the year before; as a result, PAT for the year was 27.73 crores, up from 16.61 crores the year before. On the working capital front, we have significantly reduced our debtor days. Inventories, on the other hand, remain high, principally to avoid supply-side disruptions for our imported Italian products. We will maintain increased buffer stockpiles for the foreseeable future until supply-side tensions are completely alleviated. We also implemented channel financing for a select group of dealers and distributors in the fourth quarter, which will help us enhance collections and boost inventory turns from those dealers. The Company maintains a solid liquidity position with zero debt obligations, leaving us ample capital for future expansion activities and opportunities.

On the operational front, our Wall Paints portfolio, which also includes San Marco, performed exceptionally well in our emerging product portfolio, which includes Wall Paints, Unico products, and DuranteVivan. Unico's product range grew steadily throughout the year, and we expect this category to do even better in the following year. Due to Covid-induced travel constraints, the commute of our Italian technical team to India was a challenge. Hence, product introductions and demonstrations to our OEM clients were delayed, and, DuranteVivan was unable to make any significant progress in the year under review. However, we've debuted this brand at a few key trade shows and exhibitions now that numerous operational issues have been subsided. We have high expectations for this product range, given DuranteVivan's exceptional product quality, particularly its hot-melt glue offerings. Our Italian PU range continues to be among the country's leading premium wood coatings brands, scaling newer heights every passing year.

On the infrastructure front, we have some investments anticipated and others in the works. To begin with, we are now installing a line at our Sonipat facility to produce resins for our Unico range. This will aid us in achieving better quality control, end-product consistency, and cost optimisations. This project is set to be commercialised in the first half of FY23 and will not require considerable capital investment. Following that, we plan to open a new manufacturing facility for mass-market wood coatings to better service the South Indian market. However, we've put this off for a few quarters as we wait for our on ground team to accomplish some preliminary marketing and distribution work. We will continue our progress on establishing Sirca Studios at multiple locations that are aimed at achieving a better customer experience. Finally, we are also looking to set up additional branches and depots to better serve our newly-tapped markets.

We have also added some fresh and senior talent to our team in the past year. These industry professionals have the qualifications and expertise required to help Sirca achieve its growth objectives. Furthermore, in order to propel Sirca into the next orbit of growth, we have increased our efforts in training and upskilling our existing team. We see plenty of opportunity in both our core and emerging product portfolios as we move forward. Despite all short-term turbulence, we are undeterred from our long-term strategic priorities. Sirca is here to create a market for wood coatings and other niche home-improvement products, with the mission of bringing the world's best to the growing aspirational Indian consumer.

Before I conclude, I would like to thank our investors for their unwavering support; our employees, whose dedication to their work continues to propel us forward, and our customers, whose loyalty pushes us to provide more.

Thank you very much,
Yours sincerely,
Sanjay Agarwal

Presenting an **Italian Fantasy**

A campaign series called "Your Italian Autograph" has been developed and devised by the Company to portray the brand Sirca as an uber-luxurious, Italian, aesthetic product range that gracefully beautifies one's home and living spaces.

> *"Bring Italy to Your Home!"*
>
> *Is the Company's unified message with the Sirca brand, signifying Italian richness & beauty.*

The Company does everything it can to preserve the Sirca brand's Italian heritage and authenticity, even down to the quote on product labels and hoarding associated with the brand. Quotes such as

> *"Made in Italy"* and *"industria resine e vernici"*
>
> *are prominently visible on Sirca products.*

In addition, the Company is also vigorously promoting its Unico brand, particularly in the new markets it is entering, as an extension of the Sirca brand that offers quality wood coatings solutions at an effective price point.

Marketing and Promotional Activities

- The Company is stepping up its advertising, marketing, and sales promotion efforts in an effort to boost awareness of the "Sirca" brand.
- Even in previously untapped regions, the Company has enacted a 360-degree marketing strategy.
- In Hindi and other regional languages, television and radio ads, as well as movie theatre advertisements, have all been launched.
- Sirca also has a strong digital marketing strategy in place to attract millennials to the brand.
- Shop boards and signs have been put at Sirca's dealer network in order to strengthen the brand's outdoor presence.

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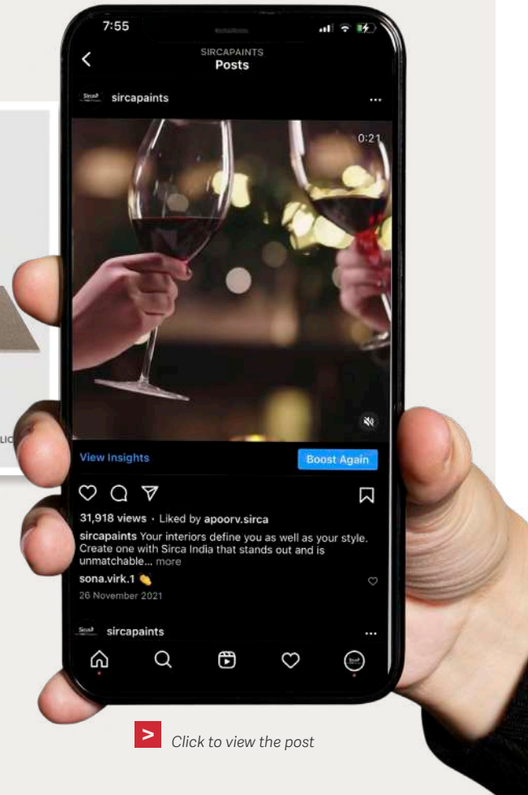

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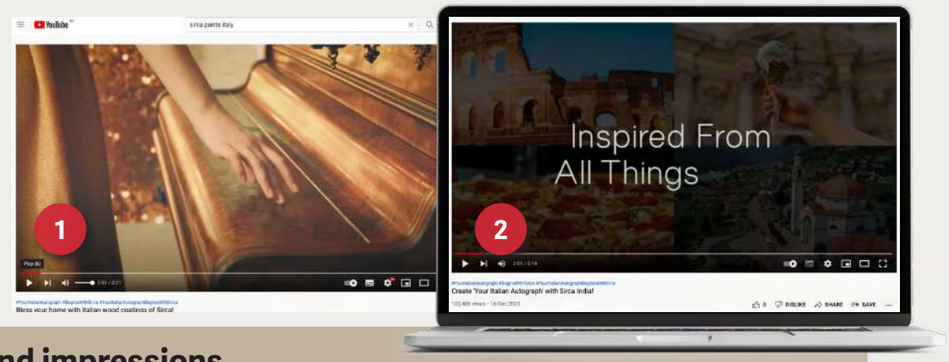
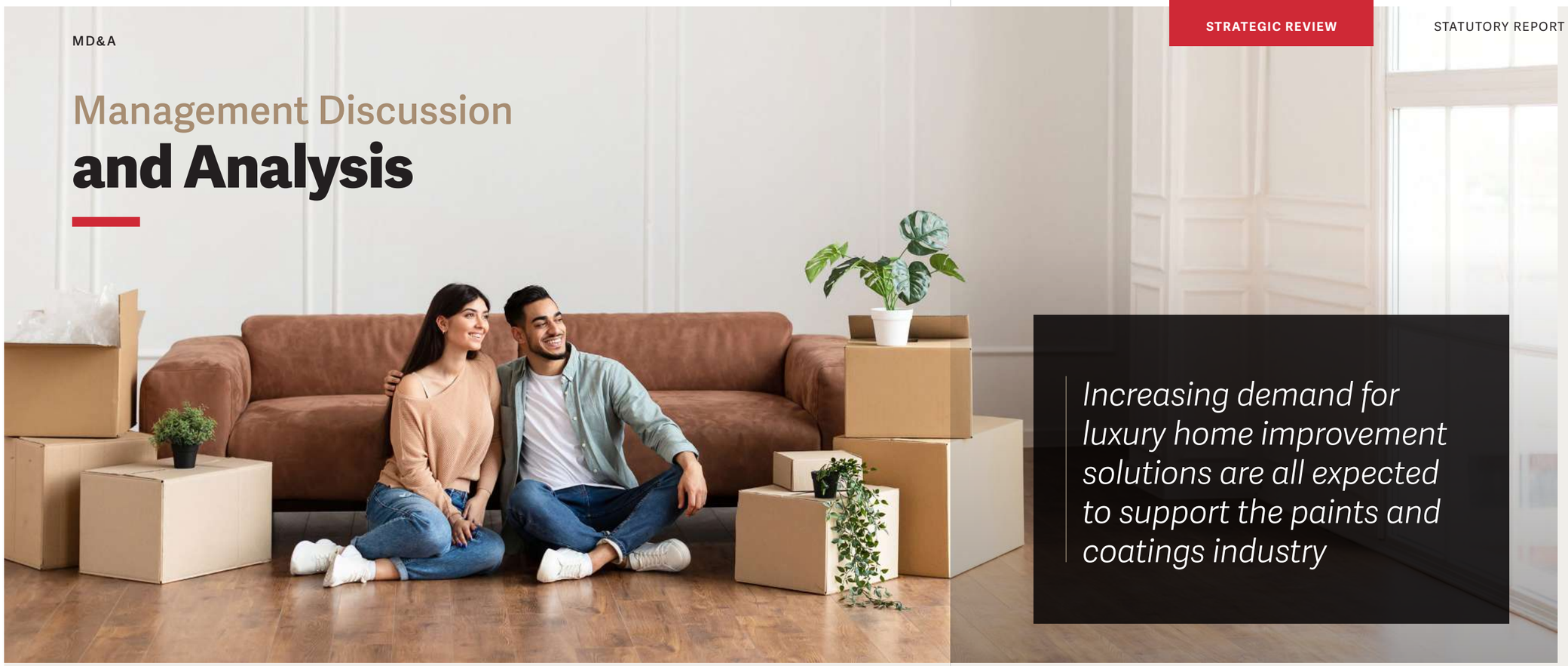


Outreach and impressions

12+ Mn	05+Mn	77 K+	03 Mn+
Total Impressions	Total Reach	Total Clicks	New Video Views

Management Discussion and Analysis



Increasing demand for luxury home improvement solutions are all expected to support the paints and coatings industry

Indian Economy

Following a strong GDP rebound in 2021, the Indian economy is losing steam as inflationary expectations rise due to rising global energy and food prices. While the initial surge in prices was ascribed to strong demand, chronic supply chain disruptions have caused inflation to approach multi-decade highs in almost all major economies. Export-oriented sectors have benefited significantly from enhanced vaccination programmes, favourable fiscal and monetary stimulus, as well as a significant recovery in global trade, and have garnered attractive global investments as a result of supply chain de-risking and the China +1 strategy. Inflation, on the other hand, has soared, putting the expansion of import-dependent industries in peril.

These roadblocks, however, will pass, and India is on the threshold of a long-term economic recovery with promising growth prospects.

According to the IMF, India's economy is expected to grow at an annual rate of 8.2% in 2022 and 6.9% in 2023. This expansion is fueled by increased public infrastructure investment, the expected resurgence of the automobile sector, and a surge in private sector investments. As a result, the Indian economy is expected to become one of the world's fastest-growing economies over the next decade.

Source: IMF

Paints and Coating Industry Overview

India's paint industry is estimated to be a 55,000 crores market, according to industry estimates, and is one of the world's fastest-growing major paint markets, with double-digit growth for the past two decades. The organised sector dominates the Indian paints and coatings market, accounting for 75 % market share, while the unorganised sector accounts for the remaining 25%.

The paint industry is broadly divided into two segments: decorative paints and coatings and industrial paints and coatings. The decorative segment accounts for 74% of market value and 85% of the market volumes, and the balance comprises industrial paints & coatings. Interior and exterior paints, design range, premier, enamel, wood finishing, and waterproofing are all categories of decorative paints and coatings. Automotive paints, performance coating liquids, powder coating, marine coating, and refinishes are included in the Industrial paints and coatings segment. The decorative paint category has been one of the fastest-growing paint segments, driven by volume increase and premiumisation as consumers gradually shift their preferences from traditional whitewash to the high-quality emulsion and enamel paints.

Outlook, Trends, and Scenario

Recently, the industry has been grappling with the Pandemic and its aftermath, as well as rising input costs and inflation and increased supply chain disruptions, all of which have hampered the paints sector's overall growth. Furthermore, mounting geopolitical concerns over the Ukraine-Russia conflict, the resurgence of Covid in some Chinese cities, and growing port congestion in China have exacerbated supply chain issues. Nevertheless, the industry is expected to regain momentum in the following year, owing to large-scale vaccination programmes and a low probability of new severe waves of Covid-19 and resulting lockdowns. Furthermore, the industry has collectively taken necessary price hikes to pass on rising input costs to the end consumers to the extent feasible.

Strong consumer demand, increased disposable income, the growing trend of nuclear families, and the increasing demand for luxury home improvement solutions are all expected to support the paints and coatings industry. Furthermore, trends such as the growing popularity of working from home are encouraging people to spend more on home renovations and decor, and elevating the significance of overall aesthetics in furnishings. In addition, India's growing housing demand, which is being fueled by government efforts like housing for all and infrastructure spending, would help the sector grow even faster. Paint and coating industry growth has historically been highly correlated with GDP growth, with the former growing 1.5-2x the GDP; with India's GDP predicted to grow at a faster rate in the future, the paint sector is expected to perform well.

Market trend in Wood Coating and Finishes

Wood coatings are used in a wide range of projects, including residential, commercial, and hospitality. These coatings are used on wooden furniture for their adhesion, anti-corrosion, durability, appearance, and aesthetic qualities. India has grown to become one of the largest markets for wood coatings in the Asia-Pacific region in the last decade.

The most significant change in the wood coating industry in recent years has been the increased demand for environmentally friendly qualities. New rules and regulations, such as Eco-product Certificate Schemes (ECS), have been introduced across the European Union, as have various other legislation relating to air pollution. As a result, consumer preferences are shifting away from toxic and environmentally detrimental products to consumer and environment-friendly, non-toxic alternatives in the wood coatings

The industry has collectively taken necessary price hikes to pass on rising input costs to the end consumers, to the extent feasible.

Management Discussion and Analysis

product category. Certain solvent-based toxic wood coatings produce high levels of VOCs that are injurious to individuals and the environment; unfortunately, these coatings account for the vast majority of the volume in Indian markets. Multiple factors are driving a transition away from potentially dangerous products like Nitrocellulose (NC) and Melamine coatings and towards high-quality Polyurethane (PU) coatings, including:

- Increasing public awareness of the adverse health effects of these deteriorating wood coatings,
- Growing awareness about environment-friendly products,
- The greater artistic and aesthetic value of furnishings
- Other factors include lower odour, increased durability, and resistance, making these products more preferable.

The demand for wood coatings has steadily shifted from solvent-borne coatings to water-borne coatings, with water-borne coatings now accounting for a significant market share in developed markets. Sirca S.p.A. (Italy), a leader in the industry, already produces a full spectrum of water-based polyurethane coatings. This transition has been aided by the rising value of aesthetics and increased spending on the furnishing segment. However, in the long run, rising disposable income and a change in the value chain toward higher-end wood coating goods will be the primary growth drivers for the wood coatings market.

Company Overview

Sirca Paints India Limited ('Sirca') is one of India's leading brands and manufacturers of wood coating products, with over two decades of experience in the industry. The Company is engaged in the manufacturing and sales of wood coatings and other niche decorative paints and home-improvement products under its owned or exclusively licensed brands such as Sirca, Unico, San Marco and DuranteVivan. Sirca is also geared to begin exports of its products to some other South Asian countries shortly.

Sirca, a market leader in premium wood coatings in north India, is significantly expanding its domestic footprint by setting up additional manufacturing facilities & infrastructure to strengthen its position in the East, West and South Indian markets. The Company currently operates two manufacturing facilities, one for mass-market wood coatings products in Sonipat, Haryana and a wall paints and putty in the NCR region.

Customer Segment

The Company primarily caters to two customer segments:

Retail

The Company caters to retail customers through its strong & growing distribution network of more than 1,580 dealers, further supported by a branch & depot network of 13 across its key markets. The retail customer segment contributes to nearly 70% of the revenue stream. The Company is also increasing its geographical footprint and expanding its dealer network in Southern, Western & Central India. To better service its newer markets, the Company plans to establish an alternate manufacturing facility in South India to serve these markets better. Furthermore, in order to improve 'Sirca' brand recall, the Company is expanding its advertising, marketing, and sales promotion spending. In its target markets, particularly in the newly tapped territories, the Company has developed a 360° marketing strategy. Commercials have been broadcast on television in Hindi and other regional languages, as well as adverts in various media. In addition, Sirca is putting up shop boards at its dealer network to improve its outdoor presence. A total of 1,150+ shop boards have been installed so far. The Company is also establishing a chain of exclusive Sirca Studios that showcase the application and merits of Sirca's entire product portfolio. At present, a total of 19 such studios are operational across India. The objective of these studios is to generate a superior consumer experience and act as a platform through which customers & influencers such as architects and contractors can better understand its products.

OEMs

Since the Company's beginning, Sirca has collaborated with furniture and fixture manufacturers. Sirca's products are a result of several collaborations and a thorough understanding of OEM needs. OEMs have also been early adopters of premium wood coating solutions in India. Sirca is the primary and, in many cases, the only choice for furniture manufacturers when it comes to wood coatings. The Company has ensured utmost satisfaction and strong customer relationships by providing strong technical and after-sales support to OEMs. The OEM segment, where the Company works with a well-diversified clientele of around 587 clients, accounts for nearly 30% of the total revenue. Some of them are the country's largest and most recognised furniture manufacturers, including Godrej & Boyce, Jindal Stainless, Indoline, Space Wood, Pyramid, MAS Furniture, Alsorg, and Soundarya Decorators, among others. The growing prominence of ready-made, modular furniture over on-site furniture will boost this segment's performance in the long run. Indian consumers, particularly millennials, are increasingly choosing ready-made furniture as a trend. This trend is fueled by factors such as convenience, faster turnaround times, and a growing array of options. Sirca has become a vital vendor to OEMs because of its ongoing innovation, new product introductions such as the introduction of NC and Melamine coatings through the Unico brand, and outstanding technical assistance. As a result, the Company is in an excellent position to take advantage of potential prospects in this area.

Sirca reported its highest-ever topline of ₹ 200.02 Crores

FY22 Performance review

Sirca Paints India Limited continued to report a strong performance for the year, with Revenue from Operations growth of 39.7% from 143.18 crores in FY21 to an all-time high of 200.02 crores in FY22. This was supported by a healthy increase in volumes in the core Italian PU portfolio and emerging product categories such as wall paints and the Unico range of products. The Company also witnessed a strong recovery in its profitability in FY22, with EBITDA margins expanding by 364 bps to 18.9% in FY22 compared to 15.2% in FY 21, and PAT growing a stellar 67% year-on-year basis to 27.73 crores. On the balance sheet front, the Company maintains a good liquidity position supported by significant Cash Flow from operations in FY22 and no debt obligations. The Company has improved its debtor days with the help of its new collection policies with dealers; channel financing was introduced in the fourth quarter of FY22 to improve debtor days further. Inventory continues to remain elevated as the Company carries a higher buffer as a precautionary measure to avoid supply disruptions of imported products.

Management Discussion and Analysis

Financial Ratios

Ratios	FY21	FY22	% Change	Remarks
Total Debt to Equity (times)	0.26	0.17	(36%)	Total Debt to Equity ratio decreased on account of decrease in Total Liabilities.
Current Ratio (times)	3.95	5.51	39%	The current ratio increased primarily on account of a proportionate decrease in trade payables.
Interest Coverage Ratio (times)	174	432	148%	The Company continues to be debt-free, with some financial costs & charges arising out of normal business operations classified in Finance costs.
Debtors Turnover (times)	3.23	4.51	40%	The Company has improved its debtor turnover ratio by implementing a new collection policy with dealers and optimising its receivables.
Inventory Turnover (times)	2.46	2.97	21%	Inventories remain elevated as the Company carries higher buffer stock to avoid supply-side disruptions.
Operating Profit Margin (%)	15.2%	18.9%	24%	The Company has improved on its profitability, as the effects of Covid-related disruptions subsided in FY22, and it witnessed significant sales growth.
Net Profit Margin (%)	10.6%	13.6%	28%	The Company improved on its profitability margins, driven by higher sales and better gross margins.

Outlook

The Company continues to develop a sustainable platform for expanding the geographical footprint, brand recall, and sales of Sirca and other newly added brands such as Unico, San Marco, and DuranteVivan. This is driven through the expansion of its sales channels coupled with a far more extensive product portfolio, expanding distribution network, strengthened physical infrastructure, and increased team strength. As a result, Sirca is in an excellent position to create a market for its products and capitalise on the enormous opportunity unfolding in the Indian paints and coatings market as well as other niche home improvement categories. The Company anticipates improved growth prospects moving forward, particularly with regard to the increasing contribution of its emerging product categories as they grow and mature.

Internal control system and risk management

The Company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorised use or disposition and that all transactions are authorised, recorded, and reported correctly, and that the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

Human Resource

The HR Domain of Sirca Paints India Limited is always committed to providing the best services to its stakeholders with business tools, frameworks, and analyses that enable us to manage our workforce effectively. Effective workforce management plays a vital role in achieving transformational goals. It includes supporting managers in performing their daily tasks, from recruitment to development, and providing insights to senior management, which will, in turn, support strategy as well as planning activity and enable better-informed decisions. An essential part of achieving this objective is continuous investment in technology and modern infrastructure. HR continues to develop and expand its state-of-the-art software for workforce analysis and planning – a strategic innovation to support the Company's innovation and digital agenda. In addition, managers are provided with people analytics and a workforce planning solution. As part of the strategic planning process in 2021-22, workforce tools have been used for the first time to create a holistically automated and cost-focused workforce plan – fully integrated with the business-wide strategic planning process. Furthermore, to support Employees, Sirca India has introduced Sirca Parivar App, which helps them track their performance.

Sirca Paints India Limited always works on the well-being of the employees and invariably refers to its Employees as an "ASSET" of the Organisation. Therefore, the organisation always follows the policies and procedures to maintain better productivity & positive work environment.

Cautionary Statement

Statements in the Management Discussion and Analysis and the rest of the annual report, describing the Company's objectives, projections, estimates, and expectations, may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include economic and political conditions in India and other countries in which the Company operates, volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not undertake to update these statements.

Risk Management Report

The Management cautions readers that the risks outlined in this report are not exhaustive, are for information purposes only and may contain forward looking statements, the results of which may differ materially from those reflected. Investors and readers are requested to exercise their own judgment in assessing various risks associated with the Company

Overview

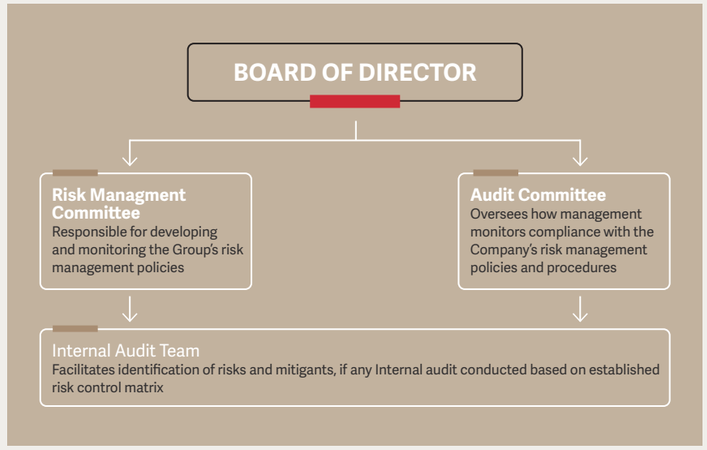
Risk Management is a dynamic process which should constantly be able to identify all the emerging risks and propose solutions to manage them. The risk perception also constantly varies depending on the size of the business, business segment, location, scale of business. The essence of risk management strategy at Sirca Paints India Limited (SPIL) lies in maximising areas of control over outcome and minimising areas where the Company has no control over outcome. Sirca Paints recognizes that business conditions are constantly changing, evolving, and entering into cycles. Following is the model adopted by the Company for managing risk:

Proactive risk management is an integral part of the charter of the Board at Sirca Paints.

Enterprise risk management structure

Risk management is an integral part of the charter of the Board of Directors at Sirca Paints. The Board is responsible for monitoring risk levels on various parameters and to suggest measures to address the same. The day-to-day management of the risk is entrusted to the management team of Sirca Paints. Based on the philosophy of "No risks, No rewards", our management continuously keeps monitoring the level of our existence on the path of growth and within Sirca Paints management structure, certain personnel are designated with responsibility of managing risks including ensuring compliance with laws, rules and regulations with the assistance of both internal and external resources. Further, formal reporting, escalation of risk events and control mechanisms ensure timely communication, response and proactive management of the risks.

Risk management framework



Risk Management and Mitigation

The Company recognises that the emerging and identified risks need to be managed and mitigated to:

- Protect its shareholders and other stakeholder's interest,
- Achieve its business objective, and
- Enable sustainable growth.

Pursuant to the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Company has a risk management framework in place. It has constituted Companies Act, 2013, the Company has a risk management framework in place. It has constituted a committee of Directors, the Risk Management Committee to oversee Enterprise Risk Management framework to ensure:

Risk Management Report

- Execution of decided strategies with focus on action, and
- Monitoring risks arising out of unintended consequences of decisions or actions related to performance, operations, compliance, incidents, processes, systems and the same are managed appropriately

Financial Risk

Financial risks originating out of currency fluctuations and market volatility have the potential to affect Company bottom line directly. Thus, these risks are dealt with advance planning, taking necessary steps for hedging against such outcomes.

Strategic Risk

These risks revolve around Competition (existing and New), brand, growth and profitability, technology, and service strategy during normal and force majeure situations. Strategic risk identification and mitigation remains a top priority activity at SPIL, and contingency measures are put in place for issues emanating out of the same.

Operational Risk

While pursuing innovative product offerings and radical business models, there are certain risks associated with product delivery, Service Level Agreement adherence, quality, and environmental impact amongst others. In order to tackle these risks, SPIL has developed robust mechanisms that ensure that while being innovative, key operational parameters are never compromised and we deliver on the promise that we make to customers and stakeholders in a sustainable and safe manner.

Evolving regulatory landscape

Changes in existing regulations/ emerging regulations impacting sourcing of materials, emissions, waste generation, storage and use of material or quality of finished goods

- Being the next level in paint industry (ahead of the prevalent statutes) in India through benchmarking with the best in the world with respect to emissions, water consumption and waste generation
- Corporate Quality and Safety (CQS) team continues to monitor all emerging regulations, incidents, developments in the space of EHS and map it for compliance with Sirca Paints

Material availability and inflation

Disruption across the value chain arising out of unforeseen events leading to unavailability of material and increase in material prices

- Detailed review of current and future global capacity and demand review for critical materials to identify demand supply mismatches during annual planning and 3 years purchase strategy
- Conduct Industry/category dynamics study, speaking with analysts to understand how the overall global capacities are adding up
- Quarterly tracking of raw material and packing material prices

Safety Risk

Handling hazardous material/ waste in business operations

- Continuous engagement with suppliers for identifying any new threats / better options to mitigate the risks
- Periodic risk assessments using quantitative risk assessment and closure of action plans arising out of such assessments
- Having a comprehensive Emergency Response Plan (ERP) in place
- Plant design to adhere to inherent safe design based on various applicable standards

The manufacturing operations of the Company require employees to interact with plant, machinery and material handling equipment, all of which carry an inherent risk of injury:

- Continuous progress in the Behaviour Based Safety journey by all plants

Fraud risk

Occurrence of fraud & hesitation to use whistle blower policy

- Awareness sessions to encourage usage of whistle blower policy
- Investigations and disciplinary actions
- Stringent action against erring employees / entities involved
- Strengthening of fraud detection mechanism
- Periodic Fraud Risk Assessments (FRA)

Statutory Compliance Risk

Non compliance of any statutory rules, regulations and guidelines

- Regular monitoring of compliance with all regulations
- Prompt Corrective and Preventive actions for any deviations noticed
- Regular updation of changes to statutes and taking expert legal opinion in case of any ambiguity

People Risk

With the industry growing at a fast pace and demand for experienced and trained manpower outstripping supply, the ability to retain existing talent and attract new professional talent assumes crucial importance. The Company has a structured process for potential identification, talent management and development.

Information Security Risk

Threats due to external cyber attacks /hacking and internal leakage/ modification of information:

- Continuous protection of confidential information across the IT landscape
- Investment in contemporary IT tools to ensure adequate protection of underlying data
- Periodic audits to ensure adherence to the processes

Credit Risk

As a matter of business practice, the payment collection process may extend over a period of time. Customers budgeting constraints can impact their ability to make the required payments. In addition, the creditworthiness of our clients may deteriorate and we can be adversely affected by bankruptcies or other business failures of our customers.

- Sirca Paints credit terms are standard and there is rigorous process in following up with customers for payments as and when the invoices fall due for payment. The Company has suitably streamlined its processes to develop a more focused and aggressive receivables management systems to ensure timely collections as a result of the global liquidity crunch.

Residual Risks

There are certain remote possibilities of impact of events like earthquake, act of God, adverse macro economic phenomenon going beyond the risk appetite articulated by the company. Despite the best efforts and intentions, these risks would continue to exist and the Company would continue to take steps to reduce the impact of these.

Emerging Risks

The Management has identified certain other uncertainties like supply chain disruptions due to any political/ geographical issues in any foreign country, market risk related to e-commerce, and intensifying competition risk, amongst others. Preventive steps are being taken wherever necessary to reduce the impact of these uncertainties.

Commodity Risk

There are several raw materials which are directly driven by crude oil. These are monitored on regular basis using pricing trends and forecast from internationally reputed news agencies. Appropriate coverage is taken on rising trends and inventory is cut in declining trends. Wherever direct correlation exists, cost sheet is monitored to calculate delta changes and accordingly purchase prices are decided. Additionally, import data is tracked to compare average import prices and buying prices. Accordingly, appropriate actions are taken to minimise commodity risks.

Climate Change

Impact due to Climate change has been identified as an organisation risk and can impact our reputation and growth in the long-term. The company has created an organisational structure and framework with Board oversight to manage the climate change. As part of our mitigation plan to reduce the risk due to climate change, we plan to reduce the environmental impact of our operations through use of renewable energy, reducing our energy consumed per unit of paint produced, develop environment-friendly products, develop products with efficient resource use, collaborate with our supply chain partners and customers for reducing the carbon footprint in the whole value chain.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE **SEVENTEENTH ANNUAL GENERAL MEETING ('AGM')** OF THE MEMBERS OF **SIRCA PAINTS INDIA LIMITED** WILL BE HELD ON **MONDAY, 25th JULY, 2022 AT 12:30 P.M. IST** THROUGH VIDEO CONFERENCING **('VC')** / OTHER AUDIO VISUAL MEANS **('OAVM')** FACILITY, TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the year ended 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon.

2. To declare a Final dividend of ₹ 2.00 (20%) per Equity Shares for the financial year ended 31st March, 2022.

3. To appoint a Director in place of Mr. Gurjit Singh Bains, Non-Executive Director (DIN:01977032), who retires by rotation and being eligible, offers himself for re-appointment.

4. To consider the re-appointment of M/s Rajesh Kukreja & Associates, Chartered Accountants **(Firm Registration No. 004254N)**, as the Statutory Auditors of the Company and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to Sections 139, 142 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), M/s Rajesh Kukreja & Associates, Chartered Accountants **(Firm Registration No. 004254N)**, be and are hereby re-appointed as Statutory Auditors of the Company for a second term of 5 (five) years to hold office from the conclusion of the 17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting of the Company.

RESOLVED FURTHER THAT approval of the shareholders, be and is hereby accorded for payment of audit fee of ₹ 4,00,000/- (Rupees Four Lakhs Only) plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred to conduct the audit and the Board of Directors on the recommendation of the Audit Committee, be and is hereby authorized to fix and pay the statutory fee and other charges as may be deemed fit for the remaining tenure of their re-appointment."

SPECIAL BUSINESS:

5. 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 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force**),the Company hereby ratifies the remuneration upto ₹ 80,000/- (Rupees Eighty Thousand Only)plus taxes and reimbursement of out of pocket expenses at actual, if any, incurred in connection with the audit, payable to **M/s PAN & ASSOCIATES, Cost Accountants (Firm Registration Number 003692)**, who were appointed as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct the cost audit relating to cost records of the Company for the financial year ending 31st March, 2023.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary & Compliance officer be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution."

6. To consider and approve the Re-appointment of Mr. Sanjay Agarwal (DIN: 01302479) as the Chairman cum Managing Director of the Company to hold office for a period of 5 years with effect from 14th November, 2022.

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, and 203 read with Schedule V of the Companies Act, 2013 ("Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in terms of Articles of Association of the Company, as recommended by the Nomination and Remuneration Committee and subject to other consents and permission as may be required, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Sanjay Agarwal **(DIN: 01302479)** as the Chairman cum Managing Director of the Company, liable to retire by rotation, for a period of 5 years w.e.f. 14th November, 2022 till 13th November, 2027.

RESOLVED FURTHER THAT pursuant to Sections 2(51), 203 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Sanjay Agarwal, be and is hereby designated as Key Managerial Personnel of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or the NRC be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

7. To consider and approve terms & conditions and remuneration of Mr. Sanjay Agarwal (DIN: 01302479) as the Chairman cum Managing Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 196(4), 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder read with Schedule V of the Act and applicable provisions under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any modification or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded to the terms and conditions and payment of such remuneration to Mr. Sanjay Agarwal (**DIN: 01302479**) as the Chairman cum Managing Director of the Company, for a period of 5 years w.e.f. 14th November, 2022 till 13th November, 2027 on the following terms and conditions:

1. Consolidated annual salary of ₹ 1,08,00,000/- (Rupees One Crore Eight Lakhs Only).

2. He will be entitled for such other allowances, perquisites, benefits and amenities as may be provided by the company from time to time.

3. He will be entitled to a maximum annual increment of 15 % per annum on his consolidated annual salary of the immediate preceding year.

4. The revised compensation plan replaces all existing compensation plans, benefits and perquisites.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Sanjay Agarwal as the Chairman cum Managing Director of the Company, the Company shall pay him the remuneration as specified above as the minimum remuneration

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary & Compliance officer of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and to execute all such deeds, documents, agreements and writings and to file such returns as may be prescribed with relevant authorities and as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

8. To consider and approve the Re-appointment of Mr. Apoorv Agarwal (DIN: 01302537) as Joint Managing Director of the Company to hold office for a period of 5 years with effect from 14th November, 2022.

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 196, and 203 read with Schedule V of the Companies Act, 2013 ("Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in terms of Articles of Association of the Company, as recommended by the Nomination and Remuneration Committee and subject to other consents and permission as may be required, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Apoorv Agarwal **(DIN: 01302537)** as Joint Managing Director of the Company, liable to retire by rotation, for a period of 5 years w.e.f. 14th November, 2022 till 13th November, 2027.

RESOLVED FURTHER THAT pursuant to Sections 2(51), 203 and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Apoorv Agarwal, be and is hereby designated as Key Managerial Personnel of the Company.

RESOLVED FURTHER THAT the Board of Directors and/or the NRC be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolutions."

9. To consider and approve terms & conditions and remuneration of Mr. Apoorv Agarwal (DIN: 01302537) as Joint Managing Director of the Company to hold office for a period of 5 years with effect from 14th November, 2022.

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

"RESOLVED THAT pursuant to the provisions of Sections 196(4), 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder read with Schedule V of the Act and applicable provisions under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any modification or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded to the terms and conditions and payment of such remuneration to Mr. Apoorv Agarwal **(DIN: 01302537)** as Joint Managing Director of the Company, for a period of 5 years w.e.f. 14th November, 2022 till 13th November, 2027 on the following terms and conditions:

1. Consolidated annual salary of ₹ 72,00,000/- (Rupees Seventy Two Lakhs Only).

2. He will be entitled for such other allowances, perquisites, benefits and amenities as may be provided by the company from time to time.

3. He will be entitled to a maximum annual increment of 15 % per annum on his consolidated annual salary of the immediate preceding year.

4. The revised compensation plan replaces all existing compensation plans, benefits and perquisites.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Apoorv Agarwal as Joint Managing Director of the Company, the Company shall pay him the remuneration as specified above as the minimum remuneration

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary & Compliance officer of the Company be

and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and to execute all such deeds, documents, agreements and writings and to file such returns as may be prescribed with relevant authorities and as may be necessary for the purpose of giving effect to this Resolution, take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company."

10. To consider and approve the re-appointment of Mr. Sanjay Kapoor (DIN:00383275), as Non-Executive Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (the "Act") read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), and as per the recommendation of the Nomination & Remuneration Committee, Mr. Sanjay Kapoor (**DIN: 00383275**) who holds office of Non-Executive Independent Director of the Company up to 14th December, 2022 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company not liable to retire by rotation, for a second term of 5 (five) consecutive years with effect from 14th December, 2022 upto 13th December, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable, proper or expedient to give effect to this resolution."

Registered Office:
G-82, Kirti Nagar, New Delhi-110015
Tel.: +91 11-42083083, Website: www.sircapaints.com
Email: cs@sircapaints.com
CIN: L24219DL2006PLC145092

Date: 28th June, 2022
Place: New Delhi

By order of the Board
For **Sirca Paints India Limited**

Sd/-
Suraj Singh
Company Secretary & Compliance Officer
(Membership No. 61649)

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Act relating to Item no. 4, 5, 6, 7, 8, 9, and 10 of the Notice of the 17th AGM, which is considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. Also, relevant details in respect of Directors seeking re-appointment at the AGM, in terms of Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings are also annexed to this notice.

2. Pursuant to the General Circulars 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM. In this Annual Report, the connotation of "Members" and "Shareholders" is the same

3. Since the AGM is being held in accordance with the Circulars through VC/OAVM, the facility for the appointment of proxies by the members will not be available. THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice

4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

5. In case of Joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

6. Corporate members intending to attend the AGM through authorized representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to Jatinmittal05@gmail.com with a copy marked to evoting@kfintech.com

7. The Members can join the AGM through the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis

8. In view of the COVID-19 pandemic and in line with the relevant Circulars issued by the MCA and SEBI, the Annual Report including Notice of the 17th AGM of the Company inter alia indicating the process and manner of e-voting is being sent by e-mail, to all the Shareholders whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.

   Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the relevant Circulars issued by MCA and SEBI, the Annual Report including Notice of the 17th AGM of the Company will also be available on the website of the Company at www.sircapaints.com, The same can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and on the website of KFin Technologies Limited ('KFin') (formerly known as Kfin Technologies Private Limited), the Registrar and Transfer Agents of the Company ('RTA') at https://www.kfintech.com/.Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, etc., from the Company electronically.

9. Members are requested to send all communication relating to shares to the Company's Registrar & Transfer Agent - KFin Technologies Limited (RTA) (formerly known as Kfin Technologies Private Limited), Selenium, Tower - B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032. Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

10. Book Closure & Dividend

    A. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 21st July, 2022 to Monday, 25th July, 2022** (both days inclusive) for the purpose of AGM and Dividend.

    B. Final dividend of ₹ 2.00 (20%) per Equity Shares for the financial year ended 31st March, 2022, as recommended by the Board of Directors, if approved by the members at the AGM, will be paid **within a period of 30 days from the date of declaration,** to those members whose names are registered as such in the Register of Members of the Company as on **Monday, 18th July, 2022** and to the Beneficiary holders as per the beneficiary list as on **Monday, 18th July, 2022** provided by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

    C. Payment of Dividend through electronic means:

       i. In terms of Schedule I of the SEBI (LODR) Regulations, 2015, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National

Electronic Fund Transfer (NEFT) and Real Time Gross Settlement (RTGS) for making payments like dividend to the members. Accordingly, members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form may send a request updating their bank details to the company's Registrar and Transfer Agent.

ii. In line with the General Circular No. 02/2021 dated 13th January, 2021 read with General Circular No. 20/2020 dated 5th May, 2020 issued by the MCA, in case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company shall dispatch the dividend warrant/ cheque to such shareholder by post.

iii. Shareholders holding shares in dematerialized form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company/Kfin (RTA) cannot act on any request received directly from the Shareholders holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.

D. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

Resident Shareholders:
Taxes shall be deducted at source under Section 194 of the IT Act as follows:

Sr. No.	Particulars	Rate of TDS applicable
1	Members having valid Permanent Account Number (PAN)	10%
2	Members not having PAN / valid PAN	20%

Note 1: As per section 139AA(2) of the IT Act read with Rule 114AAA of the Income Tax Rules, 1962, currently, PAN is mandatorily required to be linked with Aadhaar by 30th June, 2021. If PAN is not linked with Aadhaar by 30th June, 2021 (unless such due date is extended), such PAN will be deemed inoperative and tax at source will be required to be deducted at higher rates under section 206AA of the IT Act.

Note 2: Shareholders are requested to note that as per the Finance Act, 2021, Section 206AB has been inserted effective 1st July, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section

However, No tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said resident individual from the Company during a financial year does not exceed ₹ 5,000; or if an eligible resident shareholder provides a valid declaration in Form 15G/ Form 15H or other documents as may be applicable to different categories of shareholders.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company, tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

Non-resident Shareholders:
Tax is required to be deducted at source in the case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the TDS on dividend shall be @ 20% or applicable rate plus applicable surcharge and health and education cess on the amount of dividend payable to the non-resident shareholders. For FII/ FPIshareholders, section 196D provides for TDS @ 20% or applicable rate plus applicable surcharge and health and education cess.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with applicable Multilateral Instrument provisions, if they are more beneficial to them.

A list of documents/ declarations required to be provided by the **resident shareholders** and list of documents/declarationsrequired to claim the benefit of DTAA by the **non-resident shareholders** are available on the Company's website https://www.sircapaints.com/investors/#annual-report Kindly note that the documents should be uploaded with KFin Technologies Limited (formerly known as Kfin Technologies Private Limited),the Registrar and Transfer Agent at https://ris.kfintech.com/form15

No communication on the tax determination/ deduction shall be entertained after **24th July, 2022**

The above referred documents submitted by you will be verified by us and we will consider the same while

deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act.

In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- For deduction of tax at source, the Company would be relying on the above data shared by KFin as updated up to the record date.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the aforementioned details/ documents from the shareholders, the shareholders may consider filing their return of income and claiming an appropriatere fund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

The Company shall arrange to e-mail the soft copy of the TDS certificate to shareholders at the registered e-mail id within the prescribed time, post payment of the said dividend, if declared in the AGM. The said certificate can also be viewed in Form 26AS at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the website of the Income Tax department of India https://www.incometax.gov.in/home .

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company, and also provide the Company with all information/ documents and co-operation in any assessment/ appellate proceedings before the Tax/ Government authorities.

E. Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The details of the unpaid/unclaimed amounts lying with the Company are available on the website of the Company www.sircapaints.com. Members are requested to approach the Company/KFin (RTA) for claiming unpaid dividends.

11. SEBI has mandated the submission of Permanent Account Number (PAN) by every securities market participant. Members holding shares in electronic form are therefore requested to submit their PAN to the DP with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to RTA/Company.

12. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by 31st March, 2023, and linking PAN with Aadhaar by 31st March, 2022 vide its circular dated 3rd November, 2021 and 15th December, 2021. Shareholders are requested to submit their PAN, KYC and nomination details to the Company's registrars KFin Technologies Limited (formerly known as Kfin Technologies Private Limited), at einward.ris@kfintech.com. The forms for updating the same are available at https://www.sircapaints.com/investors/#sebi-kyc-forms as well as on KFIN website at https://ris.kfintech.com/clientservices/isc/ Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31st December, 2025, the registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act will be available during the meeting for inspection through the VC facility of KFin, to the Members attending the AGM.

14. Members desiring any additional information with regard to Accounts/Annual Report or have any question or query are requested to write to the Company Secretary on the Company's investor email-id cs@sircpaints.com, so as to enable the Management to keep the information ready. Please note that, Members questions will be answered only if they continue to hold the shares as on **Monday, 18th July, 2022**, i.e. the 'cut-off' date for e-voting.

15. Procedure for registering the e-mail address and obtaining the Notice and Remote E-voting instructions by the shareholders whose e-mail addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case of shareholders holding shares in physical form) :

    i. Those Members who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:

        a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

b. Members holding shares in physical form may register their e-mail address and mobile number with KFin by sending e-mail to einward.ris@kfintech.com along with signed scanned copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and copy of share certificate for receiving the Notice and the e-voting instructions.

ii. With a view to help us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.

iii. Members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

16. Instructions for e-voting and joining the e-AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS:

I. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 in relation to e-voting facility provided by Listed Entities, the members are provided with the remote e-voting facility to exercise votes on the items of business given in the Notice, through the e-voting services provided by KFintech or to vote at the e-AGM.

II. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

III. Individual demat accountholders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

IV. The remote e-Voting period commences **on 21st July, 2022 at 09:00 A.M and ends on 24th July, 2022 at 05:00 P.M.** During this period, the members of the Company holding shares either in physical form or in demat form, as on the Cut-off Date, i.e. **Monday, 18th July, 2022** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFintech for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently. Members, who cast their vote by remote e-voting, may attend the meeting through VC/OAVM, but will not be entitled to cast their vote once again on the resolutions.

V. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

VI. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

VII. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

VIII. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Typeof shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link :https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1. **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitsdemat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e. KFintech where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider –Kfintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please 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
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Sirca Paints India Limited-AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email id Jatinmittal05@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

(B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. Member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

ii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

ii. Facility for joining AGM though VC/ OAVM shall open atleast 30 minutes before the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox22.

iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id. Questions /queries received by the Company till **24th July, 2022 (05:00 P.M IST)** shall only be considered and responded during the AGM.

vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 1000 members on first come first served basis.

ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from **21st July, 2022 (09:00 A.M. IST) to 24th July, 2022 (05:00 P.M. IST).** Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from **21st July, 2022 (09:00 A.M. IST) to 24th July, 2022 (05:00 P.M. IST)**.

III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Ms. C Shobha Anand, at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Monday, 18th July, 2022,** being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
2. MYEPWD <SPACE> IN12345612345678
3. Example for CDSL:
4. MYEPWD <SPACE> 1402345612345678
5. Example for Physical:
6. MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

B. GENERAL INSTRUCTIONS:

i. The Board of Directors has appointed Mr. Jatin Aggarwal (M/s. Jatin Aggarwal & Associates, Practicing Company Secretaries) (ACS No. 61662 CP No. 23318) as the Scrutinizers, for conducting the voting/poll and remote e-voting process in a fair and transparent manner.

ii. The results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.sircapaints.com/ and on KFin's website https://evoting.kfintech.com and shall also be communicated to the National Stock Exchange of India Limited. https://www.nseindia.com/get-quotes/equity?symbol=SIRCA

Law provides voting rights to all members proportionate to their holding in the Company. Sirca Paints India Limited encourages the members to exercise their voting rights and actively participate in decision making process.

THE FOLLOWING EXPLANATORY STATEMENT SETS OUT ALL MATERIAL FACTS RELATING TO RESOLUTION NOS. 4, 5, 6, 7, 8, 9 AND 10 OF THE NOTICE IN ACCORDANCE WITH SECTION 102 OF COMPANIES ACT, 2013

ITEM NO. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members had approved the appointment of M/s Rajesh Kukreja & Associates, Chartered Accountants **(Firm Registration No.: 004254N),** as Statutory Auditors of the Company, to hold office till the conclusion of the Seventeenth AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 20th June, 2022, proposed the re-appointment of **M/s Rajesh Kukreja & Associates, Chartered Accountants (Firm Registration No.: 004254N),** as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of Seventeenth AGM till the conclusion of Twenty-Second AGM of the Company to be held in the year 2027. The re-appointment of M/s Rajesh Kukreja & Associates as the Statutory Auditors of the Company is subject to approval of the shareholders of the Company

In accordance with the provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), M/s Rajesh Kukreja & Associates, Chartered Accountants, have provided their consent and certificate(s) of eligibility to that effect that their re-appointment, if made, would be in compliance with the applicable laws.

The proposed remuneration to be paid to M/s Rajesh Kukreja & Associates, Chartered Accountants, for the financial year 2022 is ₹ 4,00,000/- (Rupees Four Lakhs Only) plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred to conduct the audit. The remuneration to be paid to Statutory Auditors for the remaining tenure shall be fixed by the Board of Directors on the recommendation of the Audit Committee.

Brief profile of M/s Rajesh Kukreja & Associates:

M/s Rajesh Kukreja & Associates was established in 1984 and changed its constitution into Partnership Firm in April, 2022 providing various audit & advisory services. It is registered with the Institute of Chartered Accountants of India (**Firm Registration No. 004254N**). The partners of Firm have wide range of experience and rendered services with multi-industry. They have various large, medium & MNCs as clients across industry i.e., engineering, textile, real estate, paint, cosmetic, shoes, Information Technology, hospitality services, automobile, trading and financial sector.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the resolution at item no. 4 in relation to re-appointment and payment of remuneration of statutory auditors for the approval of the shareholders by way of ordinary resolution.

ITEM NO. 5

The Board of Directors at its meeting held on 20/06/2022 on the recommendations of the Audit Committee, had approved the appointment and remuneration of **M/s PAN & ASSOCIATES, Cost Accountants (Firm Registration Number 003692**), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending 31st March, 2023, at a remuneration upto ₹ 80,000/- (Rupees Eighty Thousand) plus taxes and reimbursement of out of pocket expenses at actual, if any, incurred in connection with the audit.

M/s PAN & ASSOCIATES (Firm Registration Number 003692) have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re – enactment(s) for the time being in force), the remuneration payable to Cost Auditor for the Financial Year ending 31st March, 2023 has to be ratified by the members of the Company.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution.

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

ITEM NO. 6 & 7

Mr. Sanjay Agarwal, aged about 62 years, was appointed as the Chairman cum Managing Director of the Company for a term of Five years with effect from 14th November, 2017 till 13th November, 2022. Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on 20th June, 2022, has re-appointed Mr. Sanjay Agarwal **(DIN: 01302479)** as the Chairman cum Managing Director (or such other designation as may be decided by the Board and/ or NRC from time to time) for a term of 5 years with effect from 14th November, 2022 till 13th November, 2027

He is a Chartered Accountant. He is having more than three decades of Experience in wood coating Industry. He looks after day-to-day routine operational activities of our Company. With his multifunctional experience, He guides company in its growth strategies. He has consistently demonstrated his exemplary leadership and is leading as one of India's highly growing Paints Company. In a highly adverse market and economic environment especially due to covid-19 pandemic, he has guided and led the organization in achieving extraordinary performance, results and milestones.

With his great visionary and his persistent endeavours towards establishing an innovation led future environment, the Company has achieved technological and operational excellence and sustained its leadership position in Indian market in terms of volume of sales.

The approval of the members is sought for the re-appointment, terms and conditions of the said re-appointment and remuneration to be paid to Mr. Sanjay Agarwal as the Chairman cum Managing Director of the Company. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Sanjay Agarwal for the office of Chairman cum Managing Director of the Company

Minimum remuneration: If in any financial year during the currency of tenure of Mr. Sanjay Agarwal as the Chairman cum Managing Director of the Company or any other designation as may be decided by the Board or the NRC from time to time, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration by way of basic salary, perquisites, allowances within limits prescribed under Section II, Part II of Schedule V to the Companies Act, 2013, as amended from time to time. The annual increase, if any, in salary effective 1st April, 2023 to be decided by the Board of Directors on the recommendations of the Nomination and Remuneration Committee of the Board.

Mr. Sanjay Agarwal shall not be entitled to any sitting fee for attending meetings of the Board and/or any Committee of Board.

Mr. Sanjay Agarwal satisfies all the conditions as set out in Part-I of Schedule V and Section 196(3) of the Act for being eligible for re-appointment. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority.

Except Mr. Sanjay Agarwal and his relatives including Mr. Apoorv Agarwal, who is a Son of Mr. Sanjay Agarwal, no other Director, Key Managerial Personnel or their relatives are in anyway concerned or interested in the resolutions contained under Item No. 6 &7 of the Notice.

Additional Information on Director recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India is provided in the Annexure to the Notice.

Accordingly, the Board recommends the resolutions, as set out in item no. 6 & 7 to this Notice to be approved by the shareholders, by way of ordinary and special resolution respectively

ITEM NO. 8 & 9

Mr. Apoorv Agarwal, aged about 35 years, was appointed as the Joint Managing Director of the Company for a term of Five years with effect from 14th November, 2017 till 13th November, 2022. Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on 20th June, 2022, has re-appointed Mr. Apoorv Agarwal (DIN: 01302537) as the Joint Managing Director (or such other designation as may be decided by the Board and/or NRC from time to time) for a term of 5 years with effect from 14th November, 2022 till 13th November, 2027

He holds the degree in Master in Finance and Marketing from IIPM and Degree of Commerce from University of Delhi. He is having more than 13 years of Experience in the Business of Italian Furniture and Italian wood coating Industry. He looks after day-to-day routine operational activities of our Company. The Company made significant progress and growth under the able and dynamic leadership of Mr. Apoorv Agarwal. An accomplished Business Leader and a second-generation entrepreneur, Mr. Apoorv Agarwal had the foresight to lead the Company on a transformational journey, contributing significantly to India's growth philosophy.

Mr. Apoorv Agarwal is a renowned and respected practitioner of sustainable business practices and his belief in sustainable development and corporate responsibility has made Sirca Paints a catalyst and active participant in education, health and livelihood, environment protection and sports.

The approval of the members is sought for the re-appointment, terms and conditions of the said re-appointment and remuneration to be paid to Mr. Apoorv Agarwal as the Joint Managing Director of the Company. The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Apoorv Agarwal for the office of Joint Managing Director of the Company.

Minimum remuneration: If in any financial year during the currency of tenure of Mr. Apoorv Agarwal as the Joint Managing Director of the Company or any other designation as may be decided by the Board or the NRC from time to time, the Company has no profits or its profits are inadequate, he shall be entitled to minimum remuneration by way of basic salary, perquisites, allowances within limits prescribed under Section II, Part II of Schedule V to the Companies Act, 2013, as amended from time to time. The annual increase, if any, in salary effective 1st April, 2023 to be decided by the Board of Directors on the recommendations of the Nomination and Remuneration Committee of the Board.

Mr. Apoorv Agarwal shall not be entitled to any sitting fee for attending meetings of the Board and/or any Committee of Board.

Mr. Apoorv Agarwal satisfies all the conditions as set out in Part-I of Schedule V and Section 196(3) of the Act for being eligible for re-appointment. He is neither disqualified from being appointed as Director in terms of provisions of the Act nor debarred from being appointed to the office of Director by virtue of any order of SEBI or any such other authority.

Except Mr. Apoorv Agarwal and his relatives including Mr. Sanjay Agarwal, who is a Father of Mr. Apoorv Agarwal, no other Director, Key Managerial Personnel or their relatives are in anyway concerned or interested in the resolutions contained under Item No. 8 & 9 of the Notice.

Additional Information on Director recommended for appointment/re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standards-2 as prescribed by the Institute of Company Secretaries of India is provided in the Annexure to the Notice.

Accordingly, the Board recommends the resolutions, as set out in item no. 8 & 9 to this Notice to be approved by the shareholders, by way of ordinary and special resolution respectively

ITEM NO. 10

Pursuant to the provisions of Sections 149, 150, 152 of the Companies Act, 2013 and the rules made thereunder read with Articles of Association of the Company, Mr. Sanjay Kapoor (DIN: 00383275) was appointed as Non-Executive Independent Director of the Company for a term of five years, commencing from 14th December, 2017 till 13th December, 2022. The present term of his appointment is about to be completed and considering their overall performance and output, the Board of Directors, upon recommendation of Nomination & Remuneration Committee based on performance evaluation, has approved the re-appointment of Mr. Sanjay Kapoor (DIN: 00383275) for his second term commencing from 14th December, 2022 till 13th December, 2027, subject to approval of the shareholders.

Mr. Sanjay Kapoor is not disqualified from being re-appointed as a Director in terms of Section 164 of the Companies Act, 2013 and he has given his consent to act as Director. The Company has also received notices from Members under Section 160 of the Companies Act, 2013, signifying their intention to propose the candidature of Mr. Sanjay Kapoor for the office of Non-Executive Independent Director of the Company.

A brief profile of Independent Director to be re-appointed, including nature of his expertise and other disclosure as required under Regulation 36(3) of the Listing Regulations, is provided in the Annexure to the Notice. A copy of the draft letter of appointment setting out the terms and conditions will be available for inspection of the Shareholders through electronic mode. Shareholders may write to the Company at cs@sircapaints.com in that regard, by mentioning "Request for Inspection" in the subject of the e-mail.

Except Mr. Sanjay Kapoor, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at item No. 10

The Board recommends the resolution at Item No. 10 in relation to the re-appointment of Mr. Sanjay Kapoor as Non-Executive Independent Director for the approval by the shareholders of the Company by way of Special Resolution.

Registered Office:
G-82, Kirti Nagar, New Delhi-110015
Tel.: +91 11-42083083, Website: www.sircapaints.com
Email: cs@sircapaints.com
CIN: L24219DL2006PLC145092

Date: 28th June, 2022
Place: New Delhi

By order of the Board
For **Sirca Paints India Limited**

Sd/-
Suraj Singh
Company Secretary & Compliance Officer
(Membership No. 61649)

ANNEXURE TO THE NOTICE

DETAILS UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF SECRETARIAL STANDARD 2, IN RESPECT OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Name of Director	Mr. Sanjay Agarwal	Mr. Apoorv Agarwal	Mr. Gurjit Singh Bains	Mr. Sanjay Kapoor
Date of Birth	05.02.1960	18.07.1987	28.05.1967	18.06.1964
Initial Date of Appointment	19.01.2006	19.01.2006	19.01.2006	14.12.2017
Qualification	Chartered Accountant	Graduate in Commerce from University of Delhi and an MBA in Finance and marketing from IIPM	Masters in economics from University of Venice	MBBS and Diploma of Child Health (DCH)
Expertise in specific functional areas	Mr. Sanjay Agarwal is one of the co-founders of Sirca Paints India Limited, he has been working the Paints & Coatings industry for more than Three decades. Under his able leadership, Sirca has risen the ranks as one of the most prominent brands of luxury wood coatings in the country. A Chartered Accountant by qualification, Mr. Sanjay Agarwal currently looks after the finance and strategy functions of the organization.	He has more than 15 years of Experience in Italian Furniture and Italian wood coatings, Started a career with Sirca wood coatings Italy, Managing sales and marketing and later took training with many renowned Furniture brands from Italy. Formed LaTendenza, a unique destination to experience high-quality European furniture with Brands like B&B Italia, Reflex, Laura meroni, Simone Cenedese etc.	He has more than 20 years of Experience in wood coatings and Italian Furniture Industry.	He has more than 20 years of experience in the Pediatrics department. Further, he is also expertise in Board services and governance,Clinical Excellence, Talent Management, Sustainability and ESG, Risk management
Last Remuneration drawn (Per Annum)	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report	Refer Corporate Governance Report
Directorship held in other Companies as on date	Sirca Industries Limited	Sirca Industries Limited	Sirca Industries Limited	Nil
Membership/ Chairmanship in Committees of other companies as on date	Nil	Nil	Nil	Nil
Number of shares held in Company	88,80,480 Equity Shares in percentage- 32.41%	5,53,500 Equity Shares in percentage- 2.02%	38,66,197 Equity Shares in percentage- 14.11%	-
Relationships between Directors inter-se	Mr. Sanjay Agarwal is related to Mr. Apoorv Agarwal, Joint Managing Director of the Company	Mr. Apoorv Agarwal is related to Mr. Sanjay Agarwal, Chairman cum Managing Director of the Company	Nil	Nil

DIRECTOR'S REPORT

Dear Members,

The Board of Directors is pleased to present the Seventeenth Annual Report on the business and operations of Sirca Paints India Limited ("SPIL" or the "Company") together with the audited financial statements (standalone and consolidated) for the financial year 2021-22.

FINANCIAL RESULT

(In Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2022	Year Ended 31.03.2021	Year Ended 31.03.2022	Year Ended 31.03.2021
Revenue from operations	20,002.49	14,318.36	20,002.49	14,318.36
Other Income	440.14	1,414.51	440.14	1,414.51
Total Income	**20,442.64**	**15,732.87**	**20,442.64**	**15,732.87**
Profit before tax	**3,795.41**	**2,258.80**	**3,794.88**	**2,255.47**
Less: Tax Expenses	1,022.69	598.29	1,022.55	597.24
Profit for the year	**2,772.72**	**1,660.51**	**2,772.33**	**1,658.23**
Other comprehensive income / (loss)	20.54	4.79	20.54	4.79
Total comprehensive income for the year	**2,793.26**	**1,665.30**	**2,792.87**	**1,663.02**
Earnings per share of ₹ 10 each				
Basic (in ₹)	**10.12**	**6.06**	**10.12**	**6.05**
Diluted (in ₹)	**10.12**	**6.06**	**10.12**	**6.05**

COMPANY'S PERFORMANCE REVIEW

During the Financial Year 2021-22:

Standalone Accounts

- Total revenue during the year 2022 was **₹ 20,002.49 Lakhs** as compared to **₹ 14,318.36 lakhs** during the year 2021- an increase of 39.70%;
- Profit after tax was **₹ 2,772.72 Lakhs** during the year 2022 as compared to **₹ 1,660.51 Lakhs** during the year 2021- an increase of 66.98%
- Basic earnings per share (of face value of ₹ 10/- each) was ₹ 10.12 for the year 2022 as compared to ₹ 6.06 for the year 2021, an increase of 67%

Consolidated Accounts

- Total revenue during the year 2022 was **₹ 20,002.49 Lakhs** as compared to **₹ 14,318.36 Lakhs** during the year 2021- an increase of 39.70%;
- Profit after tax was **₹ 2,772.33 Lakhs** during the year 2022 as compared to **₹ 1,658.23 Lakhs** during the year 2021- an increase of 67.19%
- Basic earnings per share (of face value of ₹ 10/- each) was ₹ 10.12 for the year 2022 as compared to ₹ 6.05 for the year 2021, an increase of 67.27%

The state of affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this report.

SECRETARIAL STANDARDS

Pursuant to the provisions of **Section 118 of the Companies Act, 2013,** the Company has complied with the applicable provisions of secretarial standards issued by the Institute of Company Secretaries of India.

DIVIDEND

The Board of directors of the Company has recommended a final dividend of ₹ 2/- per equity share of ₹ 10/- each (20% of Face Value) at its meeting held on 26th May, 2022 for the Financial Year 2021-22. In terms of the provisions of the Finance Act, 2020, dividend shall be taxed in the hands of the shareholders and the Company shall withhold tax at source at the applicable rates. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting ('AGM') of the Company to those members whose names appeared on the Register of Members of the Company on the record date.

The Board of Directors of the Company in line with provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) had approved Dividend Distribution Policy. The Dividend Distribution policy is uploaded on Company's website and can be accessed at the link https://www.sircapaints.com/wp-content/uploads/2021/06/Dividend-Distribution-Policy.pdf

RESERVES

During the year under review, no amount has been transferred to any of the reserves by the Company.

SHARE CAPITAL

There has been no increase / decrease in the Authorised Share Capital as well as Issued, Subscribed and Paid-up share capital of the Company during the year under review.

As on 31st March, 2022, the Authorized share capital of the Company was ₹ 32,00,00,000/- divided into 3,20,00,000 equity shares of face value of ₹ 10 each.

The Issued, Subscribed and Paid-up share capital of the Company as on 31st March, 2022 was ₹ 27,40,44,000/- divided into 2,74,04,400 equity shares of face value of ₹ 10 each

DEPOSIT

During the year under review, the Company has not accepted any deposits from the public under Section 73 and 76 of the Act and rules made thereunder and no amount of principal or interest was outstanding as at the end of Financial Year 2021-22. There were no unclaimed or unpaid deposits lying with the Company

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY AND MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF THE FINANCIAL YEAR

There has been no change in the nature of business during the year. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

CHANGE OF THE REGISTERED OFFICE

During the year under review, the Company has changed its Registered Office from **Plot No. 50, Phase-2, Badli, Industrial Area, Delhi-110042** to the New Premises **G-82, Kirti Nagar, Delhi-110015** w.e.f. 9th October, 2021.

RBI GUIDELINES

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India from time to time.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2022, there were Eight (8) Directors on the Board of the Company, consisting of Four (4) Independent Directors, Two (2) Non-Executive Directors (1 of whom is part of the Promoter Group), Two (2) Executive Directors (both are part of the promoter group). Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2022 are:

i. Mr. Sanjay Agarwal- Chairman and Managing Director,
ii. Mr. Apoorv Agarwal- Joint Managing Director,
iii. Ms. Shallu-Chief Financial Officer, and
iv. Mr. Suraj Singh- Company Secretary & Compliance Officer of the Company.

During the year under review, the following changes took place in the office of directors of the Company.

Mr. Sanjay Agarwal was re-appointed as director liable to retire by rotation at the Annual General Meeting held on 6th August, 2021.

Mr. Chahat Mahajan resigned from the position of Company Secretary & Compliance Officer of the Company w.e.f. 9th November, 2021 and Mr. Suraj Singh was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 9th November, 2021.

Details of Directors proposed to be re-appointed at the ensuing Annual General Meeting are as follows:

a. At the ensuing Annual General Meeting, Mr. Gurjit Singh Bains (DIN: 01977032), Director of the Company is liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act, 2013, read with the Articles of Association of the Company and being eligible, offers himself for reappointment as director of the Company.

b. Mr. Sanjay Kapoor, Non- Executive Independent Director of the Company is proposed to be reappointed as Non-Executive Independent Director of the Company, pursuant to the provisions of Section 149 of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred as "Listing Regulations") at the ensuing Annual General Meeting for the second term of five years commencing from 14th December, 2022.

c. On the recommendation of the Nomination & Remuneration Committee, the Board of Director of the Company, has re-appointed Mr. Sanjay Agarwal as Chairman Cum Managing Director of the Company for a period of Five years i.e. w.e.f. 14th November, 2022 to 13th November, 2027, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

d. On the recommendation of the Nomination & Remuneration Committee, the Board of Director of the Company, has re-appointed Mr. Apoorv Agarwal as Joint Managing Director of the Company for a period of Five years i.e. w.e.f. 14th November, 2022 to 13th November, 2027, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The brief profiles of Mr. Sanjay Agarwal, Mr. Apoorv Agarwal, Mr. Sanjay Kapoor forms part of the notice of the ensuing Annual General Meeting of the Company.

No director of the Company is disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. The directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 (Hereinafter referred as "the Act") and the Listing Regulations.

On the basis of the declarations submitted by the Independent Director of the Company, the Board of Directors have opined that the Independent Director of the Company fulfil the required criteria as defined under Section 149(6) of the Act and the Listing Regulations.

Declaration of Director's Independence

As on date of this report, the Board comprises of 8 (Eight) Directors. The composition includes 4 (Four) Independent Directors. All the Independent Directors are appointed on the Board of your Company in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

The Company has received declarations from all the Independent Directors confirming that they meet/continue to meet, as the case may be, the criteria of Independence under sub-section (6) of section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Also, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act and have confirmed that they are in compliance with the Code of Conduct for Directors and Senior Management personnel formulated by the Company.

Director's Appointment and Remuneration Policy

The Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section (3) of Section 178 of the Act, as is adopted by the Board.

The Company has adopted a comprehensive policy on nomination and remuneration of Directors and Key Managerial Personnel on the Board. As per such policy, candidates proposed to be appointed as Directors and Key Managerial Personnel on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting. The policy can be accessed at the following Link: https://www.sircapaints.com/investors/#policies

Number of meetings of the Board

The Board of the Company and its Committees meet at regular intervals to discuss, decide and supervise the various business policies, business strategy, Company's performance and other statutory matters. During the year under review, the Board has met Seven times. The details of the meeting of the Board and its Committees are given in the Corporate Governance Report, which forms part of this Report. The intervening gap between two Board Meetings did not exceed 120 days.

Committees of the Board

The Board had duly constituted following Committees, which are in line with the provisions of applicable laws:

A. Audit Committee
B. Nomination and Remuneration Committee
C. Corporate Social Responsibility Committee
D. Stakeholders' Relationship Committee
E. Risk Management Committee

Details of the composition of the Committees and changes therein, terms of reference of the Committees and other requisite details are provided in the Corporate Governance Report, which forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

The salient features of the Nomination and Remuneration Policy of the Company are set out in the Corporate Governance Report which forms part of this Annual Report.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment &Re – appointment of Directors on the Board of the Company and persons holding senior management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations.

BOARD AND DIRECTOR'S EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, Annual evaluation of the Board, its committees and individual directors has been carried out on the basis of Guidance Note on Board Evaluation issued by Securities and Exchange Board of India ("SEBI").

Questionnaire forms were circulated to all the directors for their feedback on Board, Board Committees and director evaluation. A meeting of the independent directors was held on 24th March, 2022 where they reviewed and discussed the feedback on the functioning of the Board, Board Committees, Chairman and other directors. The Board reviewed and discussed the feedback of the evaluations. The area of improvements as highlighted by the evaluation exercise has been implemented to further strengthen the corporate governance of the organization

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Pursuant to Schedule IV to the Act and SEBI Listing Regulations one meeting of Independent Directors was held during the year i.e. on 24th March, 2022, without the attendance of non-independent Directors and members of Management.

In addition, the Company encourages regular meetings of its independent directors to update them on Strategies of the Company. At such meetings, the Head of the Departments of the Company make presentations with respect to the Business Vertical which they are heading. Such Meeting was conducted on 24th March, 2022

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has in place a structured induction and familiarization programme for all its directors including the Independent Directors. They are updated on all business related issues and new initiatives. They are also invited in management level business review meetings so as to step back and assist the executive management. They are also informed of the important policies of the Company including the 'Code of Conduct for Directors and Senior Management Personnel' and the 'Code of Conduct for Prevention of Insider Trading.'.

LISTING OF SHARES

The Equity Shares of the Company are listed on National Stock Exchange of India Limited ('NSE'). The due annual listing fees for the financial year 2022-23 has been paid to the Stock Exchange i.e., NSE

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (3) (c) read with Section 134(5) of the Companies Act, 2013 with respect to directors' responsibility statement, your directors hereby confirm that:

(a) In the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable Accounting Standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of profit and Loss of the Company for the financial year ended 31st March, 2022;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(d) The Directors have 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;

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

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis as stipulated under the Listing Regulations is presented in a separate section forming part of this Annual Report. It speaks about the overall industry structure, global and domestic economic scenarios, developments in business operations/performance of the Company's various businesses viz., decorative business, international operations, industrial and home improvement business, internal controls and their adequacy, Risk, threats, outlook etc.

CORPORATE GOVERNANCE REPORT

The Company re-affirms its commitment to the standards of corporate governance. This Annual Report carries a Section on Corporate Governance and benchmarks your Company with the relevant provisions of the Listing Regulations.

Pursuant to the Listing Regulations, as amended, a certificate obtained from a Practising Company Secretary certifying that the Directors of the Company are not debarred or disqualified from being appointed or to continue as directors of the companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs, forms part of the report as **Annexure A**.

A Certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

As on 31st March, 2022, the Company has one (1) Subsidiary Company, namely Sirca Industries Limited. Pursuant to Section 129 (3) of the Act read with Rule 5 of Companies (Accounts of Companies) Rules 2014 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiary.

A statement containing the salient features of the financial statement of Subsidiary in the prescribed format AOC-1 is attached as **'Annexure–B'** to this report. Further, the Company does not have any Associate, Joint Ventures, hence no information in this regard is required to be furnished

In terms of provisions of Section 136 of the Act separate audited accounts of the subsidiary Companies shall be available on the website of the Company at https://www.sircapaints.com/

CONSOLIDATED FINANCIAL STATEMENT

The duly audited Consolidated Financial Statements as required under the Indian Accounting Standard 110, provisions of Regulation 33 of the Listing Regulations and Section 136 of the Act have been prepared after considering the audited financial statements of the Company's subsidiary and appear in the Annual Report of the Company for the year 2021-22.

AUDITORS AND AUDITOR'S REPORT

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company at its meeting held on 24th March, 2022 had appointed M/s Mohit Mehta & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report is annexed herewith as **Annexure-C**.

Further, in terms of the provisions of the Circular No. CIR/ CFD/ CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India, the Company has obtained the Annual Secretarial Compliance Report for the financial year ended 31st March, 2022, confirming compliance of the applicable SEBI Regulations and circulars/ guidelines issued thereunder, by the Company.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Statutory Auditors

M/s Rajesh Kukreja & Associates, Chartered Accountants (FRN: 004254N) the statutory auditors of the Company, will hold office till the conclusion of Seventeenth Annual General Meeting of the Company. The Board has recommended the re-appointment of M/s Rajesh Kukreja & Associates, Chartered Accountants as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion

of this Annual General Meeting ("AGM") scheduled to be held in the year 2022 till the conclusion of Twenty-Second Annual General Meeting, for approval of shareholders of the Company, based on the recommendation of the Audit Committee

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder, from M/s Rajesh Kukreja & Associates. They have confirmed to hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Listing Regulations.

The Auditor's Report is unmodified i.e. it does not contain any qualification.

Cost Auditor

In terms of the Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year from Cost Auditor and accordingly such accounts and records are made and maintained by the Company.

The Board of Directors appointed **M/s PAN & ASSOCIATES, Cost Accountants, (Firm Registration Number 003692)**, as Cost Auditors to audit the cost accounts of your Company for the Financial Year 2021-22. The Cost Audit Report for the FY 2021-22 will be filed with the Ministry of Corporate Affairs.

Internal Auditor

M/s S Mahajan & Co. (FRN: 033060N), Chartered Accountants was re- appointed as Internal Auditor of the Company at the Board Meeting held on 20th June, 2022, to conduct the Internal Audit for the Financial Year 2021– 22.

During the period under review, **M/s S Mahajan & Co.,** performed the duties of internal auditor of the Company and his report is reviewed by the Audit Committee

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of its initiatives under Corporate Social Responsibility (CSR), the CSR Committee has been entrusted with the prime responsibility of recommending to the Board about Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013, the amount of expenditure to be incurred on CSR activities and monitoring the implementation of the framework of the CSR Policy.

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure-D** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on https://www.sircapaints.com/investors/#policies

BUSINESS RESPONSIBILITY STATEMENT

The Business Responsibility Report of the Company for the financial year ended 31st March, 2022 as required under Regulation 34(2)(f) of the Listing Regulations forms part of this Report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems are commensurate with its size and nature of its operations and such internal financial controls are adequate and are operating effectively. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business. These controls have been designed to provide reasonable assurance regarding recording and providing reliable financial and operational information, adherence to the Company's policies, safeguarding of assets from unauthorized use and prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

OTHER STATUTORY DISCLOSURES

Annual Return

Pursuant to Sections 92(3) and 134(3)(a) of the Act and Rule 12(1) of the Companies (Management & Administration) Rules, 2014, the Annual Return of the Company for FY 2021-22 is available on the website of the Company at :- https://www.sircapaints.com/

Risk Management

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and its effectiveness. The Company has Risk Management Policy which can be accessed on Company's website https://www.sircapaints.com/

Vigil Mechanism / Whistle Blower Policy

In order to provide a mechanism to employees of the company to disclose any unethical and improper practices or any other alleged wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse action against those employees, the Company has laid down a Vigil Mechanism also known as Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism or Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and their status

There are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year

Significant and Material Orders

No significant or material orders were passed by the Regulators or Courts or Tribunals which will impact the going concern status and Company's operations in future.

Particulars of Loans, Guarantees or Investments Made U/s 186 of the Act

The particulars of loans, guarantees and investments have been disclosed in the financial statements which forms part of this Annual Report.

Particulars of Contracts or Arrangements with Related Parties

The Company has always been committed to good corporate governance practices, including in matters relating to Related Party Transactions (RPTs). Endeavour is consistently made to have only arm's length transactions with all parties including Related Parties. The Board of Directors of the Company had adopted the Related Party Transaction Policy regarding materiality of related party transactions and also on dealings with Related Parties in terms of Regulation 23 of the Listing Regulations and Section 188 of the Act. The policy is available at the following weblink: https://www.sircapaints.com/investors/#policies

In terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations, all contracts/ arrangements/ transactions entered into by the Company with its related parties, during the year under review, were in the ordinary course of business of the Company and on an arm's length basis. Details of particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Act in form AOC-2 has been enclosed as **Annexure–E** to the Directors' Report as required.

For details on Related Party Transactions, you may refer Notes to financial statements forming part of the Annual Report.

Particulars of Employees

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed as **Annexure-F** and forms part of this report.

Further, as required under the provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of employees are set out in **Annexure- G** and forms part of this report.

Conservation of Energy & Technology Absorption foreign exchange earnings and outgo

Environmental sustainability is embedded in the Sirca Environmental Policy which reflects that the Company pursues the path of Industrial development in harmony with the environment. As part of long-term sustainability, your Company ensures that the products, packaging and operations are safe for employees, consumers, stakeholders and the environment. Your Company ensures this with a focus on technologies, processes and improvements that matter for the environment. As an organization, your Company is committed to the goal of sustainable and inclusive growth.

The Company's manufacturing units are ISO 9001 quality management system, ISO 14001 Environment Management System, ISO 45001, Occupational Health and Safety.

The Company measures progress in energy management through various key indicators of specific power consumption, specific fuel consumption, percentage outage, power cost, power losses etc.

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are as follow:

» **Conservation of Energy Measure Taken**

The manufacturing units of the Company have continued their efforts to reduce their energy consumption and the new plants of Nathupur and Rai nearby Sonipat, Haryana have also followed the suit.

1. **Some of the key measures taken by all the manufacturing plants are as below:**
   - Use of Energy efficient motors for all new projects
   - Pressure based pumping system for utility pumping
   - Elimination of compressed air in packing for vacuum application
   - Use of Energy Efficient aluminum Air piping solution to reduce friction losses
   - LED lighting for all plants
   - Utility using electric pallets to save fuel and run with the clean solar energy
   - STP treated water reused for gardening/ toilet flushing
   - ETP treated water reused for utility make-up
   - Stripping water recycling in tanker cleaning
   - Air Dust Collector to clean the environment inside factory
   - Fume suction system to recover and remove the hazardous fumes from the factory environment.
   - All the utilities are noise free pollution.

2. **Alternate Sources of Energy**
   - Sirca Paints initiated plans to install Solar panels in roof, under outsourced model, which was dismantled due to an unfortunate fire incident occurred in the Factory premises.
   - Replacement of high power consuming conventional lights with LED Lights.

» **Technology Absorption**

A. Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company:

a) New products development in wood coating.

b) Anti-bacterial paint for interior wall application.

c) Development of direct to metal finishes for general industries

d) Collaborative work with academic institutions and vendors and customers

e) Competitor sample evaluation and benchmarking

f) Support to customers for smooth introduction of new shades & products on running production line

g) Training to customers on paint Technology & Application to upgrade knowledge & skill

h) Upgradation of processes for cycle time reduction and energy saving

i) High solid resin

2. Benefits derived out of the above work:
Development of new products for different applications.

i) Decorative Products:

- Polyester paint for interior-exterior application.
- Low cost exterior with gloss, rich look and smoother finish.
- Economy exterior emulsion which is resistant to chalking, flaking, fading and prevent fungi and algae growth.
- Quick drying, anti-rust, anti-yellowing durable coating system.
- Economical elastomeric base coat.

ii) Industrial products:

- Polyurethane coating with extended durability and weather ability.
- Mono coat polyurethane finish with higher productivity and energy savings for GI.
- Direct to metal finish for auto and GI sector.
- Moisture cured heat resistance coating for GI.
- High Solid Acrylic Polyol coatings for wood and metals.
- Glass coating development for decorative and industrial purpose
- Acrylic coating for decorative and industrials sector.

3. Future Plan of Action:
To develop new products based on advanced technology as per anticipated market need. Special focus will continue towards developing safe and user friendly products with superior performance.

B. Technology Absorption, Adoption and Innovation:

(i) Efforts, in brief, made towards technology absorption, adoption and innovation
You company has entered into a Technical Knowhow agreement dated **16th February, 2018** with SIRCA S.P.A. This agreement was signed for providing better products to the end users at economical range.

(ii) Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc
Full understanding of the technology helped the Company to identify better process knowledge and simulation facilitated achievement of higher production volumes, quality improvement and energy conservation.

» **Foreign Exchange Earnings and Outgo**
Foreign Exchange Earnings and Outgo During the Reporting Period

	(Amount in Lakhs)
Foreign exchange inflows	127.03
Foreign exchange outflows	6,013.48

Prevention of Sexual Harassment at Workplace

In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has adopted a "Policy on Appropriate Social Conduct at Workplace". The Policy is applicable for all employees of the organization, which includes corporate office, manufacturing locations, branches, depots, etc. The Policy is applicable to non-employees as well i.e. business associates, vendors, trainees etc.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the POSH Act to redress complaints received on sexual harassment as well as other forms of verbal, physical, written or visual harassment.

During the year under review, the Company did not receive any complaints of sexual harassment and no cases were filed under the POSH Act.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, The Company was not required to transfer any funds to Investor Education and Protection Funds (IEPF).

Stock Options Plans

During the financial year under review the Company does not have any stock option plan in force

Human Resource Management

The Company believes in creating an enabling environment for employees to grow and contribute to its overall objective. The employees are provided with adequate learning and development opportunities to sharpen their skillset and drive the performance of the Company. The Company engages with the employees across platforms to strengthen employee stickiness. As on 31st March, 2022, the Company has 395 permanent employees.

Suspension of Securities of the Company

The securities of the Company have not been suspended from trading of the stock exchange.

Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking loans from the Banks or Financial Institution along with the reasons thereof

There are no such events occurred during the period from 1st April, 2021 to 31st March, 2022, thus no valuation is carried out for the one-time settlement with the Banks or Financial Institutions.

Deviation(s)/Variation(s) in Use of Proceeds from Objects Stated in Offer Document

Pursuant to Regulation 32 of SEBI Listing Regulations, The Directors of the company confirm that there has been no deviation(s) / variation(s) in the use of proceeds from the Objects stated in the Prospectus for the FY 2021-22.

As on 31st March, 2022 the Company has utilized **₹ 7791.36 Lakhs** out of total IPO proceeds amounting to **₹ 7791.36 Lakhs** ("total IPO proceeds"), which constitutes 100% of total IPO proceeds.

ACKNOWLEDGMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apoorv Agarwal
DIN: 01302537
Joint Managing Director

ANNEXURE-A TO THE DIRECTOR'S REPORT

REPORT ON CORPORATE GOVERNANCE

Pursuant to Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a Report on Corporate Governance for the year ended 31st March, 2022 is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE SIRCA PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors

2. BOARD OF DIRECTORS ("BOARD")

The Board of Directors have the ultimate responsibility of ensuring effective management, long term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Managing Director & Joint Managing directors reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual long term business targets. The Managing Director and Joint Managing Director acts as a link between the Board and the management.

3. COMPOSITION OF THE BOARD

The Company believes in a well – balanced Board which enriches board discussions and enables effective decision making. The Board has an optimal mix of executive and Non – executive directors who have considerable expertise in their respective fields including competencies required in context of Company's businesses.

The composition and size of the Board is reviewed periodically to ensure an optimum mix of directors with complementary skillsets and varied perspectives for constructive debates facilitating more effective decision making.

As on the date of this report, the Board is comprised of 8 directors, 2 (Two) of which are executive promoter directors, 1(One) is Non – executive promoter director, 1(One) non – executive director, 4 (Four) are Independent Directors.

The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the rules issued thereunder.

S. No.	Name of Director	Category	Date of Appointment	No. of Other Directorships (As on 31.03.2022)*	Total No. of Committee positions in Mandatory Committees (As on 31.03.2022)**		
					Chairperson	Member	Total
1.	Mr. Sanjay Agarwal DIN:01302479	Promoter, Executive Director	19/01/2006	1	1	-	1
2.	Mr. Gurjit Singh Bains DIN: 01977032	Promoter, Non Executive Director	19/01/2006	1	-	2	2
3.	Mr. Apoorv Agarwal DIN:01302537	Promoter, Executive Director	19/01/2006	1	1	2	3
4.	Mr. Sanjay Kapoor DIN:06875087	Independent Director	14/12/2017	-	0	3	3
5.	Mr. Shyam Lal Goyal DIN:08815530	Independent Director	18/09/2020	-	1	1	2
6.	Mr. Ugo Pelosin DIN: 08196294	Non Executive Director	27/09/2018	-	-	-	-
7.	Mr. Anil Kumar Mehrotra DIN:05338446	Independent Director	04/07/2019	-	-	-	-
8.	Mrs. Anu Chauhan DIN: 08500056	Independent Director	04/07/2019	-	3	2	5

* Excluding directorship in Sirca Paints India Limited.

- The number of directorships and the positions held by Directors on Board Committees are in conformity with the limits laid down in the Act and SEBI Listing Regulations, as on 31st March, 2022

**In terms of the provisions of Regulation 26(1) of the SEBI Listing Regulations.

- Committee memberships /chairpersonship in Committees of the Board(s) of all public companies, whether listed or not, have been taken into consideration excluding private limited companies, foreign companies, high value debt listed entities and companies registered under Section 8 of the Act.

- Chairpersonship and memberships of Audit and Stakeholders' Relationship Committees have been considered. Also, the number of membership of Committees includes chairmanship.

The minutes of the Board meetings and Committee meetings are circulated to all directors and committee members, respectively, in compliance with the Secretarial Standard-1 issued by the Institute of Company Secretaries of India (ICSI) for their review, consideration and records. The necessary quorum was present at all meetings. The gap between any two consecutive Board meetings did not exceed one hundred and twenty days. The Board periodically reviews compliance reports in respect of laws and regulations applicable to the Company. Following are the details of attendance at the seven Board Meetings held during the financial year ended on 31st March, 2022 and the last Annual General Meeting:

Date of Board Meetings	Name of Directors							
	Mr. Sanjay Agarwal	Mr. Gurjit Singh Bains	Mr. Apoorv Agarwal	Mr. Sanjay Kapoor	Mr. Ugo Pelosin	Mr. Anil Kumar Mehrotra	Mrs. Anu Chauhan	Mr. Shyamlal Goyal
28.05.2021	✓	✓	✓	✓	✗	✓	✗	✗
10.07.2021	✓	✓	✓	✗	✗	✗	✓	✗
30.07.2021	✓	✗	✓	✗	✗	✓	✓	✗
09.10.2021	✓	✓	✓	✓	✗	✓	✗	✓
09.11.2021	✓	✗	✓	✓	✗	✓	✓	✓
05.02.2022	✓	✓	✓	✗	✓	✗	✓	✓
24.03.2022	✓	✓	✓	✓	✓	✓	✓	✗

Date of Annual General Meeting	Name of Directors							
	Mr. Sanjay Agarwal	Mr. Gurjit Singh Bains	Mr. Apoorv Agarwal	Mr. Sanjay Kapoor	Mr. Ugo Pelosin	Mr. Anil Kumar Mehrotra	Mrs. Anu Chauhan	Mr. Shyamlal Goyal
06/08/2021	✓	✓	✓	✗	✗	✗	✓	✓

Notes

All Independent Directors of the Company have certified and confirmed their independence in accordance with Section 149 of the Act read with Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations.

Leave of absence was obtained by Directors and granted in all cases where sorted and no one has abstained himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. Hence, no one falls under the limit of section 167(1)(b) of the Companies Act, 2013. The necessary quorum was present for all the meetings.

Shareholding of Board of Directors:

Sl.No	Name of Director	Shareholding
1	Mr. Sanjay Agarwal	88,80,480
2	Mr. Gurjit Singh Bains	38,66,197
3	Mr. Apoorv Agarwal	5,53,500
4	Mr. Sanjay Kapoor	-
5	Mr. Shyamlal Goyal	-
6	Mr. Ugo Pelosin	-
7	Mr. Anil Kumar Mehrotra	-
8	Mrs. Anu Chauhan	-

Disclosure of relationship between directors inter-se:
Following Directors are related to each other:

S.No	Name of Director	Name of Related Director	Relationship
1	Mr. Sanjay Agarwal	Mr. Apoorv Agarwal	Mr. Sanjay Agarwal is father of Apoorv Agarwal

Access to information

Directors, including Independent Directors, can visit the various manufacturing locations of the Company. They need not necessarily be accompanied by the Managing Director. The purpose is to ensure that the Independent Directors have free and independent access to the Company's officials and records, so that they can form an independent opinion about the situation of the Company. Apart from this, reports of the audit carried out by the internal auditors and the statutory auditors are circulated to all the Directors. Monthly Performance Report is also forwarded to the Chairman and other Independent Directors updating them with the performance on various parameters. It is ensured that the Board receives qualitative and quantitative information in line with the best management practices adopted. The details of familiarization programme for the Independent Directors of the Company is available on the website of the Company at https://www.sircapaints.com/investors/#policies

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company, which is available on the Company website at www.sircapaints.com

The Company has obtained confirmations for the compliance with the said code from all its Board members and senior management personnel for the year ended 31st March, 2022.

A declaration to this effect given by Mr. Sanjay Agarwal, Chairman cum Managing Director of the Company, is reproduced below:

CODE OF CONDUCT DECLARATION

I, Sanjay Agarwal, Chairman cum Managing Director of Sirca Paints India Limited, to the best of my knowledge and belief, hereby declare that all the Board members and senior management personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31st March, 2022.

Place: Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
Chairman cum Managing Director

Core skills/ expertise/ competencies of the Board

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees.

The Board of Directors has identified following skills/ expertise/ competencies fundamental for the effective functioning of the Company:

1.	Management and Leadership Skill	Management and leadership experience in practical understanding in business development, processes, strategic planning, risk management etc.
2.	Business and financial acumen	Demonstrate techno-commercial and business perspective, ability to comprehend, interpret and guide on financial statements, Audit Committee presentations and matters of business
3.	Strategy and Planning	Strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
4.	Functional and managerial experience	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, human resources, Indian laws, international markets, sales and marketing, and risk management
5.	Governance and Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability and driving corporate ethics and values.

Following is the list of core skills, expertise and competencies of each Director:

Name of the Director	Skills / Expertise / Competencies				
	Management and Leadership Skill	Business and financial acumen	Strategy and Planning	Functional and managerial experience	Governance and Compliance
Mr. Sanjay Agarwal	✔	✔	✔	✔	✔
Mr. Apoorv Agarwal	✔	✔	✔	✔	✔
Mr. Gurjit Singh Bains	✔	✔	✔	✔	✔
Mr. Ugo Pelosin	✔	-	✔	✔	✔
Mr. Sanjay Kapoor	✔	-	✔	✔	✔
Mrs. Anu Chauhan	✔	-	✔	✔	✔
Mr. Shyam Lal Goyal	✔	✔	✔	✔	✔
Mr. Anil Kumar Mehrotra	✔	✔	✔	✔	✔

Note: Above skills/ expertise/ competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/ experience within the described set of parameters, and it is not necessary that all Directors possess all skills/ experience competencies listed therein.

Evaluation of Board:

In terms of the requirement of the Companies Act, 2013 and the listing regulations an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. During the year, Board Evaluation Cycle was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees. The exercise was led by the Chairman along with the Chairman of the Nomination and Remuneration Committee of the Company. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc.

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board Members from different backgrounds bring about different complementarities that help Board discussions to be rich and value adding. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committee Meetings. The evaluation exercise also suggested that the Board succession planning exercise has been embedded well in the Board processes.

Independent Directors:

The Independent Directors of the Company have been appointed in accordance with the provisions of Section 149 of the Act and applicable provisions of the SEBI Listing Regulations.

Pursuant to Schedule IV of the Act, every Independent Director has been issued a letter of appointment containing the terms and conditions of his/her appointment. The terms and conditions of appointment have been posted on the website of the Company at https://www.sircapaints.com/investors/#policies.

Independent director's databank registration

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors are registered with the Independent Director's Databank.

Separate meeting of Independent Directors

In accordance with the provisions of Schedule IV of the Act and Regulation 25 of SEBI Listing Regulations, 1 (One) separate meeting of the Independent Directors were held during the year i.e. on 24th March, 2022, wherein the Internal Auditors and the Statutory Auditors of the Company were also invited. The meeting of the Independent Directors was without the attendance of Non-Independent Directors and members of management.

The names of Independent Directors on the Board and their attendance at the meeting of Independent Directors held during the year under review are as follows:

Name of the Director	Category	Meeting held on 24th March, 2022
Mrs. Anu Chauhan	Non-Executive Independent Director	Present
Mr. Sanjay Kapoor	Non-Executive Independent Director	Present
Mr. Anil Kumar Mehrotra	Non-Executive Independent Director	Present
Mr. Shyam Lal Goyal	Non-Executive Independent Director	Absent

The Independent Directors at their meetings also considered:

a. Review of the performance of the Non-Independent Directors and the Board as a whole;

b. Review of the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-Executive Directors;

c. Assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

Declarations:

The Company has received declarations from the Independent Directors that they meet the criteria of Independence laid down under the Companies Act, 2013 and the listing regulations.

The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirms that the Independent Directors fulfill the conditions of Independence specified in the Listing regulations and the Companies Act, 2013 and are independent of the management of the Company.

4. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review.

Details of the Board Committees and other related information are provided hereunder:

Name of Committee	Extract of Terms of Reference	Category and Composition			Meetings & Attendance
		Statutory Committee			
Audit Committee	• Appoints the independent auditor and oversees the auditing process; • Ensures legal and regulatory compliances including the effective implementation of the code of conduct; • Ensures the integrity, accuracy and adequacy of accounting records; • Reviews the business contingency planning process within the group.	**Name**	**Category**	**Number of Audit Committee Meetings attended during the year ended 31st March, 2022**	• 5 Meeting Held during Financial Year 2021-2022 on the following dates: • 24.05.2021; • 28.06.2021; • 22.07.2021; • 09.11.2021; • 05.02.2022 The Company Secretary of the Company acts as Secretary to the Committee.
		Mrs. Anu Chauhan	Member	4	
		Mr. Apoorv Agarwal	Member	5	
		Mr. ShyamLal Goyal	Chairperson	4	
		Mr. Sanjay Kapoor	Member	3	

Nomination and Remuneration Committee	• Prepares and recommends governance principles applicable to the group; • Keeps abreast of best corporate practices; • Evaluate the effectiveness and qualifications of the Board and its committees; • Responsible for Director's succession planning; • Develops and recommends to the Board criteria for the selection of Directors and senior management. • Details of policy of Nomination and Remuneration committee are given below.	**Name**	**Category**	**Number of Nomination and Remuneration Committee Meetings attended during the year ended 31st March, 2022**	• 2 Meeting Held during Financial Year 2021-2022 on the following dates: • 28.06.2021; • 09.11.2021 The Company Secretary of the Company acts as Secretary to the Committee.
		Mrs. Anu Chauhan	Chairperson	2	
		Mr. Sanjay Kapoor	Member	2	
		Mr. Gurjit Singh Bains	Member	Nil	
Stakeholders Relationship Committee	• Consider and resolve the grievances of security holders. • Consider and approve issue of share certificates, transfer and transmission of securities, etc. • Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of annual report, Non receipt of declared dividends etc. • Set forth the policies relating to and to oversee the implementation of Policy for Prevention of Insider Trading and to review the concerns received under the Sirca's Code of Conduct.	**Name**	**Category**	**Stakeholders Relationship Committee Meetings attended during the year ended 31st March, 2022**	• 2 Meeting Held during Financial Year 2021-2022 on the following dates: • 09.11.2021; • 05.02.2022 • The Company Secretary of the Company acts as Secretary to the Committee. • No Complaint were received or remained pending against the company, during the financial year 2021-22.
		Mr. Sanjay Kapoor	Member	1	
		Mr. Gurjit Singh Bains	Members	1	
		Mrs. Anu Chauhan	Chairperson	2	
Corporate Social Responsibility Committee	• Formulate and recommend to the board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act. • Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. • Monitor the CSR Policy. • Review all other matters as applicable under any provisions, laws, rules and regulations of the Companies Act, 2013.	**Name**	**Category**	**Corporate Social Responsibility Committee Meetings attended during the year ended 31st March, 2022**	• 02 Meeting Held during Financial Year 2021-2022 on the following dates: • 02.07.2021; • 24.03.2022 • The Company Secretary of the Company acts as Secretary to the Committee.
		Mr. Sanjay Agarwal	Chairperson	2	
		Mr. Apoorv Agarwal	Member	2	
		Mrs. Anu Chauhan	Member	2	

Risk Management Committee	• To formulate a detailed risk management policy which shall include: I. 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. II. Measures for risk mitigation including systems and processes for internal control of identified risks. III. Business continuity plan • To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; • To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems; • To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; • To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; • The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.	**Name**	**Category**	**Risk Management Committee attended during the year ended 31st March, 2022**	• During the FY 21-22 the risk management committee was constituted by the company pursuant to Regulation 21 of SEBI (LODR) Regulation, 2015 • 04 Meeting Held during Financial Year 2021-2022 on the following dates: • 30.06.2021; • 09.11.2021; • 01.01.2022; • 05.02.2022 • The Company Secretary of the Company acts as Secretary to the Committee. • Further, as Mr. Baljeet Singh Bhurgy had resigned from the Company with effect from 09th November, 2021 and with approval of Board, committee was reconstituted w.e.f. 09th November, 2021 and Mr. Shyam Lal Goyal (DIN: 08815530), non – executive Independent Director, joined as the new member of the committee w.e.f. 09th November, 2021
		Mrs. Anu Chauhan	Chairperson	4	
		Mr. Apoorv Agarwal	Member	4	
		Mr. ShyamLal Goyal	Member	3	
		Mr. Baljeet Singh Bhurgy	Member	1	

Sexual Harassment Committee (Internal Control Committee)	• During the Financial Year 2021 – 22, the company formulated the Internal Control Committee (ICC) for prevention of Sexual Harassment at work place; • The Company has formulated a Policy on prevention of Sexual Harassment at workplace for prevention, prohibition and redressal of Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"); • ICC develop a policy against sexual harassment of women in the Company; • It evolve a permanent mechanism for the prevention and redressal of sexual harassment cases and other acts of gender based violence; • It ensures implementation of the policy in letter and spirit through proper reporting of the complaints and their follow-up procedures; • It creates a secure physical and social environment to deter any act of sexual harassment.	**Name**	**Category**	**Sexual Harassment Committee (Internal Control Committee) attended during the year ended 31st March, 2022**	• During the Financial Year 2021-22, the Committee hold one meeting on 24.03.2022; • No leave of absence was sorted in the meeting. • No Complaint filed and pending during the financial year 2021-2022
		Seema Aggarwal	Chairman	1		
		Ayushi Agarwal	Member	1		
		Sapna Vaish	Member (From External Organization)	1		

Director's Remuneration:

The compensation paid to the executive directors (including managing director) is within the scale approved by the shareholders. The elements of the total compensation, approved by the NRC are also within the overall limits specified under the Act.

The elements of compensation of the executive directors are decided by the Board from time to time.

The Executive directors are not paid sitting fees for any Board/ committee meetings attended by them. The remuneration payable by the Company to the executive directors are subject to the conditions specified in the Act and the SEBI Listing Regulations including in terms of monetary limits, approval requirements and disclosure requirements. In case of inadequacy of profit in any financial year, the remuneration payable to the executive directors shall be further subject to the relevant provisions of the Act.

The details of remuneration paid to the Executive and Non-Executive Directors during the financial year 2021-22 are given below:-

(Amount in Lakhs)

Name of Director	Salary	Allowances & Perquisites	Contribution to PF	Sitting Fee	Total
Category A: Executive Directors					
Mr. Sanjay Agarwal	39.00	63.25	-	-	102.25
Mr. Apoorv Agarwal	18.00	31.75	-	-	49.75

Category B: Non-Executive Independent Directors/ Non-Executive Directors					
Mr. Gurjit Singh Bains	-	-	-	0.30	-
Mr. Sanjay Kapoor	-	-	-	0.35	-
Mr. Ugo Pelosin	-	-	-	0.10	-
Mrs. Anu Chauhan	-	-	-	0.55	-
Mr. Anil Kumar Mehrotra	-	-	-	0.25	-
Mr. Shyamlal Goyal	-	-	-	0.45	-

Criteria of making payments to Non- Executive Directors:
The Sitting Fee was paid to the Non- Executive Directors within limits approved by the Board of Directors.

Service contracts, notice period, severance fees:
The appointment of the Executive Directors are governed by Resolutions passed by the Shareholders of the Company, which covers the terms and conditions of such appointment, read with the service rule of the Company. A separate service contract is not entered into by the Company with Executive Directors.

Stock option details:
The Company does not have any stock option scheme.

Remuneration to Key Managerial Personnel and other employees
The objective of the policy is to have a compensation framework that will reward and retain talent.

As per the policy, the remuneration is such as to ensure that the correlation of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Key Managerial Personnel, Senior Management and other employees involves a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals.

Nomination & Remuneration Policy of the Company:
The Nomination & Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Policy emphasize on promoting talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

The Remuneration Policy applies to Directors, Senior Management Personnel including its Key Management Personnel (KMPs) and other employees of the Company. When considering the appointment and remuneration of Whole-time Directors, the Nomination and Remuneration Committee inter –alia considers pay and employment conditions in the industry, merit and seniority of person and the paying capacity of the Company. Remuneration of KMPs and senior management personnel is decided by the Managing Director. The remuneration to other employees is fixed as per principles outlined above.

The guiding principle is that the remuneration and the other terms of employment should effectively help in attracting and retaining committed and competent personnel. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

Subsidiary Company
The Company has one unlisted subsidiary company, viz. Sirca Industries Limited, which are not material as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Company reviews the financial statements of the Subsidiary. The Company monitors performance of its subsidiary company, inter alia, by the following means:

(i) The Audit Committee reviews the Financial Statements of the subsidiary company, on a quarterly basis.

(ii) The Board of Directors reviews the Board meeting minutes and statements of all significant transactions and arrangements, if any, of the subsidiary company.

The Company does not have a material Indian subsidiary.

GENERAL BODY MEETINGS

Annual General Meeting:

The location, time and resolutions passed in the Annual General Meetings held in last 3 years are given below:

Financial Year Ended	Date	Location	Time	Items Approved by Special Resolution
31st March, 2019	06th September, 2019	District Centre, Crossing Opposite Galaxy Toyota, Outer Ring Rd, Haiderpur, Shalimar Bagh, Delhi-110088	11:00 A.M.	NIL
31st March, 2020	18th September, 2020	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	12:30 P.M.	NIL
31st March, 2021	06th August, 2021	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM")	12:30 P.M.	Approval of payment of Remuneration to the Executive Directors, who are Promoters in terms of Regulation 17 (6) (e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

Extra ordinary General Meeting:

During the financial year 2021–22, no Extra Ordinary General Meeting was held by your company.

Postal Ballot:

a. No Special Resolution was passed last year through Postal Ballot

b. During the year, no postal ballot was conducted by the Company.

c. As at 31st March, 2022, no Special Resolution is proposed to be conducted through Postal Ballot

MEANS OF COMMUNICATIONS

The company promptly discloses information on material corporate developments and other events as required under Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the on – line portal of the Stock Exchanges, press releases, the Annual Reports and by placing relevant information on its website.

Publication of Financial Information:

Quarterly, half-yearly and Annual Financial results of the Company were published in leading English and vernacular newspapers viz. Financial Express and Jansatta. it is also displayed on official news releases; and presentation made to institutional investors or to the analysts: Relevant information is displayed on the website of the Company at https://www.sircapaints.com

Website and News Releases:

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'investor relation' on the Company's website gives information on various announcement made by the Company, Annual reports, quarterly/half yearly/ Nine – months and Annual financial results along with the applicable policies of the Company. The Company's official new releases and presentations made to the institutional investors and analyst are also available on the Company's website https://www.sircapaints.com. Quarterly compliance reports and other relevant information of interest to the investors are also placed under the Investor Relation sections on the Company's website.

Stock Exchange:

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges. The Managing director and the CFO & Company Secretary are empowered to decide on the materiality of information for the purpose of making disclosures to the stock exchanges. The Company makes timely disclosures of necessary information to National Stock Exchange of India Limited (NSE) in terms of the Listing regulations and other applicable rules and regulations issued by the SEBI.

NEAPS (NSE Electronic Application Processing System):

NEAPS is a web based application designed by NSE for corporates. All periodical compliances filings, inter alia, shareholding pattern, corporate governance report, corporate announcements, amongst others, are in accordance with the listing regulations, the disclosures made to the stock exchanges, to the extent possible, are in a format that allows users to find relevant information easily through a searching tools.

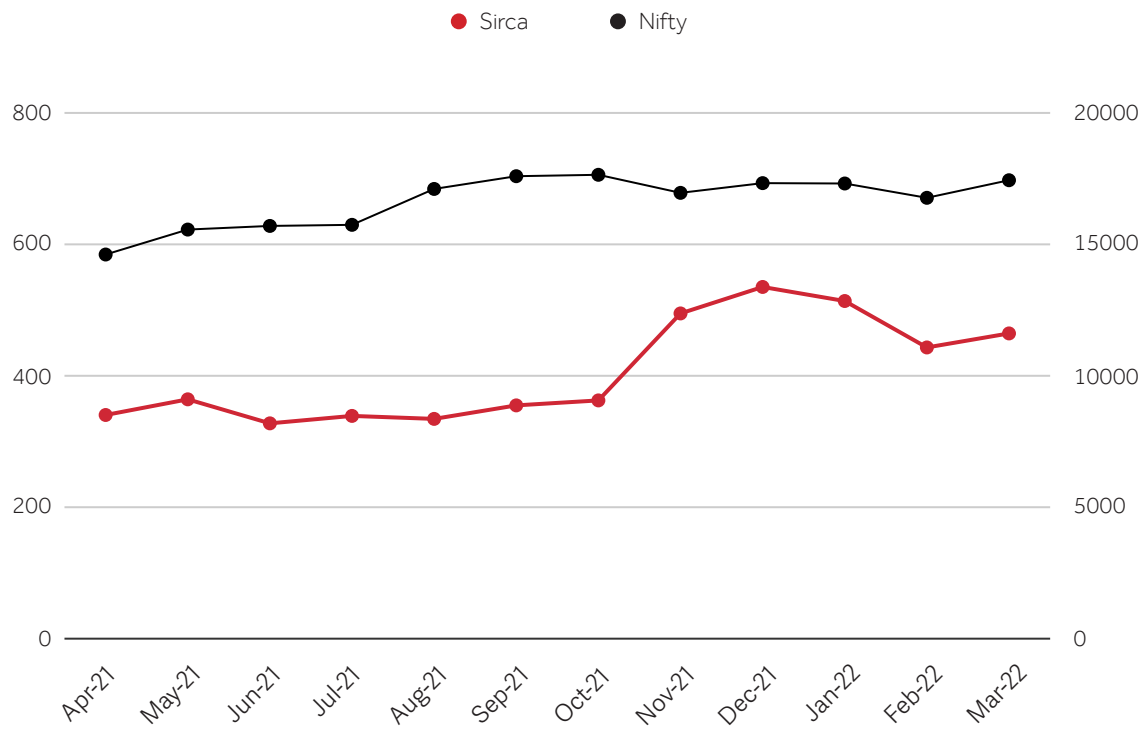
GENERAL SHAREHOLDER INFORMATION

Corporate Identity Number (CIN)	**L24219DL2006PLC145092**
Registered Office	G-82, Kirti Nagar, Delhi-110015
Website/Email	Website: www.sircapaints.com Email: cs@sircapaints.com
Date, time and venue of Annual General Meeting	The ensuing AGM of the Company will be held on Monday, 25th July, 2022 at 12:30 P.M. through Video conferencing or Other Audio Visual means. Notice of the ensuing AGM is separately provided along with the Annual Report.
Financial Calendar	April – March
Financial reporting for the quarter ending 30th June, 2022	July-August, 2022
Financial reporting for the quarter ending 30th September, 2022	October-November, 2022
Financial reporting for the quarter ending 31st December, 2022	January-February, 2023
Financial reporting for the year ending 31st March, 2023	April-May, 2023
Dividend Payment Date	Dividend, when declared, will be payable within a period of 30 days from the date of declaration to those members whose names are registered as such in the Register of Members of the Company as on **Monday, 18th July, 2022** and to the Beneficiary holders as per the beneficiary list as on **Monday, 18th July, 2022** provided by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").
Date of Book Closure	**Thursday, 21st July, 2022 to Monday, 25th July, 2022** (both days inclusive) for the purpose of Annual General Meeting and Dividend.
Depositories	NSDL Address: Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400013 CDSL Address: Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai 400013 Payment of Depository Fees: Annual Custody/Issuer fees is being paid by the Company within the due date based on invoices received from the Depositories.
International Securities Identification Number (ISIN)	**INE792Z01011**
Name and address of Stock Exchanges at which the Company's securities are listed:	**National Stock Exchange of India Ltd.** Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai – 400051 Tel No: (022) 26598100 – 8114. The annual listing fees of the NSE for the financial year 2022-23 have been paid
Stock Code:	NSE: SIRCA
Registrar & Share Transfer Agents (RTA):	KFin Technologies Limited (Formerly Known as KFin Technologies Pvt. Ltd) Reg: Selenium Building, Tower- B, Plot No. 31 & 32, Financial District, Nanakramguda, serilingampally, Hyderabad, Rangareddy, Telangana, India-500032 Ph: 40-23312454

Market Price Data: Month wise High, Low of the Company's Equity Shares during the financial year 2021-2022 at NSE are given below:

Month	High	Low
April	380.00	316.00
May	384.00	311.15
June	382.50	316.60
July	366.40	339.00
August	358.00	283.00
September	366.75	326.55
October	456.00	353.00
November	530.00	364.15
December	625.00	480.75
January	594.70	485.00
February	528.00	395.00
March	504.75	391.10

The aforesaid table is based on the closing price of the shares of Sirca Paints India Limited (SPIL) and closing of NSE Nifty as available at NSE website.



The aforesaid chart is based on the monthly low of closing price of the shares of Sirca Paints India Limited (SPIL) at NSE and monthly low of closing NSE Nifty.

Share Transfer System:

In terms of the Listing Regulations, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares. However, as per Listing Regulations, w.e.f. 24th January, 2022, transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form. Shareholders are advised to dematerialize the shares held by them in physical form.

Transfer of Equity Shares in dematerialized form are done through depositories with no involvement of the Company/ the registrar and share transfer agent. The registrar and share transfer agent of Sirca periodically receives the details of beneficiary holdings from depositories.

Distribution of shareholdings as on 31st March, 2022:

Range of Shareholding		No. of Shareholders	Percentage of Shareholders	Total No. of Shares Held	Total percentage of Shareholding
Nominal Value					
1 -	1000	12512	95.85	1151353	4.20
1001-	2000	299	2.29	418540	1.53
2001-	3000	68	0.52	175314	0.64
3001-	4000	34	0.26	121453	0.44
4001-	5000	26	0.20	122728	0.45
5001-	10000	54	0.41	388746	1.42
10001-	20000	25	0.19	346242	1.26
20001 -	50000	13	0.10	377284	1.38
50001	and above	23	0.18	24302740	88.68
TOTAL		**13054**	**100.00**	**27404400**	**100.00**

Category of Shareholders	No of shares	% of Total No. of Shares
A. Promoters		
a) Individual/ HUF	13355527	48.73
b) Foreign Bodies	5155483	18.82
Total Shareholding of Promoter(s) and Promoter(s) Group (A)	**18511010**	**67.55**
B. Public Shareholding		
1. Institutions		
a) Mutual Funds	1052092	3.84
b) Foreign Institutional Investors	474061	1.73
Sub-total (B)(1):-	**1526153**	**5.57**
2. Non-Institutions		
a) Bodies Corp.	255175	0.93
b) Individuals		
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	2182079	7.96
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3674242	13.41
Clearing Members	14198	0.05
Foreign Bodies	1050000	3.83
Non Resident Indians	141548	0.52

Non Resident Indians (Non Repatriation)	49995	0.18
Sub-total (B)(2):-	**7367237**	**26.88**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**8893390**	**32.45**
Grand Total (A+B)	**27404400**	**100**

Dematerialization of shares and liquidity:

Shareholders seeking dematerialisation of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificate along with demat request form to the Registrar and Share Transfer Agent (the "Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same and will confirm the demat request. On confirmation, the demat account of the respective shareholder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder through their respective DPs.

As on 31st March, 2022 Company is listed on NSE Exchange 96.17% of the paid-up share capital of the Company is in dematerialized forms, except the shares of, 10,50,002 Number of Equity Shares.

Outstanding GDRs / ADRs or warrants or any Convertible Instruments, conversion date and any likely impact on equity:

The Company has not issued any GDRs /ADRs /Warrants or any Convertible Instruments as on financial year ended 31st March, 2022

Commodity price risk or foreign exchange risk and hedging activities:

With reference to Circular bearing Ref. No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018 issued by Securities and Exchange Board of India, on disclosures regarding commodity risks by listed entities, the Company is actively working on mitigating commodity risks and foreign exchange risks.

Commodity Risk

Commodity risk is an integral spectrum of the risk framework of the Company and impacts its financial performance upon fluctuations in the prices of the commodities that are out of control of the Company and are primarily driven by external market forces, government policies and international market changes. The Company does not undertake any commodity hedging activities on any exchange but procures raw materials which are derivatives of various commodities. The Company has a robust framework and governance mechanism in place that ensures Company's interests are protected despite volatility in prices and availability.

Foreign Exchange Risk

The Company is exposed to the risks associated with fluctuations in foreign exchange rates mainly on import of raw materials. It has a well-structured foreign exchange risk management policy. The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies. Please refer to Note No. 43(d)(i) of Notes to the Standalone Financial Statements towards exposure to currency risk.

Dividend:

Dividend Details
1st Final dividend for FY 2018 –19 of ₹ 1 Per equity share declared on 06th September, 2019
1st Interim Dividend for FY 2019 - 20 of ₹ 1.50 Per Equity share declared on 28th Feburary, 2020
2nd Final Dividend for FY 2020-21 of ₹ 1.50 Per Equity share declared on 06th August, 2021
3rd Final Dividend for FY 2021-22 of ₹ 2 Per Equity share recommended by the Board of Directors at its meeting held on 26th May, 2022

The Company provides the facility for remittance of dividend to members through NACH (National Automated Clearing House) / NEFT (National Electronic Funds Transfer).

Members who have not opted for remittance of dividend through electronic mode and wish to avail the same are required to provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to their respective Depository Participants (DPs) for shares held in electronic form or to the Company's RTA held in physical form, as the case may be, in order to ensure safe and speedy credit of their dividend into their Bank account.

Dividend income is taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend (TDS) paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Further details in this regard have been made available in the Notice for the Company's 17th Annual General Meeting forming part of this Annual Report.

The Company sends TDS certificate to the shareholders at their registered email id or postal address, as the case may be, post payment of the dividend.

Details of Unclaimed Dividend

The details of the outstanding unclaimed dividend as on 31st March, 2022 and corresponding due dates for transfer to IEPF are as under:

Sr. No	Particulars of Dividend	Amount (in ₹)	Due Dates of Transfer to IEPF
1	Final Dividend 2018-2019	4800	06th October, 2026
2	Interim Dividend 2019-2020	31,272	30th March, 2027
3	Final Dividend 2020-21	42,893	05th September, 2028

Plant Locations:

Sl. No.	Location Address	Nature of Location Products Manufactured
1	1633, HSIIDC, INDUSTRIAL ESTATE RAI,SUB TEHSIL RAI,DISTT. SONIPAT-131029,HARYANA	Manufacturing Plant
2	KHASRA NO.30//23/2/2MIN 24/1 MIN NATHUPUR SUB-TEHSIL RAI-131029	Manufacturing Plant

Confirmation of Compliance with the Corporate Governance Requirements Specified in Regulation 17 to 27 and Clauses (B) to (I) of Sub-Regulation 2 of Regulation 46 of Sebi Listing Regulations

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

Reporting of Internal Auditor

The Internal auditors of the Company reports to the Audit Committee

Details of Public Funding Obtained:

During the FY 2021-22, the Company has not raised any moneys by way of initial public offer or further public offer

Related Party Transactions

Related Party Transactions are defined as transfer of resources, services or obligations between the company, its subsidiaries and their related parties, regardless of whether a price is charged. As per Listing Regulations, there have been no materially significant related party transactions with Company's subsidiaries, promoters, directors or the management or their relatives or companies controlled by them etc., which may have conflict with the interest of the Company at large.

Details on Related Party Transactions are shown in note number 41 in the standalone for the financial year ended 31st March, 2022.

In compliance of the provisions of Listing Regulations, the policy on dealing with Related Party Transactions has been uploaded on the website of the Company at the following link: https://www.sircapaints.com/investors/#policies

Regulation 34(3) compliance of SEBI Listing Regulations

The Company is in compliance with the disclosures required to be made under this report in accordance with the Act and regulation 34(3) read with Schedule V to the SEBI Listing Regulations.

OTHER DISCLOSURE:

1. The Board has received disclosures from senior management relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

2. There was no non-compliance during the year by the Company on any matter related to Capital Market. There were no penalties imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any statutory authority.

3. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for employees and Directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics policy. The said policy has been posted on the Company's website. The Company affirms that no personnel have been denied access to the Audit Committee of Directors.

4. All mandatory requirements as per Listing Regulations have been complied with by the Company.

5. Disclosure of instances along with the reasons, where the Board of Directors had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the financial year 2021-22:

   There was no instance during the financial year 2021-22, where the Board of Directors did not accept the recommendation of any Committee of the Board which it was mandatorily required to accept.

6. The Company has complied with mandatory requirement of the SEBI Listing Regulations. In compliance with the said Regulations, the Company has obtained a certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance. The said certificate is annexed to this Report.

   Also, certificate from Practicing Company Secretary has been obtained to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board or Ministry of Corporate Affairs or any other Statutory Authorities. The said certificate is annexed to this Report

7. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part:

(Amount in Lakhs)

Name of Entity	Fees Paid During FY 2021-22
Sirca Paints India Limited	6.94
Sirca Industries Limited	0.20

8. Disclosures with respect to demat suspense account/ unclaimed suspense account

   (a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; **NIL**
   (b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year; **NIL**
   (c) Number of shareholders to whom shares were transferred from suspense account during the year; **NIL**
   (d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **NIL**
   (e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. **NIL**

9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

   a. Number of complaints filed during the financial year 2021-22: **NIL**
   b. Number of complaints disposed of during the financial year 2021-22: **NIL**
   c. Number of complaints pending as on end of the financial year 2021-22: **NIL**

CEO/CFO CERTIFICATION

A certificate from the CEO and CFO as specified in Part B of Schedule II in terms of Regulation 17(8) of the SEBI Listing Regulations, was placed before the meeting of the Board of Directors held on 26th May, 2022, to approve the Audited Financial Results and Audited Financial Statements of the Company for the financial year ended 31st March, 2022. The Said Certificate is enclosed with the Annual report as annexure to the Corporate Governance Report.

Particulars	Regulations	Details	Website
Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Companies Act, 2013.	• No material significant transactions that may have potential conflict with the interests of the Company have occurred during the financial year 2021-22. • The POLICY ON DEALINGS & MATERILAITY OF RELATED PARTY TRANSACTIONS placed on the website of the Company.	https://www.sircapaints.com/investors/#policies
Details of Non -compliance by the Company, penalty, strictures imposed on the Company by the Stock Exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets	Schedule V Part C Point 10(b) to the SEBI (LODR) Regulations, 2015.	The Company has complied with the requirements of the Stock Exchanges/ SEBI and other statutory authorities as applicable. No penalty or strictures were imposed on the Company by these authorities.	N.A
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI (LODR) Regulations, 2015.	The Company has adopted a Vigil Mechanism and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. The said policy has been uploaded on the website of the Company.	https://www.sircapaints.com/investors/#policies
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	https://www.sircapaints.com/investors/#policies
Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of SEBI (LODR) Regulations, 2015, relating to Corporate Governance	Regulation 27(1) as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015.	The Company has complied with all mandatory requirements and The Company has also adopted few non-mandatory requirements listed in Regulation 27(1) as specified in Part E of Schedule II of the SEBI Listing Regulations.	https://www.sircapaints.com/investors/#policies
Accounting Treatment and Compliance with Accounting Standards	Companies (Indian Accounting Standards (IND AS) Rules, 2015 under Section 133 of the Companies Act, 2013.	• The Company has followed and prepared the Financial Statements in accordance with the Indian Accounting Standards (IND AS). • The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.	-

Code of Conduct	Para D of Schedule V of SEBI (LODR) Regulations, 2015.	• In compliance with Regulation 26(3) of the Listing Regulations and the Companies Act, 2013, adopted, framed a Code of Conduct and posted on the website of the company. • The Code is applicable to the members of Board, the executive officers and all employees of the Company. Declaration of code of conduct is given as below Table	https://www.sircapaints.com/investors/#policies
*Prevention of Insider Trading	SEBI (Prohibition of insider trading) Regulations, 2015.	• The board has laid down Code of Conduct for insider trading in Compliance with regulation; • All the directors and Senior Management Personnel who are expected to have access to Unpublished Price Sensitive Information concerning the Company, is responsible for adherence to this code.	https://www.sircapaints.com/investors/#policies
Dividend Distribution Policy	Regulation 43A SEBI (LODR) Regulations, 2015.	The Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of applicable laws.	https://www.sircapaints.com/investors/#policies

DECLARATION

(Pursuant to Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I, Sanjay Agarwal, Chairman cum Managing Director of the Company, do hereby declare that all the Board members and senior management personnel of the Company affirmed compliance with the code of conduct, adopted by the Company, for the Board of Directors and Senior Management of the Company.

Date: 20th June, 2022
Place: New Delhi

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
Sirca Paints India Limited

We have examined the compliance of conditions of corporate governance by Sirca Paints India Limited ("the Company") for the Financial year ended 31st March, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated under Listing Regulations for the year ended 31st March, 2022.

We 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.

For **Kumar A & Associates**
Company Secretaries
Firm Registration No: S2016DE411200

sd/-
Amit Kumar
Proprietor
Membership No. 28804
CP No. 16877
UDIN: A028804D000511462

Date: 20th June, 2022
Place: New Delhi

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 of
Sirca Paints India Limited
G-82, Kirti Nagar, Delhi-110015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sirca Paints India Limited, having CIN: L24219DL2006PLC145092 and having registered office at G-82, Kirti Nagar, Delhi-110015 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 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:

Sl. No.	Name of the Director	DIN / PAN	Date of Appointment
1	Mr. Sanjay Agarwal	01302479	19/01/2006
2	Mr. Apoorv Agarwal	01302537	19/01/2006
3	Mr. Gurjit Singh Bains	01977032	19/01/2006
4	Mr. Sanjay Kapoor	00383275	14/12/2017
5	Mr. Anil Kumar Mehrotra	05338446	04/07/2019
6	Mr. Ugo Pelosin	08196294	27/09/2018
7	Mrs. Anu Chauhan	08500056	04/07/2019
8	Mr. Shyam Lal Goyal	08815530	18/09/2020

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

For **Kumar A & Associates**
Company Secretaries
Firm Registration No: S2016DE411200

sd/-
Amit Kumar
Proprietor
Membership No. 28804
CP No. 16877
UDIN: A028804D000511473

Date: 20th June, 2022
Place: New Delhi

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF SIRCA PAINTS INDIA LIMITED

To,
The Board of Directors
Sirca Paints India Limited

A. We have reviewed financial statements and the cash flow statement of Sirca Paints India Limited for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

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

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

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee, wherever applicable:

1. significant changes in internal control over financial reporting during the year;

2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-
Sanjay Agarwal
(Chairman cum Managing Director)

sd/-
Shallu
(Chief Financial Officer)

Date: 26th May, 2022
Place: New Delhi

ANNEXURE-B TO THE DIRECTOR'S REPORT

FORM AOC-1

(Pursuant to first provision 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 or Associate companies or Joint ventures

PART- A SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. **CIN:** U24290DL2020PLC359767
2. **Name of the subsidiary:** Sirca Industries Limited
3. **The date since when subsidiary was Incorporated:** 3rd Day of January, 2020
4. **Reporting period for the subsidiary concerned, if different from the holding company's reporting period:** N.A.
5. **Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries**: N.A.
6. **Share capital:** ₹ 10,00,000
7. **Reserves and surplus:** (3,85,008)
8. **Total assets:** 6,35,892
9. **Total Liabilities**: NIL
10. **Investments:** NIL
11. **Turnover:** NIL
12. **Profit before taxation:** NIL
13. **Provision for taxation:** NIL
14. **Profit after taxation:** NIL
15. **Proposed Dividend:** NIL
16. **Extent of shareholding (in percentage):** 100%

Notes: The following information shall be furnished at the end of the statement:

1. **Names of subsidiaries which are yet to commence operations as at 31st March, 2022**- NIL

2. **Names of subsidiaries which have been liquidated or sold during the year**- NIL

Since the company does not have any Associates or Joint Ventures, information pertaining to Part "B" to this form relating to Associates and Joint Ventures is not given

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apporv Agarwal
DIN: 01302537
Joint Managing Director

ANNEXURE-C TO THE DIRECTOR'S REPORT

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,
Sirca Paints India Limited,
CIN: L24219DL2006PLC145092
G-82, Kirti Nagar, Delhi-110015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SIRCA PAINTS INDIA LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

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

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

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

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

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

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

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

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

e. SEBI (Issue and Listing of Non-convertible Redeemable Preference shares) Regulations, 2013; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

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. **(Not Applicable to the Company during the Audit Period)**

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable to the Company during the Audit Period)**

i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable. **(Not Applicable to the Company during the Audit Period)**

(vi). The management has confirmed that other laws applicable as mentioned below to the Company are complied with:

a) The Information Technology Act, 2000 and the rules made thereunder;

b) The Environment (Protection) Act, 1986 and the rules made there under;

c) The Factory Act, 1948 and the rules made there under;

d) The Manufacture and other waste (Management and Transboundary Movement) Rules, 2016;

e) The Manufacture, Storage, and import of Hazardous Chemicals rules, 1989

f) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control pollution) Rules, 1975.

g) The Indian Contract Act, 1872, as amended from time to time;

h) The Trade Mark Act, 1999, as amended from time to time;

i) Legal Metrology Act, 2009, as amended from time to time; and

j) Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standard mentioned above.

We report that, the compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

We further report that:

1. 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 period under review were carried out it compliance with the provisions of the Act.
2. Adequate notice of meetings of the Board of Directors were given to all directors and agenda and detailed agenda notes in respect of such meetings, except where consent of the directors was received for scheduling meeting at a shorter notice, were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that, based on the information provided and the representation made by the company and also on the review of the compliance certificates/ report taken on record by the Board of Directors of the company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that:

a. During the period under review Mr. Chahat Mahajan had resigned from the post of company secretary and compliance officer w.e.f. 09.11.2021. and Mr. Suraj Singh had been appointed as a company secretary and compliance officer w.e.f. 09.11.2021.

b. The company is in under process of complying with the FEMA provisions with respect to non-filing of FC-TRS for the financial year 2008-09 and 2009 -2010.

and except the above, there were no other specific actions/events in pursuance of the above-referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

For **Mohit Mehta & Associates**
Practicing Company Secretary

Date: 20th June, 2022
Place: New Delhi

sd/-
Mohit Mehta
M.NO:F11824, COP: 17160
PR:1944/2022
UDIN: F011824D000508133

Note: This report is to be read with our letter of even date which is annexed as "Annexure-A-1" and forms an integral part of this report.

ANNEXURE-A-1

To,
The Members,
Sirca Paints India Limited,
CIN: L24219DL2006PLC145092
G-82, Kirti Nagar, Delhi-110015

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

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

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For **Mohit Mehta & Associates**
Practicing Company Secretary

Date: 20th June, 2022
Place: New Delhi

sd/-
Mohit Mehta
M.NO:F11824, COP: 17160
PR:1944/2022
UDIN: F011824D000508133

ANNEXURE-D TO THE DIRECTOR'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

FOR THE FINANCIAL YEAR 2021-22

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be taken :

To support and endeavor to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build Sirca Paints India Limited into an organization which maximizes Stakeholders Value. The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers and other stakeholders. Core areas as per the CSR Policy – Education, Sports, Health & Medical Care, Community at large, Environment etc. The Company's CSR policy can be accessed on: https://www.sircapaints.com/investors/#policies

2. Composition of the CSR Committee :

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Agarwal	Chairman cum Managing Director-Chairperson	2	2
2	Mr. Apoorv Agarwal	Joint Managing Director-Member	2	2
3	Mrs. Anu Chauhan	Independent Director-Member	2	2

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company :

Composition of the CSR Committee shared above and is available on the Company's website on https://www.sircapaints.com/investors/#COMMITTEES

CSR Policy - https://www.sircapaints.com/investors/#policies

CSR Projects - https://www.sircapaints.com/investors/#corporate-social-responsibility-head

4. 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 (attach the report) :

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:

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

6. Average net profit of the Company for the three immediately preceding financial years :

₹ 31,79,04,549/-

Rupees Thirty One Crores Seventy Nine Lakhs Four Thousand Five Hundred Forty Nine Only

7. a) **Two percent of average net profit of the Company as per Section 135(5) :**

₹ 63,58,090/-

(Rupees Sixty Three Lakhs Fifty Eight Thousand Ninety Only)

b) **Surplus arising out of the CSR projects or programmes 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) :**

₹ 63,58,090/-

(Rupees Sixty Three Lakhs Fifty Eight Thousand Ninety Only)

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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
63,60,000/-	Nil		Not Applicable		

b) Details of CSR amount spent against ongoing projects for the financial year :

The Company does not have any ongoing Project during the Financial year 2021-22.

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

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 ₹)	Mode of implementation - Direct (Yes/ No)	Mode of Implementation - through Implementing Agency	
				State	District			Name	CSR Registration number
1	Women Skill Development	promoting gender equality, empowering women	Yes	Delhi	North West	3,100,000	Indirect	JSR Charitable Trust	CSR00012616
2	Welfare of Senior Citizens	Setting up old age homes, day care centers and such other facilities for senior citizens	Yes	Delhi	West Delhi	3,260,000	Indirect	JSR Charitable Trust	CSR00012616
Total						**63,60,000**			

d) Amount spent in Administrative Overheads :

Nil

e) Amount spent on Impact Assessment, if applicable :

Nil

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

₹ 63,60,000/-

g) Excess amount for set off, if any :

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per Section 135(5)	₹ 63,58,090/-
ii.	Total amount spent for the financial year	₹ 63,60,000/-
iii.	Excess amount spent for the financial year	₹ 1,910
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	Nil

Note: The Excess amount spent in the current financial year will not be carried forward to succeeding financial years.

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

Sl. No.	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	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 ₹)
			Name of the Fund	Amount (in ₹)	Date of transfer	
NA						

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) :

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
Nil								

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 :

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

Place: New Delhi
Date: 20th June, 2022

Sd/
Sanjay Agarwal
(Chairman cum Managing Director)
Chairman of the Committee

ANNEXURE-E TO THE DIRECTOR'S REPORT

FORM NO. AOC -2

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

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

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

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

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

SL. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advance, if any
1	Mrs. Ayushi Agarwal (Relative of KMP)	Office Place of Profit (Salary)	12 Month	As per the agreement	28.05.2021	N.A
2	Mr. Chirag Goel (Relative of KMP)	Office Place of Profit (Salary)	12 Month	As per the Agreement	28.05.2021	N.A.

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apporv Agarwal
DIN: 01302537
Joint Managing Director

ANNEXURE-F TO THE DIRECTOR'S REPORT

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

A. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR:

Sr. No.	Name of the Director	Category	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Sanjay Agarwal	Chairman Cum Managing Director	39.00
2.	Mr. Apoorv Agarwal	Joint Managing Director	18.00
3.	Mr. Gurjit Singh Bains	Non-Executive Director	N.A.
4.	Mr. Ugo Pelosin	Non-Executive Director	N.A.
5.	Mr. Sanjay Kapoor	Non-Executive Independent Director	N.A.
6.	Mr. Anil Kumar Mehrotra	Non-Executive Independent Director	N.A.
7.	Mr. Shyam Lal Goyal	Non-Executive Independent Director	N.A.
8.	Mrs. Anu Chauhan	Non-Executive Independent Director	N.A.

B. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR MANAGER, IF ANY, IN THE FINANCIAL YEAR:

Sr. No.	Name of Director/KMP	Category	% Increase in remuneration in the financial year
1.	Mr. Sanjay Agarwal	Chairman Cum Managing Director	9.09%
2.	Mr. Apoorv Agarwal	Joint Managing Director	9.09%
3.	Mr. Gurjit Singh Bains	Non-Executive Director	N.A
4.	Mr. Ugo Pelosin	Non-Executive Director	N.A.
5.	Mr. Sanjay Kapoor	Non-Executive Independent Director	N.A.
6.	Mr. Anil Kumar Mehrotra	Non-Executive Independent Director	N.A.
7.	Mr. Shyam Lal Goyal	Non-Executive Independent Director	N.A.
8.	Mrs. Anu Chauhan	Non-Executive Independent Director	N.A.
9.	Ms. Shallu	Chief Financial Officer	10%
10.	Mr. Suraj Singh*	Company Secretary & Compliance Officer	Nil
11.	Mr. Chahat Mahajan*	Company Secretary & Compliance Officer	10%

* Mr. Chahat Mahajan resigned from the position of Company Secretary & Compliance Officer of the Company w.e.f. 9th November, 2021 and Mr. Suraj Singh was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 9th November, 2021

C. PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR:

The percentage increase in the median remuneration of the employees in the financial year was 1.5%

D. NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF COMPANY:

Number of permanent employees on the rolls of Sirca Paints India Limited as at 31st March, 2022 was 395.

E. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN THE MANAGERIAL REMUNERATION:

Average increase in remuneration for employees is 10% to 12% (approx.). The average increase in overall managerial remuneration is 9.09%.

F. AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apporv Agarwal
DIN: 01302537
Joint Managing Director

ANNEXURE-G TO THE DIRECTOR'S REPORT

Information as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2022

A. THE DETAILS OF EVERY EMPLOYEE WHO IF:

(i) Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than ₹ 102,00,000/-; **Not Applicable.**

(ii) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8,50,000/-; **Not Applicable.**

(iii) Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company; **Not Applicable.**

B. THE DETAILS PERTAINING TO TOP TEN EMPLOYEES OF COMPANY ALONG WITH ADDITIONAL INFORMATION INDICATING IN RULE 5(3) OF THE CAPTIONED RULES AS MENTIONED HEREIN BELOW:

Sr. No.	Name	Remuneration	Nature of Employment, whether contractual or otherwise	Qualification	Date of Joining & Age (MM/DD/YYYY)	Last employment, if any	% of Equity Shares held, if any	Nature of relationship
1.	Partasarathy K V	22,22,000	On Roll	Graduate	02/01/2019	Woodover	NA	-
2.	Chirag Goel	19,80,000	On Roll	Graduate	01/05/2018	-	NA	Son in law of Mr Sanjay Agarwal (Promoter
3.	Subhash Chand	15,18,000	On Roll	Graduate	02/05/2019	Glaxci Paints Pvt Ltd	NA	-
4.	Harpreet Bagga	15,00,000	On Roll	M.Com	01/04/2016	-	NA	-
5.	Deepak Ahuja	14,52,000	On Roll	Senior Secondary	02/04/2012	Kapci Coatings India Pvt Ltd	NA	-
6.	Dharamvir Tuli	14,52,000	On Roll	Graduate	13/09/2018	Asian Paints Ltd	NA	-
7.	Mukesh Kumar Pal	13,80,000	On Roll	Graduate	07/05/2018	Jwells	NA	-
8.	Ajay Boxi	13,20,000	On Roll	Graduate	18/02/2020	Nerolac	NA	-
9.	Ankit Wadhawan	12,96,000	On Roll	Graduate	15/06/2019	Woodover	NA	-
10	Gyanesh Narayan	11,66,400	On Roll	Graduate	10/09/2018	MRF	NA	-

Notes: Above mentioned particulars of Employees are on the basis of their last drawn monthly gross remuneration of FY 2021-2022 for easy and fair calculations.

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apporv Agarwal
DIN: 01302537
Joint Managing Director

BUSINESS RESPONSIBILITY REPORT (BRR)

FOR THE FINANCIAL YEAR 2021-2022

INTRODUCTION

In an age when enterprises are increasingly seen as critical components of the society, they are accountable not only to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance.

Ministry of Corporate Affairs, Government of India, developed the 'National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business' in 2011. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices.

Further,In terms of Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, Business Responsibility Report (BRR) in the Annual Report is mandatory for the top 1000 listed companies, based on market capitalization as on 31st March of every year.

BRR serves as a tool to communicate the performance of organization on Economic, Social and Governance (ESG) parameters to its stakeholders. It also motivates the company to measure, disclose and be accountable for organizational performance while working towards the goal of responsible and sustainable development.

Sirca Paints India Limited (SPIL) is delighted to present its BRR for the Financial Year 2021-22. The BRR is based on the format suggested by SEBI.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	**Corporate Identity Number (CIN)**	L24219DL2006PLC145092
2	**Name of the Company**	Sirca Paints India Limited
3	**Registered Address**	G-82, Kirti Nagar, Delhi-110015
4	**Website**	https://sircapaints.com/
5	**E-mail ID**	cs@sircapaints.com
6	**Financial Year Reported**	1st April, 2021 to 31st Day of March, 2022

7. The Company is engaged in (Industrial activity code-wise):

NIC Code of the Product*	Description
46634	Import & Trading of Paints products
20221	Manufacture of paints, varnishes, enamels or lacquers

*As per National Industrial Classification – Ministry of Statistics and Programme implementation

8. List three key products/services that the Company manufactures/ provides (as in Balance Sheet):

- Manufacture of decorative (architectural) paints
- Manufacture of protective coatings
  - Manufacturing of Water based Paints
  - Manufacturing of Solvent based Paints

Please refer to Company's website (https://www.sircapaints.com/) for complete list and details of our product portfolio.

9. Total number of locations where business activity is undertaken by the Company:

I.	**Number of International Locations:**	
	Distribution centres	1
II.	**Number of national locations-**	
	Paint Manufacturing Facilities	2
	Research & Technology Centre and Test sites	1
	Depot/Branch offices:	13
	Distribution/ CSA centres	15

10. Market served by the Company

Local	State	National	International
✔	✔	✔	✔

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sr. No.	Particulars	Financial year 2021-22	
		Standalone (in Lakhs)	Consolidated (in Lakhs)
1.	**Paid Up Share Capital**	2,740.44	2740.44
2.	**Total Turnover**	20,002.49	20,002.49
3.	**Total profit after taxes**	2,772.72	2,772.33
4.	**Total spending on Corporate Social Responsibility (CSR) as a percentage of Profit After Tax (PAT) %:**		
	During the year, the Company has contributed **₹ 63,60,000 /-** for CSR activities (being 2% of the average net profit for the last three financial year.)		

5. Some of the areas for which expenditure in Point 4 (above) has been incurred:

- Promoting Education;
- Preventive Health Care & Sanitation;
- Vocational Training;
- Empowering women;
- setting up old age homes, day care centers and such other facilities for senior citizens

SECTION C: OTHER DETAILS

- **Does the Company have any subsidiary company/ companies?:** Yes
- **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):** No
- **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%]:** No

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director / Directors responsible for BR

a. Details of the Director responsible for implementation of the BR Policy/Polices:

- DIN: 01302479
- Name: Mr. Sanjay Agarwal
- Designation: Chairman cum Managing Director

b. Details of BR Head:

Sl. No.	Particulars	Details
1.	DIN Number (if applicable)	01302537
2.	Name	Mr. Apoorv Agarwal
3.	Designation	Joint Managing Director
4.	Telephone number	011-42083083
5.	Email id	info@sircapaints.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy/Policies

The National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business, released by the Ministry of Corporate Affairs, has adopted following areas of Business Responsibility:

Principle 1	Business should conduct and govern themselves with Ethics,Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance (Reply in Y/N)

Sr. No	Question(s)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the Company has a specified committee of the Board of Directors/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies as per the Act and Listing Regulations are available on the website the Company i.e. https://www.sircapaints.com/investors/#policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company has a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy byan internal or external agency?	Y	Y	Y	Y	Y	Y	NA	Y	Y

Notes:

- While there may not be a formal consultation with all the stakeholders, the relevant policies have evolved over a period of time by taking inputs & feedback from the concerned internal stakeholders.
- The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company. The policies are based on and are in compliance with the applicable regulatory requirements and International Standards. Please refer the detailed report for more information.
- As a process all the policies are noted by the Board. The Board authorizes Senior Officials of the Company to authenticate the policies and make necessary changes whenever required.
- The implementation and adherence to the Code of Conduct for Employees is overseen by the Human Resource and Internal Audit Function. The CSR Policy is administered by the CSR Committee in line with the requirements of the Companies Act, 2013 and Rules framed thereunder.
- While the Company has not carried out independent audit of the policies, the Internal Audit Function periodically looks at the implementation of the policies.
- Currently, SPIL does not have a formal policy in place to address public advocacy (P7 of NVG). However, it is our belief that our Code of Conduct does cover aspects of Responsible advocacy of public policy, like ethics and integrity.

Principles	Applicable Policies	Link for policies
Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Code of Conduct	https://www.sircapaints.com/investors/#policies
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Environment, Health and Safety Policy.	https://www.sircapaints.com/investors/#policies
Principle 3: Businesses should promote the well-being of all employees	Code of Conduct & Internal HR Policies for Employees	https://www.sircapaints.com/investors/#policies

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	CSR Policy & Customer Policy.	https://www.sircapaints.com/investors/#policies
Principle 5: Businesses should respect and promote human rights	Code of Conduct.	https://www.sircapaints.com/investors/#policies
Principle 6: Businesses should respect, protect, and make efforts to restore the environment	Environment, Health and Safety Policy.	https://www.sircapaints.com/investors/#policies
Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner	NA	NA
Principle 8: Businesses should support inclusive growth and equitable development	CSR Policy	https://www.sircapaints.com/investors/#policies
Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner	Customer Policy	https://www.sircapaints.com/investors/#policies

a) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No	Question(s)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

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 of Directors and the Committee(s) responsible for implementing the BR performances of the Company review it annually.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company publishes its Annual Report which contains the Report on Business Responsibility and it is available on the Company website i.e. https://www.sircapaints.com/

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1

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 Company considers Corporate Governance as an integral part of its management. The Company has well defined Codes of Conduct for all employees of the Company, Senior Management and Directors of the Company that uphold the standard of ethics, honesty, misconduct etc. The code of Conduct of Senior Management and Directors is applicable to all the Board members, senior management of the Company and its subsidiaries

Pursuant to amended Regulations of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations") made effective from 1st April, 2019, The Company had adopted amended policies on the Code of Conduct to regulate, monitor and report trading in equity shares of the Company by Designated Persons pursuant to Regulation 9(1) of the PIT Regulations and the amended Whistle Blower Policy pursuant to Regulation 9A (6) of the PIT Regulations.

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.**

During the year under review, the Company has not received any stakeholder complaint related to ethics, transparency, accountability or code of conduct as on 31st March, 2022.

PRINCIPLE 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

The Company is committed to offer products that meet internationally accepted green product standards. This commitment drives the team of dedicated professionals

working at Company's partner's Research & Technology Centre at Italy, where technology and innovation are the corner stones. Research, development and innovation through a structured approach to projects, as well as the constant improvement of process technologies, are essential for growth in new markets,but also for strengthening the company's core business.

The products developed in the last one year are listed below:

- Hand Sanitizers
- Anti-bacterial Emulsion and Anti-viral Emulsion
- Water based wood coating

2. **For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

   (i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Sirca Paints have two existing manufacturing facilities. All the existing manufacturing facilities continued their efforts to reduce the specific energy consumption. We have introduced systems to track and trend Energy consumption, with respect to Power purchased from grid, inhouse generation from DG, fuel used etc., on a continuous basis. We have mapped energy norms at individual machine, product, and individual block and at factory level. In addition, we have started internal benchmarking practices on energy performance, to compare the relative performance between plants. In that process, we have created platform to help share the good practices amongst different plants.

We have also instituted the process of Energy audit across all critical operations, at regular intervals and the findings of the audits are implemented. We have started engaging with external functional experts in the field, to help us understand the gaps and implement the best practices aimed at Energy conservation. All the manufacturing units continue to put their efforts to reduce the specific energy consumption. We have initiated process to do external benchmarking on specific Energy consumption, with similar scale paint manufacturing operations.

In addition, Process standardization & Batch cycle time reduction initiatives are taken to reduce the energy consumption in all our manufacturing plants. We have also working on debottlenecking few operations to help us to operate at higher throughput rate, which in turn reducing specific energy consumption

It has been our endeavour to develop products with lesser environmental footprint and efficient resource used at the time of application at customer end. Various technologies that we have introduced like 3 coat 1 Bake, Medium High solids, Monocoats have helped reduce the resource use at consumer's end through use of less energy and less material usage

The Company has taken efforts towards clean energy. As part of go-green initiative with Good & Green vision supports the development of goods that are environmentally sustainable. Our technology partner, Sirca SPA, has moto to cover every market need by trying to promote a new " Green " idea! Your company fact, works every day to put at the center of their work a respect for the environment: a modus operandi which results in a careful selection of raw materials, in a reduction of energy consumption in developing strategies to reduce emissions into the atmosphere and in a continuous search for solutions with low environmental impact, trying to extend the life cycle of the products.

The Company adopted various energy conservation options/technologies and took measures to reduce energy consumption by using energy efficient equipment and devices, replacing existing CFL fittings with LEDs fittings to reduce power consumption, timely preventive maintenance of all major and minor equipment's. The air is conditioned with energy efficient compressors for central air conditioning and with split air conditioning for localized areas

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   The Company maintains a healthy relationship with its service providers, vendors and other suppliers.

   The Company has developed supplier intimacy and goodwill which enables the Company to source quality raw materials even when there is scarcity of raw material in Market. We engage with local suppliers for sustainable sourcing. Adequate steps are taken for safety during transportation, which, in turn, help to mitigate the impact on climate.

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?**

   The Company is working on developing local suppliers. The buying of packing materials, spares, consumables, etc. are predominantly from the local vendors in the vicinity of the units. Further, the Company also supports local vendors by way of educating them to strengthen their processes and systems. The Company has 50 plus MSME registered vendors from whom the Company buys various materials/services. Apart from this, continuous efforts are in place to develop indigenous sources for the imported raw materials and spares

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 10%). Provide details.**

   The Company is fully committed to continuously take steps to improve environment performance and strives to minimize the generation of wastes and optimize resource utilization through recycling or reuse of waste. Waste minimization through zero-defect approach in production is our prime target.

Based on demand forecasting and proper production plan allocation, necessary procurement of raw material and allied items are done which are consumed over a period of time. Production is accordingly planned and chances of unnecessary inventory accumulation is thus avoided.

Waste minimization through zero-defect approach in production is our prime target.

PRINCIPLE 3

1. **Please indicate the Total number of employees:** 395

2. **Please indicate the Total number of employees hired on temporary/ contractual/ casual basis:** 12

3. **Please indicate the Number of permanent women employees:** 25

4. **Please indicate the Number of permanent employees with disabilities:** None

5. **Do you have an employee association that is recognized by management:** None

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.**

   During the year, no complaint relating to child labour, forced labour, involuntary, labour and sexual harassment was received by the Company.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   In Sirca Paints India Limited, we place high importance on the safety of our employees and to ensure this, 100% of our employees received health and safety training

PRINCIPLE 4

1. **Has the company mapped its internal and external stakeholders? –**

   Yes, the Company has conducted a mapping exercise, from which we have classified our stakeholders into the following categories - Investors, Shareholders, Employees, Local Communities (including vulnerable groups such as indigenous communities, women and persons with disabilities), Civil society (including Non-Governmental Organizations) NGOs, legal institutions, trade associations, media,

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders –**

   Yes

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 recognizes the vital role played by the Society at large in its growth and development. The Company has undertaken several programs to indulge with the disadvantaged, vulnerable and marginalized stakeholders. Details of CSR initiatives executed by the Company during the year under review are given in **Annexure D** of the Board Report

PRINCIPLE 5

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   It covers the Company's subsidiary.

2. **How many stakeholder complaints have been received in the past financial year and what per cent was satisfactorily resolved by the management?**

   The Company appreciates and believes that human rights are inherent, universal, indivisible and interdependent in nature.

   The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights. The principles of non-discrimination, zero tolerance to sexual harassment and human rights have been laid down in the Company's Code of Conduct and the Business Responsibility Policy.

   The Company has not received any stakeholder complaint related to human rights in the previous financial year.

PRINCIPLE 6

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 related to Principle 6 covers and extends to all the employees of the Company and its subsidiary. Regular meetings are held to educate vendors about safety and environmental risks and concerns and how to address them and the Company strongly encourages and recommends non-ISO certified vendors to go for ISO certification. Vendor rating is accordingly given through i-Supplier module for encouraging compliance to the Company's laid down policies.

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 engaged in the production of paints and is committed to continually improving environmental performance and believes that it is its duty to responsibly engage in sustainable methods and practices

   Every year, Plantation activities are carried out inside as well as outside the Plant under the corporate guided Corporate Environmental Responsibility activities along with spreading awareness on Environment Protection amongst the employees and locations nearby the Factories.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, the Company has formulated an Environment Policy through which it makes an assessment of factors related to the potential environment risks on an ongoing basis.

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, the Company has not taken any project related to Clean Development Mechanism during the reporting period.

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.**

   The Company continued to undertake initiatives on energy conservation and optimal energy utilisation in all areas of operations. The Company has increased its contribution for power from renewable source such as solar and wind power. Also, several initiatives are taken to reduce energy consumption per unit of paint produced

   The Company's R&D team has developed several technologies which are environment-friendly and energy-efficient

6. **Is the emission/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Emission/waste generated by the Company is within the permissible limits.

7. **Number of show cause/legal notices received from CPCB/SPCB which is pending (i.e., not resolved to satisfaction) as on end of Financial Year**

   Nil.

PRINCIPLE 7

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:**

   Not Applicable

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):**

   Not Applicable

PRINCIPLE 8

1. **Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Corporate Social Responsibility (CSR) is a strategy of a Company to integrate social, environmental and economic concerns in its values and operations to improve the welfare of society and stakeholders.

   Our CSR policy comprises mainly to support and endeavor to bring about positive difference to communities where we exist. Through the CSR initiatives, the Company strives to provide equitable opportunities for sustainable growth, thereby aligning with our goal to build Sirca Paints India Limited into an organization which maximizes Stakeholders Value. The Company would engage in activities whereby business further contributes to make a positive and distinguishing impact on the environment, customers and other stakeholders.

2. **Are the programmes/ projects undertaken through in-house team/own foundation/ external NGO/ government structures/ any other organization?**

   Our CSR programmes and other projects are handled by our in-housed Corporate Social Responsibility team with the help of external agencies/NGOs.

3. **Have you done any impact assessment of your initiative?**

   Please see the Report on CSR Activities/initiative annexed with the Board Report for the Financial Year 2022.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   Please see the Report on CSR Activities/initiative annexed with the Board Report for the Financial Year 2022.

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.**

   Please see the Report on CSR Activities/initiative annexed with the Board Report for the Financial Year 2022.

PRINCIPLE 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   Customer satisfaction is of utmost important for the Company. As at the end of the financial year, no material customer complaint is pending.

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)**

   All product information displayed by the Company adheres to and conforms to norms as mandated by law and do not convey misleading messages. Additionally, product information can be found in the Product Information Sheets which are available with the dealers of the Company.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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 is no such case against the Company.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Consumer survey/feedback sessions/satisfaction level are conducted and ascertained and feedbacks obtained on a regular basis to assess the acceptance level of the Company along with regular market research studies conducted by agencies appointed by the Company.

For and on behalf of the Board
Sirca Paints India Limited

Place: New Delhi
Date: 20th June, 2022

sd/-
Sanjay Agarwal
DIN: 01302479
Chairman cum Managing Director

sd/-
Apporv Agarwal
DIN: 01302537
Joint Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SIRCA PAINTS INDIA LIMITED
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Sirca Paints India Limited **formerly known as SIRCA PAINTS INDIA PRIVATE LIMITED, earlier known as SIRCOLOR WOOD COATINGS PRIVATE LIMITED** ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, 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 for the year ended on that date, and the notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act read with the Companies(Indian Accounting Standards) Rules 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) Revenue recognition (refer note no. 2.4 & 28 of the Standalone financial Statements)

The key audit matters	How the matter was addressed in our report
Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. Our other audit procedures with regard to revenue recognition include testing controls, automated and manual, around dispatches/deliveries, E –Way bill Verification, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

b) Discounts and incentives (Refer note 2.4 and 28 of the Standalone Financial Statements)

The key audit matters	How the matter was addressed in our report
Discounts and incentives to dealers / customers are administered through various schemes including incentives. These are material items of business cost. The calculation of the amount of expense to be recognized is both voluminous, complex and involves significant judgement. There is a risk that such liabilities for discounts and incentives may be inaccurately recognized.	Our audit procedures included assessment of the design and implementation of controls, in addition to testing the effectiveness of key controls in respect of recognition of the liabilities for such discounts and incentives. We have considered each significant type of discount recognized and assessed the appropriateness of the judgement applied while recognizing the liability including the methodology and inputs used in calculating the amount and in some cases, re-performed the calculation. Our audit procedures also included verification of appropriate authorization, analytical review including comparison of budgeted amount and actual charge for the year and review of historical trends in respect of these liabilities.

OTHER INFORMATION

The Company's management and Board of Directors are responsible for the preparation of 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 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY 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 flow 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 the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

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. (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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) , the Statement of changes in equity and the statement of Cash Flow 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 AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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-A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   a) The Company does not have any pending litigations which would impact on the financial position of the company.

   b) The Company does not have any long-term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

   c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d) (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented that, to the best of its knowledge and belief no funds (which are material either individually or in the aggregate) 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 Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 45 to the financial statements, the Board of Directors of the Company have not proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

2. With respect to the matter to be included in the Auditors' 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) which are required to be commented upon by us.

3. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Rajesh Kukreja & Associates**
Chartered Accountants
(Firm's Registration No.0004254N)

Place: New Delhi
Date: May 26 2022

Rajesh Kukreja
Partnerr
(Membership No.083496)
UDIN:

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT on the Standalone Financial Statements of Sirca Paints India Limited for the year ended March 31, 2022

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

Report on the Internal Financial Controls Over Financial Reporting under section 143(3)(i) of the Companies Act, 2013 ("the Act")

OPINION

We have audited the internal financial controls over financial reporting of SIRCA PAINTS INDIA LIMITED **formerly known as SIRCA PAINTS INDIA PRIVATE LIMITED, earlier known as SIRCOLOR WOOD COATINGS PRIVATE LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of 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").

For **Rajesh Kukreja & Associates**
Chartered Accountants
(Firm's Registration No.0004254N)

Place: New Delhi
Date: May 26 2022

Rajesh Kukreja
Partnerr
(Membership No.083496)
UDIN:

ANNEXURE 'B'

TO THE INDEPENDENT AUDITOR'S REPORT on the standalone financial statements of Sirca Paints India Limited for the year ended March 31, 2022

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company. Accordingly, clause 3(i)© of the Order is not applicable.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies were not noticed in respect of such confirmations.

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 sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has not provided guarantees, granted loans and advances in the nature of loans and advances during the year to companies, firms or limited liability partnerships and other parties. Accordingly, clauses 3(iii)(a),3(iii)(b),3(iii)(c), 3(iii)(d),3(iii)(e),3(iii)(f) of the Order are not applicable to the Company.

(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 neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.

(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) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act is applicable to company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(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 ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company 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 GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at March 31, 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 GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.

(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 the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, 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, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended March 31, 2022.

(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 subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the 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 Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us no whistle blower complaints have been received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) 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.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

(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 **Rajesh Kukreja & Associates**
Chartered Accountants
(Firm's Registration No.0004254N)

Place: New Delhi
Date: May 26 2022

Rajesh Kukreja
Partnerr
(Membership No.083496)
UDIN:

NOTES TO FINANCIAL STATEMENT

For the year ended March 31, 2022

NOTE 1: CORPORATE INFORMATION

SIRCA PAINTS INDIA LIMITED (Formerly known as **SIRCA PAINTS INDIA PRIVATE LIMITED** and earlier known as Sircolor Wood Coatings Private Limited, is a public limited company domiciled in India and incorporated under the provisions of The Companies Act, 1956/2013 located at G-82, Kirti Nagar, Delhi-110015 (India). The Company is listed on the National Stock Exchange (NSE). The company is engaged in the business of sole import and distribution of total product range of Sirca S.P.A. Italy, which has progressively grown up to a significant position in the wood, glass and metal coatings in the global market, becoming one of the four top companies in this segment. Sirca paints india ltd also started its production of wall paints, Melamine products, N.C products and economical P.U. products in technical collaboration with Sirca spa italy that sets the company in the market with particular quality and competitiveness power. Our product range includes all PU products, stains, special effects, acrylic PU, polyster, Wallpaints, U.V. Products etc.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS financial statement for financial position as at April 01, 2018.

2.1 Statement of compliance

"The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. Upto the year ended March 31, 2019, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 01, 2018.

2.2 Basis of Preparation and Measurement

(i) Basis of preparation

"The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

The financial statements of the Company for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on May 26, 2022.

(ii) Basis of measurement

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Use of estimates and judgment

"The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies."

2.4 Revenue from contract with customers

"Company has adopted Ind AS 115 Revenue from Contract With Customers starting April 01, 2018. Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and Goods and Service Tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience. Income from services rendered is recognised based on agreements/ arrangements with the customers as the service is performed and there are no unfulfilled obligations. Interest income is recognised using the effective interest rate (EIR) method."

2.5 Foreign currency transactions and translation

"The financial statements of the Company is presented in INR, which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in the statement of profit and loss for the period. "

2.6 Property, plant and equipment

"An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying amount of the replaced part is de-recognised.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction are added to the cost of eligible tangible assets.

Gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset, and is recognised in the statement of profit and loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are closed as "Capital work-in-progress".

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"."

2.7 Intangible assets

"Patents, trademarks, License and software costs are included in the balance sheet as intangible assets where they are clearly linked to long term economic benefits for the Company. In this case they are measured initially at purchase cost and then subsequently intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Design - 10 years
Know-how - NIL
Computer software - 5 years
Trademarks - 5 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates. "

2.8 Depreciation and amortization of property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on written down value basis over the useful life as prescribed in Schedule II of the Companies Act, 2013 unless otherwise specified. Depreciable amount for the assets is the cost of an asset less its estimated residual value. Depreciation on addition to/deductions from fixed assets is provided on pro rata basis from/to the date of acquisition/disposal. Depreciation on assets under construction commences only when the assets are ready for their intended use.

2.9 Financial Instruments

I. Financial Assets:

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

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

Financial assets are subsequently classified and measured at

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

Financial assets are not reclassified subsequent to their recognition, except during the period the Company changes its business model for managing financial assets."

(a) Trade Receivables and Loans:

"Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument."

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(b) Debt Instruments:
"Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the Company's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset."

Financial assets at amortised cost(AC)
"Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the 'EIR' method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss."

Financial assets measured at fair value through Other Comprehensive Income (FVOCI)
"Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI).Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss."

Financial assets measured at fair value through Other Profit or Loss (FVTPL)
"A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss."

(c) Equity Instruments
"All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by instrument basis. Fair value changes on an equity instrument is recognised as 'other income' in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss."

(d) Derivative Financial Instruments
The Company uses derivative financial instruments to hedge its foreign currency and commodity risks. Derivatives are measured at fair value. The treatment of changes in the value of derivative depends on their use as explained below:

Cash Flow Hedges:
Derivatives are held to hedge the uncertainty in timing or amount of future forecast cash flows. Such derivatives are classified as being part of cash flow hedge relationships. For an effective hedge, gains and losses from changes in the fair value of derivatives are recognised in other comprehensive income. Any ineffective elements of the hedge are recognised in the statement of profit and loss. If the hedged cash flow relates to a non-financial asset, the amount accumulated in equity is subsequently included within the carrying value of that asset. For other cash flow hedges, amounts accumulated in other comprehensive income are taken to the statement of profit and loss at the same time as the related cash flow.

Derivatives for which hedge accounting is not applied
Derivative financial instruments for which hedge accounting is not applied are initially recognised at fair value on the date on which a derivative contract is entered and are subsequently measured at FVTPL.

Impairment of financial assets
"The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:

i. Trade receivables
ii. Financial assets measured at amortised cost (other than trade receivables)
iii. Financial assets measured at fair value through other comprehensive income (FVTOCI).

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables.

The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL allowance recognised (or reversed) during the period is recognised as income/expense in the Statement of Profit and Loss under the head 'Other expenses'. conditions and forecasts of future economic conditions."

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing of the proceeds received.

II. Financial liabilities and equity instruments
Classification as debt or equity
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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

Financial Liabilities
Initial Recognition and measurement
Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Subsequent measurement
Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.10 Employee benefits
Defined contribution plans
Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company in respect of above schemes has made contribution to a Government administered fund(s) and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans
"For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability / (asset) are recognised immediately in Other Comprehensive Income. The service cost, net interest on the net defined benefit liability / (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense, when the plan amendment or curtailment occurs, or when any related restructuring cost or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation, as reduced by the fair value plan assets."

2.11 Inventories
Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

2.12 Provisions and contingent liabilty
"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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments

of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made."

2.13 Income taxes

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws enacted in the country. It is recognised in the Statement of Profit and Loss except to the extent it relates to an item which is recognised directly in equity or in other comprehensive income. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

2.14 Leases

Company has adopted Ind AS 116 ""Leases"" Starting April 01, 2019, with initial date of application being April 01, 2019.

Accounting policy upto March 31, 2019:

The Company determines whether an arrangement contains a lease by assessing whether the fulfillment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease. Leases are classified as finance leases where the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Accounting policy w.e.f. April 01,2019

The Company applied Ind AS 16 using the modified retrospective approach with a date of initial application of January 01, 2019 and accordingly the comparative figures have not been restated. Moreover, there was no impact of initial application on the balance of retained earnings as of April 01, 2019. As a result, the Company has changed its accounting policy for lease contracts as detailed below.

The Company as a lessee

At inception of a contract the Company assess whether a contract is, or contain a lease. A contract is, or contains, a lease if contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method.

The Company as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

2.15 Non-current assets held for sale and discontinued operations

"Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date."

2.16 Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

2.17 Expenditure

Expenses are accounted on accrual basis except coupon redemption scheme expenses which are e recorded on actual paymen basis.

2.18 Earning per share

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

2.19 Brief outline on CSR Policy of the Company

(A) During the year, Company has paid ₹ 63,60,000/- to J.S. Charitable Trust as Corporate Social Responsibility till the end of financial year 2022.

B) Average net profit of the Company as per Section 135(5) of the Act: 31,79,04,549

Particulars	Amount in ₹
(a) Two percent of average net profit of the Company as per Section 135(5) of the Act:	63,58,091
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
(c) Amount required to be set off for the financial year, if any	-
(d) Total CSR obligation for the financial year (a+b-c)=	63,58,091

(C) CSR amount spent or unspent for the financial year (as per annexure)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
63,60,000	Nil	Not Applicable	Not Applicable	Nil	Not Applicable

Particulars	Amount in ₹
(i) Details of CSR amount spent against ongoing projects for the financial year	-
(ii) Details of CSR amount spent against other than ongoing projects for the financial year	63,60,000
(iii) Amount spent in Administrative Overheads	-
(iv) Amount spent on Impact Assessment, if applicable	-
(v) Total amount spent for the Financial Year (i+ii+iii+iv)	63,60,000

(D) Excess amount for set off, if any

Particulars	Amount in ₹
(i) Two percent of average net profit of the Company as per Section 135(5) of the Act	63,58,091
(ii) Total amount spent for the Financial Year	63,60,000
(iii) Excess amount spent for the financial year [(ii)-(i)]	1,909
(iv) Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v) Amount available for set off in succeeding financial years [(iii)-(iv)]	1,909

(E)

(i) Details of Unspent CSR amount for the preceding three financial years: Nil
(ii) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

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 (assetwise details): Nil

(F)

(a) Date of creation or acquisition of the capital asset(s) : None

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

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc. : Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

(G) Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) of the Act: Not Applicable

2.20 borrowings from banks or financial institutions

The Company has borrowed ₹NIL (13,19,58,662/-) from Indusind Bank for the year ended 31.03.2022 against the mortgage of Fixed Deposit value of ₹ NIL (40,35,00,000/-)

2.21 Undisclosed income

No such income is credited to Profit & Loss account during the relevant financial year.

2.22 Ratios

Sl No	Particulars		Valaution Type	Ratio
(a)	Current Ratio,	=	Current Assets/ Current Liabilities	5.51
(b)	Debt-Equity Ratio	=	Total Liabilities/ Shareholder's Equity	0.17
(c)	Debt Service Coverage Ratio,	=	Earnings available for debt service / Debt Service	NA
(d)	Return on Equity Ratio,	=	Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	0.13
(e)	Inventory turnover ratio,	=	Cost of goods sold OR sales/ Average Inventory	2.97
(f)	Trade Receivables turnover ratio,	=	Net Credit Sales / Average Accounts Receivable	4.51
(g)	Trade payables turnover ratio,	=	Net Credit Purchases / Average Trade Payables	3.68
(h)	Net capital turnover ratio,	=	Net Sales/ Average Working Capital	0.57
(i)	Return on Capital employed,	=	Earning before interest and taxes / Capital Employed	0.17

STANDALONE BALANCE SHEET

As at 31.03.2022

(₹ In Lakhs)

	Particulars	Note	As at 31.03.2022	As at 31.03.2021
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	3	4,817.96	3,570.11
	(b) Intangible assets	4	494.99	496.74
	(c) Capital work in progress	5	123.77	185.53
	(d) Intangible asset under development	6	-	-
	(e) Financial assets			
	(i) Loans	7	10.61	10.71
	(ii) Other financial assets	8	10.00	10.00
	(f) Other non-current assets	9	240.35	203.45
	(g) Deferred tax asset	10	49.44	112.09
	Total Non-current assets		**5,747.12**	**4,588.64**
(2)	**Current assets**			
	(a) Inventories	11	6,968.54	6,494.95
	(b) Financial assets			
	(i) Trade receivables	12	4,562.57	4,304.79
	(ii) Cash and cash equivalents	13	4,518.15	3,845.65
	(iii) Other bank balances	14	3,736.06	4,035.00
	(iv) Other financial assets	15	127.52	1,103.75
	(c) Current Tax Assets (net)	16	214.11	99.93
	(d) Other current assets	17	362.91	1,002.37
	Total Current asssets		**20,489.86**	**20,886.45**
(3)	**Non Current assets classified as held for sale**	**18**	**-**	**-**
	TOTAL ASSETS		**26,236.98**	**25,475.09**
	EQUITY AND LIABILITIES			
(1)	**EQUITY**			
	(a) Share Capital	19	2,740.44	2,740.44
	(b) Other equity	20	19,774.75	17,419.37
	Total Equity		**22,515.19**	**20,159.81**
(2)	**LIABILITIES**			
(A)	**Non-current liabilities**			
	(a) Financial liabilities - Long term borrowings	21	-	-
	(b) Long term provision	22	5.40	27.67
	Total Non-current liabilities		**5.40**	**27.67**
(B)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	23	3,140.24	3,484.38
	(ii) Short term borrowings	24	-	1,319.59
	(iii) Other financial liability	25	238.56	202.53
	(b) Other current liability	26	337.59	281.11
	(c) Current tax liability (Net)	27	-	-
	Total Current liabilities		**3,716.39**	**5,287.61**
	TOTAL EQUITY AND LIABILITIES		**26,236.98**	**25,475.09**

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

For and On Behalf of the Board of Directors
SIRCA PAINTS INDIA LIMITED

For and on behalf of
For Rajesh Kukreja & Associates

Sanjay Agarwal
Chairman Cum Managing Director
DIN: 01302479

Apoorv Agarwal
Joint Managing Director
DIN: 01302537

Rajesh Kukreja
(Partner)
Membership No.-083496

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

Place: New Delhi
Date : May 26, 2022

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2022

(₹ In Lakhs)

Particulars		Note	April'21 to March '22	April'20 to March '21
I	Revenue from operations	28	20,002.49	14,318.36
II	Other Income	29	440.14	1,414.51
III	**Total Income (I + II)**		**20,442.64**	**15,732.87**
IV	**EXPENSES**			
	(a) Cost of Material Consumed	30	4,329.00	2,081.40
	(b) Purchase of traded goods	31	7,908.28	7,263.08
	(c) Changes in stock of traded goods	32	(505.70)	(923.51)
	(d) Employee benefit expenses	33	1,912.29	1,594.19
	(e) Finance costs	34	7.80	10.41
	(f) Depreciation and amortization expenses	35	412.72	363.57
	(g) Impairment of non-current assets	36	-	-
	(h) Other expenses	37	2,582.83	3,084.93
	Total Expenses (IV)		**16,647.23**	**13,474.07**
V	**Profit before tax (III - IV)**		**3,795.41**	**2,258.80**
VI	**Tax Expense**	**38**		
	(a) Current tax		960.04	615.73
	(b) Taxation for earlier years		-	-
	(c) Deferred tax		62.65	(17.45)
	Total tax expense		**1,022.69**	**598.29**
VII	**Profit after tax (V-VI)**		**2,772.72**	**1,660.51**
VIII	**Other Comprehensive Income**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plan		20.54	4.79
	(b) Items that will be reclassified to profit or loss			
			20.54	**4.79**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**2,793.26**	**1,665.30**
X	**Earnings per equity share**			
	Basic / Diluted	39	10.12	6.06

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

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SIRCA PAINTS INDIA LIMITED

For and on behalf of
For Rajesh Kukreja & Associates

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DIN: 01302479

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Joint Managing Director
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Rajesh Kukreja
(Partner)
Membership No.-083496

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

Place: New Delhi
Date : May 26, 2022

STANDALONE CASH FLOW STATEMENT

For the year ended March 31, 2022

(₹ In Lakhs)

	Particulars	April-March 2022	April-March 2021
A.	**Cash Flow from Operating activities:**		
	Profit before taxes	**3,795.41**	**2,258.80**
	Adjustments for:		
	Depreciation and amortization expenses	412.72	363.57
	Impairment of non-current assets		-
	Gain on fair valuation of forwards contracts	-	-
	Expected Credit Loss	-	59.80
	(Profit)/Loss on sale of assets	45.21	(23.38)
	Finance Income	(244.88)	(266.52)
	Finance expenses	7.80	10.41
	Other non cash items	20.54	4.79
	Operating profit before working capital changes	**4,036.81**	**2,407.46**
	Adjustments for:		
	Trade receivables	(257.78)	254.31
	Financial assets and other current/non-current asset	1,578.80	(1,600.82)
	Inventories	(473.59)	(1,350.45)
	Trade payables	(344.14)	1,454.63
	Financial liabilities and other current/non-current liabilities	70.24	1,334.24
	Cash generated from operations	**4,610.34**	**2,499.37**
	Direct tax paid (net of refunds)	(1,093.86)	(575.55)
	Net Cash from Operating Activities.....A	**3,516.48**	**1,923.82**
B.	**Cash Flow from Investing Activities:**		
	Purchase of fixed assets including WIP	(2,214.44)	(411.83)
	Sale of fixed assets	565.00	1,137.16
	Investments & Securities	0.10	(10.17)
	Movement in fixed deposits with banks	298.94	491.99
	Interest received	244.88	266.52
	Net cash used in Investing Activities ..... B	**(1,105.52)**	**1,473.68**
C.	**Cash Flow from Financing activities:**		
	Proceeds from issue of equity shares (Net of transaction cost)	-	-
	Net Proceeds/(Repayment) of borrowings	(1,319.59)	-
	Interest and other finance costs paid	(7.80)	(10.41)
	Dividend Paid (Including Dividend distribution tax)	(411.07)	-
	Net Cash used in Financing Activities C	**(1,738.46)**	**(10.41)**
	Net increase or (decrease) in cash or cash equivalents (A+B+C)	**672.50**	**3,387.09**
	Cash & Cash equivalents as at 1st April	**3,845.65**	**458.56**
	Cash & Cash equivalents as at 31st March	**4,518.15**	**3,845.65**

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

For and On Behalf of the Board of Directors
SIRCA PAINTS INDIA LIMITED

For and on behalf of
For Rajesh Kukreja & Associates

Sanjay Agarwal
Chairman Cum Managing Director
DIN: 01302479

Apoorv Agarwal
Joint Managing Director
DIN: 01302537

Rajesh Kukreja
(Partner)
Membership No.-083496

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

Place: New Delhi
Date : May 26, 2022

NOTE - 3: PROPERTY, PLANT AND EQUIPMENT

(₹ In Lakhs)

Particulars	Usefull life	Rate	Net block	GROSS BLOCK				ACCUMULATED DEPRICIATION		CLOSING BLOCK	
			01.04.2021	01.04.2021	Purchase during the Year	Sales During the Qtr	31.03.2022	Total De for the Year	Total Depriciation upto 31.03.2022	Net wdv as on 31.03.2022	Gross wdv as on 31.03.2022
LAND	**-**	**-**	**1,518.21**	**1,518.21**	**724.20**	**422.13**	**1,820.28**	**-**	**-**	**1,820.28**	**1,820.28**
Factory Plot Nathupur	-	-	1,096.08	1,096.08	-	-	1,096.08	-	-	1,096.08	1,096.08
Land 112	-	-	-	-	-	-	-	-	-	-	-
Land Badli	-	-	422.13	422.13	-	422.13	-	-	-	-	-
Land Kirti Nagar	-	-	-	-	724.20	-	724.20	-	-	724.20	724.20
BUILDING	**30**	**9.50%**	**1165.01**	**1,420.35**	**727.23**	**272.43**	**1,875.15**	**131.44**	**274.57**	**1,600.58**	**1,600.58**
Office Netaji subhash Place	-	-	47.77	100.67	--	100.67	-	-	-	-	-
Building Kirti Nagar	-	-	-	-	528.48	0.16	528.31	22.71	22.71	505.61	505.61
Factory Building Badli	-	-	116.32	171.60		171.60	-	4.03	-	-	-
Factory Building Nathupur	-	-	847.13	958.24	198.76	-	1,156.99	90.60	201.71	955.28	955.28
DLF Flat	-	-	153.79	189.84	-	-	189.84	14.10	50.15	139.69	139.69
PLANT & MACHINARY	**15**	**18.10%**	**577.17**	**788.63**	**615.84**	**36.56**	**1,367.91**	**164.40**	**362.81**	**1,005.10**	**1,005.10**
Plant & Machinary	-	-	353.48	492.66	496.54	0.23	988.97	116.39	255.55	733.42	733.42
Solvent Tank	-	-	25.93	31.95	1.46	-	33.41	4.57	10.60	22.82	22.82
Compressor	-	-	10.75	15.27	-	-	15.27	1.82	6.34	8.94	8.94
Automatic Tinting Machine	-	-	51.40	67.79	35.16	6.58	96.37	10.71	26.00	70.37	70.37
SS Mixing Thinner Tank	-	-	7.19	9.74	55.88	-	65.62	8.12	10.66	54.95	54.95
Filing Machine	-	-	8.74	13.20	-	-	13.20	1.48	5.94	7.26	7.26
Fire Fighting System	-	-	69.55	90.25	25.83	-	116.08	14.75	35.44	80.63	80.63
Lift	-	-	28.65	39.81	-	29.76	10.05	2.87	2.07	7.98	7.98
Lab Equipments	-	-	17.85	22.97	0.78	-	23.75	3.08	8.21	15.54	15.54
Weighing Machine	-	-	3.62	4.99	0.19	-	5.19	0.63	2.00	3.19	3.19
CYCLE	**10**	**25.89%**	**0.00**	**0.02**	**-**	**-**	**0.01**	**0.00**	**0.02**	**-**	**-**
Cycle			0.00	0.02	-	-	0.02	0.00	0.02	-	-
Electrical Instalation and Equipments	**10**	**25.89%**	**97.55**	**140.97**	**65.63**	**22.43**	**184.17**	**30.72**	**63.23**	**120.93**	**120.93**
Electrical Instalation and Equipments	-	-	97.55	140.97	65.63	22.43	184.17	30.72	63.23	120.93	120.93
Furniture & Fixture	**10**	**25.89%**	**136.23**	**247.54**	**94.11**	**-**	**341.64**	**44.73**	**156.04**	**185.60**	**185.60**
Furniture & Fixture	-	-	91.56	170.24	93.27	-	263.51	34.18	112.86	150.64	150.64
Studio Account	-	-	44.67	77.30	0.84	-	78.14	10.55	43.18	34.96	34.96
Moter Vehicle	**8**	**31.23%**	**28.26**	**157.33**	**-**	**-**	**157.33**	**7.84**	**136.92**	**20.41**	**20.41**
CAR	-	-	27.76	156.33	-	-	156.33	7.71	136.28	20.06	20.06
SCOOTER	-	-	0.50	1.00	-	-	1.00	0.14	0.64	0.36	0.36
OFFICE EQUIPMENT	**5**	**45.07%**	**34.85**	**70.13**	**36.85**	-	**106.99**	**21.65**	**56.93**	**50.05**	**50.05**
Office Equipment	-	-	19.48	35.64	15.34	-	50.98	10.62	26.77	24.20	24.20
AIR CONDITIONER	-	-	15.06	33.06	21.52	-	54.57	10.92	28.91	25.66	25.66
Projectors	-	-	0.05	0.33	-	-	0.33	0.02	0.30	0.03	0.03
Solar Inverter	-	-	0.08	0.50	-	-	0.50	0.03	0.45	0.05	0.05
Water cooler	-	-	0.17	0.61	-	-	0.61	0.07	0.50	0.11	0.11
COMPUTER	**3**	**63.16%**	**12.83**	**46.77**	**11.38**	**-**	**58.15**	**9.22**	**43.15**	**14.99**	**14.99**
Computer	-	-	10.95	42.75	8.72	-	51.47	7.59	39.39	12.08	12.08
Printer	-	-	1.87	4.01	2.66	-	6.67	1.63	3.76	2.91	2.91
Grand Total	**-**	**-**	**3,570.11**	**4,389.95**	**2,275.24**	**753.56**	**5911.63**	**410.01**	**1,093.68**	**4,817.96**	**4,817.96**

NOTE - 4: AMORTIZATION ON INTANGIBLE ASSETS

(₹ In Lakhs)

PARTICULARS	Usefull life Year	Rate	NET BLOCK	GROSS BLOCK							
			01.04.2021	01.04.2021	Purchase during the Qtr	Sales During the Qtr	31.03.2022	Total Dep for the Year	Total Depriciation upto 31.03.2022	NET WDV AS ON 31.03.2022	GROSS WDV AS ON 31.03.2022
Software	3	63.16%	4.89	21.27	0.96	-	22.24	2.71	19.09	3.14	3.14
Technical Know How	-	-	491.85	491.85	-	-	491.85	-	-	491.85	491.85
	-	**-**	**496.74**	**513.13**	**0.96**	**-**	**514.09**	**2.71**	**19.09**	**494.99**	**494.99**

NOTE - 5: CAPITAL WORK IN PROGRESS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Building in Nathupur	-	185.53
Plant in Nathupur	123.77	
Total	**123.77**	**185.53**

Amount in CWIP for the year ended 31.03.2022

(₹ In Lakhs)

CWIP	Less Than			More Than	Total
	1 Year	1-2 Years	2-3 Years	3 Year	
Projects In Progress	123.77	-	-	-	123.77
Projects temporarily Suspended	-	-	-	-	-
Total	**123.77**	**-**	**-**	**-**	**123.77**

Amount in CWIP for the year ended 31.03.2021

(₹ In Lakhs)

CWIP	Less Than			More Than	Total
	1 Year	1-2 Years	2-3 Years	3 Year	
Projects In Progress	185.53	-	-	-	185.53
Projects temporarily Suspended	-	-	-	-	-
Total	**185.53**	**-**	**-**	**-**	**185.53**

NOTE - 6: INTANGIBLE ASSET UNDER DEVELOPMENT

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Technical Know How	-	-
Total	**-**	**-**

NOTE - 7: LOANS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security deposit		
Unsecured, considered good	10.61	10.71
Total	**10.61**	**10.71**

NOTE - 8: OTHER FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed deposits held with bank (Earmarked)		
Investment in Wholly owned Subsy	10.00	10.00
Total	**10.00**	**10.00**

(i) Fixed deposits held with bank (Earmarked) are the one that are not due for realisation within 12 months from the balance sheet date. These are primarily placed as security with banks for credit facilities.

NOTE - 9: OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital advances		
Unsecured, considered good	172.92	147.92
Trade Receivables	-	-
Security deposit	67.43	55.53
Total	**240.35**	**203.45**

NOTE - 10: DEFERRED TAX ASSET

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax	**49.44**	**112.09**
Property, Plant & Equipment and intangible assets	49.44	112.09
Equity share issuance cost	-	-
Unabsorbed business losses	-	-
Gratuity Liability	-	-
Total	**49.44**	**112.09**

NOTE - 11: INVENTORIES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(At cost or net realisable value, which ever is lower)		
Raw Material	771.94	804.05
Finished Goods - Trading	6,196.60	5,690.91
Total	**6,968.54**	**6,494.95**

NOTE - 12: TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured debtors	4,630.59	4,379.31
	4,630.59	**4,379.31**
Less: Allowance for credit losses	68.03	74.52
Total	**4,562.57**	**4,304.79**

(i) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Ageing for trade receivables – outstanding as at March 31, 2022 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year"	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed	-	-	-	-	-	-	-
Undisputed trade receivables – considered good	-	3,947.17	293.35	100.16	24.91	9.87	4,375.47
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-

Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	18.22	20.95	48.24	57.32	110.39	255.12
"Disputed trade receivables – credit impaired"	-	-	-	-	-	-	-
	-	**3,965.39**	**314.31**	**148.41**	**82.22**	**120.27**	**4,630.59**
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-	68.03
Trade receivables - Unbilled	-	-	-	-	-	-	-
Total	**-**	**3,965.39**	**314.31**	**148.41**	**82.22**	**120.27**	**4,562.57**

Ageing for trade receivables – outstanding as at March 31, 2021 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year"	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed	-	-	-	-	-	-	-
Undisputed trade receivables – considered good		3,634.85	179.28	239.77	176.85	-	4,230.75
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	2.04	4.80	22.16	119.57	-	148.57
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	**3,636.88**	**184.08**	**261.93**	**296.42**	**-**	**4,379.31**
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-	74.52
Trade receivables - Unbilled	-	-	-	-	-	-	-
Total		**3,636.88**	**184.08**	**261.93**	**296.42**	**-**	**4,304.79**

NOTE - 13: CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with banks		
- on Current accounts	4,502.65	3,827.42
Cash on hand	15.49	18.23
Total	**4,518.15**	**3,845.65**

NOTE - 14: OTHER BANK BALANCES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed Deposits held with banks	3,736.06	4,035.00
Total	**3,736.06**	**4,035.00**

NOTE - 15: OTHER FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest accrued on FDR	118.11	133.24
Advances to Staff	9.40	6.60
Reimbursement Right Receivable	-	963.90
Total	**127.52**	**1,103.75**

NOTE - 16: CURRENT TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance tax and TDS	1,174.15	715.67
Less: Provision for taxation	(960.04)	(615.73)
Total	**214.11**	**99.93**

NOTE - 17: OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance With Revenue Authorities	179.83	233.78
Prepaid expenses	27.15	32.83
Advance to suppliers	155.52	8.04
Other advances	-	725.78
GST Reversed (Pending Payment)	0.41	1.96
Total	**362.91**	**1,002.37**

NOTE - 18: NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Land and Buildings	-	-
Total	**-**	**-**

NOTE - 19: SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	Amount	Number	Amount
Authorised				
3,20,00,000 shares Equity Shares of INR 10 each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
Total	**3,20,00,000**	**3,200.00**	**3,20,00,000**	**3,200.00**
Issues, Subscribed and Paid up				
2,74,04,400 shares Equity Shares of INR 10 each	2,74,04,400	2,740.44	2,74,04,400	2,740.44
Total	**2,74,04,400**	**2,740.44**	**2,74,04,400**	**2,740.44**

(a) The Company has only one class of equity shares. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

(₹ In Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	2,74,04,400	2,740.44	2,74,04,400	2,740.44
Add: Equity shares issued during the year				
Balance as at the end of the year	**2,74,04,400**	**2,740.44**	**2,74,04,400**	**2,740.44**

(c) Details of Shareholders holding more than 5 % shares in the Company

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Holding %	No. of shares	Holding %
1. SANJAY AGARWAL	88,80,480.00	32.41%	88,80,480	32.41%
2. GURJIT SINGH BAIN	38,66,197.00	14.11%	38,66,197	14.11%
3. BGB ITALIA	51,55,483.00	18.81%	51,55,483	18.81%
4. SIRCA S.P.A. ITALY	10,50,000	3.83%	10,50,000	3.83%

(d) Shareholding of Promoters

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Holding %	No. of shares	Holding %
SANJAY AGARWAL	88,80,480.00	32.41	88,80,480.00	32.41
ANITA AGARWAL	18,450.00	0.07	18,450.00	0.07
APOORV AGARWAL	5,53,500.00	2.02	5,53,500.00	2.02
AYUSHI AGARWAL	18,450.00	0.07	18,450.00	0.07
SRISHTI AGARWAL	18,450.00	0.07	18,450.00	0.07
GURJIT SINGH BAINS	38,66,197.00	14.11	38,66,197.00	14.11
BGB ITALIA	51,55,483.00	18.81	51,55,483.00	18.81
Total	**1,85,11,010.00**	**67.55**	**1,85,11,010.00**	**67.55**

NOTE - 20: OTHER EQUITY

(₹ In Lakhs)

Particulars	Security premium reserve	Retained Earnings	Other Comprehensive Income	Total
Opening balance as at 01.04.2021	**8,373.28**	**9,038.36**	**7.74**	**17,419.37**
Add: Profit for the year	-	2,772.72	20.54	2,793.26
Add : Provision for Income Tax (Reversed)	-	(26.82)	-	(26.82)
Less : Provision for Dividend		(411.07)		(411.07)
Closing balance as at 31.03.2022	**8,373.28**	**11,373.19**	**28.28**	**19,774.75**

The nature of reserves are as follows:

1. Securities premium reserve is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Companies Act").

2. Other Comprehensive Income represents remeasurement gain/(loss) arising on defined benefit plans of Company.

3. Retained Earnings is a free reserves that is available for distribution of dividends.

NOTE - 21: LONG TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Term Loan from Banks (#)	-	(0.00)
Less: Current maturities of long term borrowings	-	-
Total	**-**	**(0.00)**

NOTE - 22: LONG TERM PROVISION

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Provision for Gratuity	5.40	27.67
Provision for Gratuity	107.30	99.96
Less: LIC Gratuity fund (Asset)	(101.90)	(72.28)
Total	**5.40**	**27.67**

NOTE - 23: TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Creditor for supplies and services	3,140.24	3,484.38
Total	**3,140.24**	**3,484.38**

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years"	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	296.53	-	-	-	296.53
Others	-	2,834.97	2.02	5.18	-	2,842.16
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	1.55	-	-	1.55
Accrued expenses	-	-	-	-	-	-
Total	**-**	**3,131.50**	**3.57**	**5.18**	**-**	**3,140.24**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years"	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	237.96	-	-	-	237.96
Others	-	3,104.52	137.39	0.49	-	3,242.40
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	2.27	1.75	-	-	4.02
Accrued expenses	-	-	-	-	-	-
Total	**-**	**3,344.76**	**139.13**	**0.49**	**-**	**3,484.38**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

NOTE - 24: SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured (against FDR)		
Indulsnd Bank- Buyer's Credit	-	1,319.59
Total	**-**	**1,319.59**

NOTE - 25: OTHER FINANCIAL LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Expenses payable	88.46	93.54
Security deposit	27.95	3.00
Employee dues	121.38	105.63
Unclaimed dividend	0.77	0.36
Total	**238.56**	**202.53**

NOTE - 26: OTHER CURRENT LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory dues	164.82	138.25
Contract liability	172.77	126.27
Employer contributions	-	16.59
Total	**337.59**	**281.11**

NOTE - 27: CURRENT TAX LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for taxation	-	-
Less: Advance tax and TDS	-	-
Total	**-**	**-**

NOTE - 28: REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Sales of Products	20,002.50	14,318.36
Total	**20,002.49**	**14,318.36**

NOTE - 29: OTHER INCOME

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Finance income	244.88	263.00
Miscellaneous income	49.94	966.18
Foreign currency fluctuations	145.33	158.44
Gain on sale of capital assets	-	23.38
Interest Income	-	3.52
Total	**440.14**	**1,414.51**

NOTE - 30: COST OF MATERIAL CONSUMED

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Opening stock	804.05	367.91
Add: Purchase of raw material	4,296.89	2,517.53
Less: Closing stock of Raw Material & WIP	(771.94)	(804.05)
Total	**4,329.00**	**2,081.40**

NOTE - 31: PURCHASE OF TRADED GOODS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Purchase of Paints & Varnish	7,908.28	7,263.08
Total	**7,908.28**	**7,263.08**

31.01 Purchase Include custom duty of ₹ 6,16,84,696 (last year ₹ 5,56,46,322)

NOTE - 32: CHANGES IN STOCK OF TRADED GOODS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Opening Stock		
Finished goods	5,690.91	4,776.59
	5,690.91	**4,776.59**
Closing Stock		
Finished goods	6,196.60	5,700.10
	6,196.60	**5,700.10**
Total	**(505.70)**	**(923.51)**

32.01 Closing Stock Include Stock in transit ₹ 29,55,093 (last year ₹ 19,64,902)

NOTE - 33: EMPLOYEE BENEFIT EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Salaries and wages	1,578.60	1,331.54
Directors Remuneration	147.00	121.57
Gratuity expenses	59.37	26.70
Employer Contribution to provident fund and ESIC	107.55	91.59
Staff welfare expenses	19.78	22.79
Total	**1,912.29**	**1,594.19**

NOTE - 34: FINANCE COSTS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Interest on bank loans	-	0.22
Interest on other loans	1.56	0.50
Other borrowing cost	6.24	9.69
Total	**7.80**	**10.41**

NOTE - 35: DEPRECIATION AND AMORTIZATION EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Depreciation on Property, plant & equipment	412.72	363.57
Amortization of intangible assets	-	-
Total	**412.72**	**363.57**

NOTE - 36: IMPAIRMENT OF NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Impairment of land & building classified as held for sale (Refer Note 18 for details of assets)	-	-
Total	**-**	**-**

NOTE - 37: OTHER EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Manufacturing Expenses		
Consumable Stores	83.26	34.19
Freight & Octroi	532.83	435.46
Miscellaneous Expenses	24.61	16.84
Clearing & Forwarding Exp.	72.78	73.11
Selling, Distribution & Administration Expenses		
Legal & Professional Expenses	35.14	43.99
Interest on MSME	2.04	7.91
CSR Expenses (refer Point (a) below)	63.60	67.25
Testing Charges	-	0.38
Loss on sale of assets	45.21	-
Repair & Maintenance	69.75	87.46
Telephone Expenses	8.51	6.51
Electricity Expenses	57.06	45.95
Insurance	64.11	32.32
Office Expenses	9.38	13.43
Postage & Courier	10.99	8.00
Printing & Stationery	6.18	7.32
Property Tax	4.33	8.50
Rent	185.17	171.06
Security Charges	20.95	12.29
Audit Fees #	4.00	4.00
Advertisement	34.08	35.75
Expected credit loss	-	59.80
Loss Due to Fire	-	1,058.91
Commission	195.03	154.05
Discount & Compensation	396.56	254.73
Exhibition Expenses	8.35	(0.19)
Branch Handling Charges	13.53	9.61
GST Demand	15.68	8.17
Buyer's Credit Fees	9.43	8.71
Fire Charges	-	0.54

Sales Promotion Expenses	319.96	184.59
Travelling & Conveyance	230.30	135.60
Foreign Currency Fluctuation	59.98	81.55
Loss In Transit	-	17.13
Total	**2,582.83**	**3,084.93**

NOTE - 38: INCOME TAX EXPENSES

(i) Income tax expenses in the statement of profit and loss comprises:

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Current Tax	960.04	615.73
Deffered Tax	62.65	(17.45)
Total	**1,022.69**	**598.29**

NOTE - 39: EARNING PER SHARES

Particulars	April'21 to March'22	April'20 to March'21
Profit after tax (₹ In Lakhs)	2,772.72	1,660.51
Weighted average number of equity shares (For basic and diluted EPS)	2,74,04,400	2,74,04,400
Basic and Diluted Earnings per Ordinary Share	10.12	6.06

NOTE - 40: SEGMENT REPORTING

The Company activity during the year revolves around manufacturing and trading of wood coating products. Considering the nature of Company's business and operations, as well as based on review of operating results by the chief operating decision maker to make decision about resource allocation and performance measurement, there is only one reportable business segment viz. "Wood Coating Products" and a single geographical segment in accordance with the requirement of Ind AS 108 - "Operating Segments". Accordingly no separate disclosures has been made for segment reporting under Ind AS 108.

NOTE - 41: RESTATED STATEMENT OF RELATED PARTY DISCLOSURE

(a) List of related parties and related party relationship

Related party relationship	Party	Relation
Key Management Personal (KMP)		
Chairman	Sanjay Agarwal	
Joint Managing Director	Apoorv Agarwal	Son of Managing Director
Chief Financial Officer	Shallu Arora	
Relatives of KMP	Ayushi Agarwal	Daughter of Managing Director
	Chirag Goel	Son-in -Law
Promoter Group (Other than KMP)	Anita Agarwal	Wife of Managing Director
	Ayushi Agarwal	Daughter of Managing Director
	Srishti Agarwal	Wife of Apoorv Agarwal
	BGB Italia	Gurjit Singh Bains(Non Executive Director) is act as director and holding more than 20% of Paid up Capital
Company Secretary	Suraj Singh	

(b) Related party transactions

Transaction during the year

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Key Managerial persons		
Remuneration to KMP	165.96	138.67
Remuneration to KMP Relatives	27.40	22.67
Director Sitting Fees	2.00	1.95
Rent to KMP	-	-
Bonus to KMP	5.44	5.45
Bonus to KMP Relatives	0.70	0.72
Dividend Paid to promoter group	78.16	-
Dividend Paid to KMP	199.50	-

Outstanding balances as at end of the year

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Remuneration to KMP	13.78	12.25
Remuneration to KMP Relatives	2.20	2.00
Director Sitting Fees	-	-
Dividend Paid	-	-

* Employer PF Contribution not included in remuneration.

NOTE - 42: CAPITAL MANAGEMENT

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth.

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

In all the financial years presented in these financial statements Company has negative net debts and has met its capital requirements through internal accruals. For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes short-term borrowings as reduced by cash and cash equivalents, fixed deposits held with bank and margin money held with banks.

NOTE - 43: FINANCIAL INSTRUMENTS

This note gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The significant accounting policy in relation to financial instruments is contained in Note 2.9.

a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2022, March 31, 2021.

As at 31.03.2022

(₹ In Lakhs)

Particulars	Amortized Cost	Derivative instrument #	Total carrying and fair value
Financial Assets*			
Loans	10.61	-	10.61
Trade receivables	4,562.57	-	4,562.57
Cash and cash equivalents	4,518.15	-	4,518.15
Other bank balances	3,736.06	-	3,736.06
Derivative asset	-	-	-
Other financial assets	127.52	-	127.52
Total	**12,954.90**	**-**	**12,954.90**

Financial Liability			
Borrowings	-	-	-
Trade payables	3,140.24	-	3,140.24
Other financial liabilities	238.56	-	238.56
Total	**3,378.80**	**-**	**3,378.80**

As at 31.03.2021

(₹ In Lakhs)

Particulars	Amortized Cost	Derivative instrument #	Total carrying and fair value
Financial Assets*			
Loans	10.71	-	10.71
Trade receivables	4,304.79	-	4,304.79
Cash and cash equivalents	3,845.65	-	3,845.65
Other bank balances	4,035.00	-	4,035.00
Derivative asset	-	-	-
Other financial assets	1,103.75	-	1,103.75
Total	**13,299.90**	**-**	**13,299.90**
Financial Liability			
Borrowings	1,319.59	-	1,319.59
Trade payables	3,484.38	-	3,484.38
Other financial liabilities	202.53	-	202.53
Total	**5,006.50**	**-**	**5,006.50**

* The fair value of all other financial asset and liability carried at amortize cost is equal to their carrying value

(b) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities. Company does not hold any asset/liability that fall into this category.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Company does not hold any asset/liability that fall into this category.

(₹ In Lakhs)

Particulars	Level - 2	
	As at 31.03.2022	As at 31.03.2021
Financial instruments at FVTPL		
Foreign currency forward contracts	-	-

(c) Derivative financial instruments

Derivative instruments used by the Company primarily include forward exchange contracts. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities. The Company does not hold or issue derivative financial instruments for trading purpose.

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
forward exchange contracts - Assets	-	-
forward exchange contracts - Liability	-	-
Notional value of above contract	-	-

d) Financial risk management

The Company's activities are primarily exposed to a credit risk and market risk arising from movement in foreign exchange rates i.e. foreign exchange risk.

(i) Market risk - Foreign currency exchange rate risk:

"The Company make significant amount of purchases in foreign currency which exposes the Company to the risk of fluctuation in foreign currency exchange rates which may have a potential impact on the statement of profit and loss and equity.

In order to protect itself from foreign currency movements, Company often enters into forward exchange contracts from scheduled bank for its anticipated receipts. The exposure is such contract is disclosed in Note 43(c) above. "

The foreign currency exposure of company is as follows:

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
A. Trade Payables - EURO		
INR (In Lakhs)	1,714.99	2,167.22
EURO (In Lakhs)	20.40	25.24
Sensitivity analysis (In Lakhs)		
Strengthen of foreign currency by 5%	(85.75)	(108.36)
Weakening of foreign currency by 5%	85.75	108.36

(ii) Credit risk

"The credit risk exposure of the Company primarily arises from Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost. Credit risk arises from the possibility that the counter party may not be able to settle their obligations. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. None of the financial instruments of the Company results in material concentration of credit risks."

NOTE 44: EMPLOYEE BENEFIT PLAN

(A) Defined benefit Plan

The defined benefit plan operated by the Company is as below:

"Retiring gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company has taken a gratuity plan from Life Insurance Corporation (LIC) and annual contributions are made to this plan . The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation."

The defined benefit plans expose the Company to a number of actuarial risks as below:

(a) Interest risk: A decrease in the bond interest rate will increase the plan liability.

(b) Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(c) Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy of the plan participants will increase the plan's liability.

The following table sets out the amounts recognised in the financial statements in respect of retiring gratuity plan:
All figures are presented in ₹ Lakhs

(i) Change in Defined Benefit Obligation (DBO) during the year

(₹ In Lakhs)

Particulars	31.03.2022	31.03.2021
Present value of DBO at the beginning of the year	**99.96**	**76.13**
Service cost	23.38	25.49
Interest cost	6.81	5.14
Actuarial loss arising from changes in financial assumptions	(6.67)	0.78
Actuarial loss arising from changes in experience adjustments	(12.39)	(3.48)
Benefits paid	(3.78)	(2.54)
Present value of DBO at the end of the year	**107.30**	**99.96**

(ii) Change in fair value of plan assets during the year

(₹ In Lakhs)

Particulars	31.03.2022	31.03.2021
Fair value of plan assets at the beginning of the year	72.28	58.08
Interest income	6.18	4.45
Employer contributions	27.22	12.28
Benefits paid	(3.78)	(2.54)
Fair value of plan assets at the end of the year	**101.90**	**72.28**

(iii) Actuarial (Gain)/Loss on Plan Asset

(₹ In Lakhs)

Particulars	31.03.2022	31.03.2021
Expected Interest Income	4.70	3.92
Actual Income on Plan Asset	6.18	4.45
Actuarial gain /(loss) on Assets	**1.48**	**0.53**

(iv) Amounts recognised in the Balance Sheet

(₹ In Lakhs)

Particulars	31.03.2022	31.03.2021
Present value of DBO at the end of the year	107.30	99.96
Fair value of plan assets at the end of the year	101.90	72.28
Net Liability recognised in the Balance Sheet	**5.40**	**27.67**

(v) Components of employer expense

(₹ In Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Service cost	23.38	25.49
Net Interest cost	2.11	1.22
Expense recognised in Statement of Profit t and Loss	**25.49**	**26.70**

(vi) Other comprehensive income

(₹ In Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Actuarial gain / (loss) on liabilities	19.06	4.26
Actuarial gain / (loss) on assets	1.48	0.53
Remeasurements recognised in other comprehensive income	**20.54**	**4.79**

(vi) Nature and extent of investment details of the plan assets

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
State and Central Securities	0%	0%
Bonds	0%	0%
Special deposits	0%	0%
Insurer managed funds	100%	100%

(vii) Assumptions

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Discount Rate	7.29%	6.81%
Rate of increase in Compensation levels	6%	6%
Rate of Return on Plan Assets	NA	NA
Average future service (in Years)	27.70 Years	28.98 Years

(viii) Sensitivity Analysis

(₹ In Lakhs)

Particulars	As at 31.03.22	As at 31.03.21
Base Liability	107.30	99.96
Increase Discount Rate by 0.5%	101.03	93.83
Decrease Discount Rate by 0.5%	114.26	106.79
Increase Salary Inflation by 1%	121.15	113.43
Decrease Salary Inflation by 1%	95.92	88.94
Increase Withdrawal Rate by 1%	108.88	100.69
Decrease Withdrawal Rate by 1%	105.26	98.90

(viii) Maturity Profile of Defined Benefit Obligation (Valued on undiscounted basis)

(₹ In Lakhs)

Particulars	As at 31.03.22	As at 31.03.21
Year 1	25.43	24.66
Year 2	1.80	1.40
Year 3	2.48	1.77
Year 4	2.77	2.42
Year 5	5.68	2.85
After 5th Year	325.59	289.47
Total	**363.76**	**322.57**

(B) Defined Contribution Plan

"Provident fund and pension

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the employee provident fund organization (EPFO).

The total expenses recognised in the statement of profit and loss during the year on account of defined contribution plans amounted to ₹ 25.48 Lakhs (PY: ₹ 26.70 Lakhs)"

NOTE 45 DIVIDEND ON EQUITY SHARE

The Board of Directors of the Company have proposed final dividend of ₹ 2.00 (Rupees Two only) per equity share of the face value of ₹ 10 each for the financial year ended March 31, 2022 which is further subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. The Board of Directors have made payment of final dividend of ₹ 1.50 (Rupees one and Paise Fifty only) per equity share of the face value of ₹ 10 each for the financial year ended March 31, 2021.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SIRCA PAINTS INDIA LIMITED
Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the Consolidated financial statements of Sirca Paints India Limited **formerly known as SIRCA PAINTS INDIA PRIVATE LIMITED, earlier known as SIRCOLOR WOOD COATINGS PRIVATE LIMITED** ("the Parent") and its Subsidiary (the parent and its subsidiary together referred as "the Group"), which comprise the Consolidated balance sheet as at March 31, 2022, 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 for the year ended on that date, and the notes to the Consolidated financial statements including a summary of the 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 Consolidated financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India), of the Consolidated state of affairs of the Group as at March 31, 2022 and their Consolidated profit , their Consolidated total comprehensive income, their Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) Revenue recognition (refer note no. 2.4 & 28 of the Consolidated financial Statements)

The key audit matters	How the matter was addressed in our report
Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.	Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof. Our other audit procedures with regard to revenue recognition include testing controls, automated and manual, around dispatches/deliveries, E –Way bill Verification, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

b) Discounts and incentives (Refer note 2.4 and 28 of the Consolidated Financial Statements)

The key audit matters	How the matter was addressed in our report
Discounts and incentives to dealers / customers are administered through various schemes including incentives. These are material items of business cost. The calculation of the amount of expense to be recognized is both voluminous, complex and involves significant judgement. There is a risk that such liabilities for discounts and incentives may be inaccurately recognised.	Our audit procedures included assessment of the design and implementation of controls, in addition to testing the effectiveness of key controls in respect of recognition of the liabilities for such discounts and incentives. We have considered each significant type of discount recognized and assessed the appropriateness of the judgement applied while recognising the liability including the methodology and inputs used in calculating the amount and in some cases, re-performed the calculation. Our audit procedures also included verification of appropriate authorization, analytical review including comparison of budgeted amount and actual charge for the year and review of historical trends in respect of these liabilities.

OTHER INFORMATION

The Parent's management and Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the company's annual report but does not include the Consolidated financial statements and our auditor's report thereon.

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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Parent'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 Consolidated financial statements that give a true and fair view of the Consolidated state of affairs, Consolidated profit/loss and other comprehensive income, Consolidated changes in equity and Consolidated cash flow 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management and respective Board of Directors of the companies included in the Group are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing

our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Consolidated financial statements made by the Management and respective Board of Directors of the companies included in the Group.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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 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 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 of the aforesaid Consolidated Financial Statements;

   b. In our opinion, proper books of account as required by law related to the preparation of the aforesaid Consolidated Financial Statements have been kept by the Company 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 Cash Flow and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the 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 Parent as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 Consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors report of the company and its subsidiary incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of those Companies internal financial controls over financial reporting.

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Group does not have any pending litigations which would impact on the financial position of the company.

   ii. The Group does not have any long-term contracts including derivative contracts, as such the question of commenting on any material foreseeable losses thereon does not arise.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that , to the best of their knowledge and belief , no funds (which are material either individually or in the aggregate) 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 or any of such subsidiary 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 any of such subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary 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 on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in note 45 to the financial statements, the Board of Directors of the Company have not proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

3. With respect to the matter to be included in the Auditors' 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 Group 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) which are required to be commented upon by us.

4. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Rajesh Kukreja & Associates**
Chartered Accountants
(Firm's Registration No.0004254N)

Place: New Delhi
Date: May 26 2022

Rajesh Kukreja
Partnerr
(Membership No.083496)
UDIN:

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT on the Consolidated Financial Statements of Sirca Paints India Limited for the year ended March 31, 2022

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

Report on the Internal Financial Controls Over Financial Reporting under section 143(3)(i) of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2022. We have audited the internal financial controls over financial reporting of **SIRCA PAINTS INDIA LIMITED formerly known as SIRCA PAINTS INDIA PRIVATE LIMITED, earlier known as SIRCOLOR WOOD COATINGS PRIVATE LIMITED** ("the Company") and its Subsidiary company incorporated in India.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 "ICAI". 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 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Rajesh Kukreja & Associates**
Chartered Accountants
(Firm's Registration No.0004254N)

Place: New Delhi
Date: May 26 2022

Rajesh Kukreja
Partnerr
(Membership No.083496)
UDIN:

CONSOLIDATED BALANCE SHEET

As at 31.03.2022

(₹ In Lakhs)

	Particulars	Note	As at 31.03.2022	As at 31.03.2021
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	3	4,817.96	3,570.11
	(b) Intangible assets	4	494.99	496.74
	(c) Capital work in progress	5	123.77	185.53
	(d) Intangible asset under development	6	-	-
	(e) Financial assets			
	(i) Loans	7	10.61	10.71
	(ii) Other financial assets	8	-	-
	(f) Other non-current assets	9	240.35	203.45
	(g) Deferred tax asset	10	49.44	112.09
	Total Non-current Assets		**5,737.12**	**4,578.64**
(2)	**Current assets**			
	(a) Inventories	11	6,968.54	6,494.95
	(b) Financial assets			
	(i) Trade receivables	12	4,562.57	4,304.79
	(ii) Cash and cash equivalents	13	4,524.23	3,852.30
	(iii) Other bank balances	14	3,736.06	4,035.00
	(iv) Other financial assets	15	127.52	1,103.75
	(c) Current Tax Assets (net)	16	215.29	100.98
	(d) Other current assets	17	363.19	1,002.60
	Total Current assets		**20,497.40**	**20,894.37**
(3)	**Non Current assets classified as held for sale**	**18**	**-**	**-**
	TOTAL ASSETS		**26,234.52**	**25,473.01**
	EQUITY AND LIABILITIES			
(1)	**EQUITY**			
	(a) Share Capital	19	2,740.44	2,740.44
	(b) Other equity	20	19,772.08	17,417.09
	Total Equity		**22,512.52**	**20,157.53**
(2)	**LIABILITIES**			
(A)	**Non-current liabilities**			
	(a) Financial liabilities - Long term borrowings	21		-
	(b) Long term provision	22	5.40	27.67
	Total Non- current liabilities		**5.40**	**27.67**
(B)	**Current liabilities**			
	(a) Financial liabilities			
	(i) Trade payables	23	3,140.25	3,484.38
	(ii) Short term borrowings	24	-	1,319.59
	(iii) Other financial liability	25	238.76	202.73
	(b) Other current liability	26	337.59	281.11
	(c) Current tax liability (Net)	27	-	-
	Total Current liabilities		**3,716.60**	**5,287.81**
	TOTAL EQUITY AND LIABILITIES		**26,234.52**	**25,473.01**

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

For and On Behalf of the Board of Directors
SIRCA PAINTS INDIA LIMITED

For and on behalf of
For Rajesh Kukreja & Associates

Sanjay Agarwal
Chairman Cum Managing Director
DIN: 01302479

Apoorv Agarwal
Joint Managing Director
DIN: 01302537

Rajesh Kukreja
(Partner)
Membership No.-083496

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

Place: New Delhi
Date : May 26, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2022

(₹ In Lakhs)

	Particulars	Note	April'21 to March '22	April'20 to March '21
I	Revenue from operations	28	20,002.49	14,318.36
II	Other Income	29	440.14	1,414.51
III	**Total Income (I + II)**		**20,442.64**	**15,732.87**
IV	**EXPENSES**			
	(a) Cost of Material Consumed	30	4,329.00	2,081.40
	(b) Purchase of traded goods	31	7,908.28	7,263.08
	(c) Changes in stock of traded goods	32	(505.70)	(923.51)
	(d) Employee benefit expenses	33	1,912.29	1,594.19
	(e) Finance costs	34	7.80	10.41
	(f) Depreciation and amortization expenses	35	412.72	365.87
	(g) Impairment of non-current assets	36	-	-
	(h) Other expenses	37	2,583.36	3,085.95
	Total Expenses (IV)		**16,647.75**	**13,477.40**
V	**Profit before tax (III - IV)**		**3,794.88**	**2,255.47**
VI	**Tax Expense**	**38**		
	(a) Current tax		959.91	614.69
	(b) Taxation for earlier years		-	-
	(c) Deferred tax		62.65	(17.45)
	Total tax expense		**1,022.55**	**597.24**
VII	**Profit after tax (V-VI)**		**2,772.33**	**1,658.23**
VIII	**Other Comprehensive Income**			
	(a) Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plan		20.54	4.79
	(b) Items that will be reclassified to profit or loss			
			20.54	**4.79**
IX	**Total Comprehensive Income for the year (VII+VIII)**		**2,792.87**	**1,663.02**
X	**Earnings per equity share**			
	Basic / Diluted	39	10.12	6.05

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

For and on behalf of
For Rajesh Kukreja & Associates

Rajesh Kukreja
(Partner)
Membership No.-083496

Place: New Delhi
Date : May 26, 2022

For and On Behalf of the Board of Directors
SIRCA PAINTS INDIA LIMITED

Sanjay Agarwal
Chairman Cum Managing Director
DIN: 01302479

Apoorv Agarwal
Joint Managing Director
DIN: 01302537

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2022

(₹ In Lakhs)

	Particulars	April-March 2022	April-March 2021
A.	**Cash Flow from Operating activities:**		
	Profit before taxes	**3,794.88**	**2,255.47**
	Adjustments for:		
	Depreciation and amortization expenses	412.72	363.57
	Impairment of non-current assets	-	-
	Gain on fair valuation of forwards contracts	-	-
	Expected Credit Loss	-	59.80
	(Profit)/Loss on sale of assets	45.21	(23.38)
	Finance Income	(244.88)	(266.52)
	Finance expenses	7.80	10.41
	Other non cash items	20.54	4.79
	Operating profit before working capital changes	**4,036.28**	**2,404.14**
	Adjustments for:		
	Trade receivables	(257.78)	254.31
	Financial assets and other current/non-current asset	1,578.74	(1,600.82)
	Inventories	(473.59)	(1,350.45)
	Trade payables	(344.13)	1,454.63
	Financial liabilities and other current/non-current liabilities	70.24	1,334.24
	Cash generated from operations	**4,609.77**	**2,496.04**
	Direct tax paid (net of refunds)	(1,093.89)	(575.55)
	Net Cash from Operating Activities.....A	**3,515.89**	**1,920.49**
B.	**Cash Flow from Investing Activities:**		
	Purchase of fixed assets including WIP	(2,214.44)	(411.83)
	Sale of fixed assets	565.00	1,137.16
	Investments & Securities	0.10	(0.17)
	Movement in fixed deposits with banks	298.94	491.99
	Interest received	244.88	266.52
	Net cash used in Investing Activities ..... B	**(1,105.52)**	**1,483.68**
C.	**Cash Flow from Financing activities:**		
	Proceeds from issue of equity shares (Net of transaction cost)	-	-
	Net Proceeds/(Repayment) of borrowings	(1,319.59)	-
	Interest and other finance costs paid	(7.80)	(10.41)
	Dividend Paid (Including Dividend distribution tax)	(411.07)	-
	Net Cash used in Financing Activities C	**(1,738.46)**	**(10.41)**
	Net increase or (decrease) in cash or cash equivalents (A+B+C)	**671.91**	**3,393.76**
	Cash & Cash equivalents as at 1st April	**3,852.32**	**458.56**
	Cash & Cash equivalents as at 31st March	**4,524.23**	**3,852.32**

The accompanying notes are integral part of the Financial Statements
In terms of our report of even date

For and On Behalf of the Board of Directors
SIRCA PAINTS INDIA LIMITED

For and on behalf of
For Rajesh Kukreja & Associates

Sanjay Agarwal
Chairman Cum Managing Director
DIN: 01302479

Apoorv Agarwal
Joint Managing Director
DIN: 01302537

Rajesh Kukreja
(Partner)
Membership No.-083496

Shallu
Chief Financial Officer
PAN:- DCDPS8801K

Suraj Singh
Company Secretary
PAN:- FYVPS2108K

Place: New Delhi
Date : May 26, 2022

NOTE - 3: PROPERTY, PLANT AND EQUIPMENT

(₹ In Lakhs)

Particulars	Usefull life	Rate	Net block	GROSS BLOCK				ACCUMULATED DEPRICIATION		CLOSING BLOCK	
			01.04.2021	01.04.2021	Purchase during the Year	Sales During the Qtr	31.03.2022	Total De for the Year	Total Depriciation upto 31.03.2022	Net wdv as on 31.03.2022	Gross wdv as on 31.03.2022
LAND	**-**	**-**	**1,518.21**	**1,518.21**	**724.20**	**422.13**	**1,820.28**	**-**	**-**	**1,820.28**	**1,820.28**
Factory Plot Nathupur	-	-	1,096.08	1,096.08	-	-	1,096.08	-	-	1,096.08	1,096.08
Land 112	-	-	-	-	-	-	-	-	-	-	-
Land Badli	-	-	422.13	422.13	-	422.13	-	-	-	-	-
Land Kirti Nagar	-	-	-	-	724.20	-	724.20	-	-	724.20	724.20
BUILDING	**30**	**9.50%**	**1165.01**	**1,420.35**	**727.23**	**272.43**	**1,875.15**	**131.44**	**274.57**	**1,600.58**	**1,600.58**
Office Netaji subhash Place	-	-	47.77	100.67	--	100.67	-	-	-	-	-
Building Kirti Nagar	-	-	-	-	528.48	0.16	528.31	22.71	22.71	505.61	505.61
Factory Building Badli	-	-	116.32	171.60		171.60	-	4.03	-	-	-
Factory Building Nathupur	-	-	847.13	958.24	198.76	-	1,156.99	90.60	201.71	955.28	955.28
DLF Flat	-	-	153.79	189.84	-	-	189.84	14.10	50.15	139.69	139.69
PLANT & MACHINARY	**15**	**18.10%**	**577.17**	**788.63**	**615.84**	**36.56**	**1,367.91**	**164.40**	**362.81**	**1,005.10**	**1,005.10**
Plant & Machinary	-	-	353.48	492.66	496.54	0.23	988.97	116.39	255.55	733.42	733.42
Solvent Tank	-	-	25.93	31.95	1.46	-	33.41	4.57	10.60	22.82	22.82
Compressor	-	-	10.75	15.27	-	-	15.27	1.82	6.34	8.94	8.94
Automatic Tinting Machine	-	-	51.40	67.79	35.16	6.58	96.37	10.71	26.00	70.37	70.37
SS Mixing Thinner Tank	-	-	7.19	9.74	55.88	-	65.62	8.12	10.66	54.95	54.95
Filing Machine	-	-	8.74	13.20	-	-	13.20	1.48	5.94	7.26	7.26
Fire Fighting System	-	-	69.55	90.25	25.83	-	116.08	14.75	35.44	80.63	80.63
Lift	-	-	28.65	39.81	-	29.76	10.05	2.87	2.07	7.98	7.98
Lab Equipments	-	-	17.85	22.97	0.78	-	23.75	3.08	8.21	15.54	15.54
Weighing Machine	-	-	3.62	4.99	0.19	-	5.19	0.63	2.00	3.19	3.19
CYCLE	**10**	**25.89%**	**0.00**	**0.02**	**-**	**-**	**0.01**	**0.00**	**0.02**	**-**	**-**
Cycle			0.00	0.02	-	-	0.02	0.00	0.02	-	-
Electrical Instalation and Equipments	**10**	**25.89%**	**97.55**	**140.97**	**65.63**	**22.43**	**184.17**	**30.72**	**63.23**	**120.93**	**120.93**
Electrical Instalation and Equipments	-	-	97.55	140.97	65.63	22.43	184.17	30.72	63.23	120.93	120.93
Furniture & Fixture	**10**	**25.89%**	**136.23**	**247.54**	**94.11**	**-**	**341.64**	**44.73**	**156.04**	**185.60**	**185.60**
Furniture & Fixture	-	-	91.56	170.24	93.27	-	263.51	34.18	112.86	150.64	150.64
Studio Account	-	-	44.67	77.30	0.84	-	78.14	10.55	43.18	34.96	34.96
Moter Vehicle	**8**	**31.23%**	**28.26**	**157.33**	**-**	**-**	**157.33**	**7.84**	**136.92**	**20.41**	**20.41**
CAR	-	-	27.76	156.33	-	-	156.33	7.71	136.28	20.06	20.06
SCOOTER	-	-	0.50	1.00	-	-	1.00	0.14	0.64	0.36	0.36
OFFICE EQUIPMENT	**5**	**45.07%**	**34.85**	**70.13**	**36.85**	-	**106.99**	**21.65**	**56.93**	**50.05**	**50.05**
Office Equipment	-	-	19.48	35.64	15.34	-	50.98	10.62	26.77	24.20	24.20
AIR CONDITIONER	-	-	15.06	33.06	21.52	-	54.57	10.92	28.91	25.66	25.66
Projectors	-	-	0.05	0.33	-	-	0.33	0.02	0.30	0.03	0.03
Solar Inverter	-	-	0.08	0.50	-	-	0.50	0.03	0.45	0.05	0.05
Water cooler	-	-	0.17	0.61	-	-	0.61	0.07	0.50	0.11	0.11
COMPUTER	**3**	**63.16%**	**12.83**	**46.77**	**11.38**	**-**	**58.15**	**9.22**	**43.15**	**14.99**	**14.99**
Computer	-	-	10.95	42.75	8.72	-	51.47	7.59	39.39	12.08	12.08
Printer	-	-	1.87	4.01	2.66	-	6.67	1.63	3.76	2.91	2.91
Grand Total	**-**	**-**	**3,570.11**	**4,389.95**	**2,275.24**	**753.56**	**5911.63**	**410.01**	**1,093.68**	**4,817.96**	**4,817.96**

NOTE - 4: AMORTIZATION ON INTANGIBLE ASSETS

(₹ In Lakhs)

PARTICULARS	Usefull life Year	Rate	NET BLOCK	GROSS BLOCK							
			01.04.2021	01.04.2021	Purchase during the Qtr	Sales During the Qtr	31.03.2022	Total Dep for the Year	Total Depriciation upto 31.03.2022	NET WDV AS ON 31.03.2022	GROSS WDV AS ON 31.03.2022
Software	3	63.16%	4.89	21.27	0.96	-	22.24	2.71	19.09	3.14	3.14
Technical Know How	-	-	491.85	491.85	-	-	491.85	-	-	491.85	491.85
	-	**-**	**496.74**	**513.13**	**0.96**	**-**	**514.09**	**2.71**	**19.09**	**494.99**	**494.99**

NOTE - 5: CAPITAL WORK IN PROGRESS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Building in Nathupur	-	185.53
Plant in Nathupur	123.77	-
Total	**123.77**	**185.53**

Amount in CWIP for the year ended 31.03.2022

(₹ In Lakhs)

CWIP	Less Than			More Than	Total
	1 Year	1-2 Years	2-3 Years	3 Year	
Projects In Progress	123.77	-	-	-	123.77
Projects temporarily Suspended	-	-	-	-	-
Total	**123.77**	**-**	**-**	**-**	**123.77**

Amount in CWIP for the year ended 31.03.2021

(₹ In Lakhs)

CWIP	Less Than			More Than	Total
	1 Year	1-2 Years	2-3 Years	3 Year	
Projects In Progress	185.53	-	-	-	185.53
Projects temporarily Suspended	-	-	-	-	-
Total	**185.53**	**-**	**-**	**-**	**185.53**

NOTE - 6: INTANGIBLE ASSET UNDER DEVELOPMENT

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Technical Know How	-	-
Total	**-**	**-**

NOTE - 7: LOANS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security deposit		
Unsecured, considered good	10.61	10.71
Total	**10.61**	**10.71**

NOTE - 8: OTHER FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed deposits held with bank (Earmarked)	-	-
Investment in Wholly owned Subsy	-	-
Total	**-**	**-**

(i) Fixed deposits held with bank (Earmarked) are the one that are not due for realisation within 12 months from the balance sheet date. These are primarily placed as security with banks for credit facilities.

NOTE - 9: OTHER NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital advances		
Unsecured, considered good	172.92	147.92
Security deposit	67.43	55.53
Total	**240.35**	**203.45**

NOTE - 10: DEFERRED TAX ASSET

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax	**49.44**	**112.09**
Property, Plant & Equipment and intangible assets	49.44	112.09
Equity share issuance cost	-	-
Unabsorbed business losses	-	-
Gratuity Liability	-	-
Total	**49.44**	**112.09**

NOTE - 11: INVENTORIES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(At cost or net realisable value, which ever is lower)		
Raw Material	771.94	804.05
Finished Goods - Trading	6,196.60	5,690.91
Total	**6,968.54**	**6,494.95**

NOTE - 12: TRADE RECEIVABLES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Unsecured debtors	4,630.59	4,379.31
	4,630.59	**4,379.31**
Less: Allowance for credit losses	68.03	74.52
Total	**4,562.57**	**4,304.79**

(i) In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

Ageing for trade receivables – outstanding as at March 31, 2022 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year"	1 - 2 years	2 - 3 years	More than 3 years	
Trade receivables - Billed	-	-	-	-	-	-	-
Undisputed trade receivables – considered good	-	3,947.17	293.35	100.16	24.91	9.87	4,375.47
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-

Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	18.22	20.95	48.24	57.32	110.39	255.12
"Disputed trade receivables – credit impaired"	-	-	-	-	-	-	-
	-	**3,965.39**	**314.31**	**148.41**	**82.22**	**120.27**	**4,630.59**
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-	68.03
Trade receivables - Unbilled	-	-	-	-	-	-	-
Total	**-**	**3,965.39**	**314.31**	**148.41**	**82.22**	**120.27**	**4,562.57**

Ageing for trade receivables – outstanding as at March 31, 2021 is as follows:

(₹ In Lakhs)

Particulars	**Not Due**	**Outstanding for following periods from due date of payment**					**Total**
		Less than 6 months	**6 months - 1 year"**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	
Trade receivables - Billed	-	-	-	-	-	-	-
Undisputed trade receivables – considered good		3,634.85	179.28	239.77	176.85	-	4,230.75
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	2.04	4.80	22.16	119.57	-	148.57
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	-	**3,636.88**	**184.08**	**261.93**	**296.42**	**-**	**4,379.31**
Less: Allowance for doubtful trade receivables - Billed	-	-	-	-	-	-	74.52
Trade receivables - Unbilled	-	-	-	-	-	-	-
Total		**3,636.88**	**184.08**	**261.93**	**296.42**	**-**	**4,304.79**

NOTE - 13: CASH AND CASH EQUIVALENTS

(₹ In Lakhs)

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Balances with banks		
- on Current accounts	4,508.74	3,834.07
Cash on hand	15.49	18.23
Total	**4,524.23**	**3,852.30**

NOTE - 14: OTHER BANK BALANCES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Fixed Deposits held with banks	3,736.06	4,035.00
Total	**3,736.06**	**4,035.00**

NOTE - 15: OTHER FINANCIAL ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest accrued on FDR	118.11	133.24
Advances to Staff	9.40	6.60
Reimbursement Right Receivable	-	963.90
Total	**127.52**	**1,103.75**

NOTE - 16: CURRENT TAX ASSETS (NET)

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance tax and TDS	1,174.15	715.67
Less: Provision for taxation	(958.86)	(614.69)
Total	**215.29**	**100.98**

NOTE - 17: OTHER CURRENT ASSETS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balance With Revenue Authorities	180.01	233.90
Prepaid expenses	27.15	32.83
Advance to suppliers	155.52	8.04
Other advances	0.10	725.88
GST Reversed (Pending Payment)	0.41	1.96
Total	**363.19**	**1,002.60**

NOTE - 18: NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Land and Buildings	-	-
Total	**-**	**-**

NOTE - 19: SHARE CAPITAL

(₹ In Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number	Amount	Number	Amount
Authorised				
3,20,00,000 shares Equity Shares of ₹ 10 each	3,20,00,000	3,200.00	3,20,00,000	3,200.00
Total	**3,20,00,000**	**3,200.00**	**3,20,00,000**	**3,200.00**
Issues, Subscribed and Paid up				
2,74,04,400 shares Equity Shares of ₹ 10 each	2,74,04,400	2,740.44	2,74,04,400	2,740.44
Total	**2,74,04,400**	**2,740.44**	**2,74,04,400**	**2,740.44**

(a) The Company has only one class of equity shares. Each shareholder is eligible for one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

(₹ In Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	2,74,04,400	2,740.44	2,74,04,400	2,740.44
Add: Equity shares issued during the year	-	-	-	-
Balance as at the end of the year	**2,74,04,400**	**2,740.44**	**2,74,04,400**	**2,740.44**

(c) Details of Shareholders holding more than 5 % shares in the Company

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Holding %	No. of shares	Holding %
1. SANJAY AGARWAL	88,80,480.00	32.41%	88,80,480	32.41%
2. GURJIT SINGH BAIN	38,66,197.00	14.11%	38,66,197	14.11%
3. BGB ITALIA	51,55,483.00	18.81%	51,55,483	18.81%
4. SIRCA S.P.A. ITALY	10,50,000	3.83%	10,50,000	3.83%

(d) Shareholding of Promoters

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Holding %	No. of shares	Holding %
SANJAY AGARWAL	88,80,480.00	32.41	88,80,480.00	32.41
ANITA AGARWAL	18,450.00	0.07	18,450.00	0.07
APOORV AGARWAL	5,53,500.00	2.02	5,53,500.00	2.02
AYUSHI AGARWAL	18,450.00	0.07	18,450.00	0.07
SRISHTI AGARWAL	18,450.00	0.07	18,450.00	0.07
GURJIT SINGH BAINS	38,66,197.00	14.11	38,66,197.00	14.11
BGB ITALIA	51,55,483.00	18.81	51,55,483.00	18.81
Total	**1,85,11,010.00**	**67.55**	**1,85,11,010.00**	**67.55**

NOTE - 20: OTHER EQUITY

(₹ In Lakhs)

Particulars	Security premium reserve	Retained Earnings	Other Comprehensive Income	Total
Opening balance as at 01.04.2021	**8,373.28**	**9,036.08**	**7.74**	**17,417.09**
Add: Profit for the year	-	2,772.33	20.54	2,792.87
Add : Provision for Income Tax (Reversed)	-	(26.82)	-	(26.82)
Less : Provision for Dividend	-	(411.07)	-	(411.07)
Closing balance as at 31.03.2022	**8,373.28**	**11,370.52**	**28.28**	**19,772.08**

The nature of reserves are as follows:

1. Securities premium reserve is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Companies Act").

2. Other Comprehensive Income represents remeasurement gain/(loss) arising on defined benefit plans of Company.

3. Retained Earnings is a free reserves that is available for distribution of dividends.

NOTE - 21: LONG TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Term Loan from Banks (#)	-	(0.00)
Less: Current maturities of long term borrowings	-	-
Total	**-**	**(0.00)**

NOTE - 22: LONG TERM PROVISION

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Provision for Gratuity	5.40	27.67
Provision for Gratuity	107.30	99.96
Less: LIC Gratuity fund (Asset)	(101.90)	(72.28)
Total	**5.40**	**27.67**

NOTE - 23: TRADE PAYABLES

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Creditor for supplies and services	3,140.25	3,484.38
Total	**3,140.25**	**3,484.38**

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years"	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	296.53	-	-	-	296.53
Others	-	2,834.97	2.02	5.18	-	2,842.16
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	1.55	-	-	1.55
Accrued expenses	-	-	-	-	-	-
Total	**-**	**3,131.50**	**3.57**	**5.18**	**-**	**3,140.24**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

(₹ In Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years"	2 - 3 years	More than 3 years	
Trade payables						
MSME*	-	237.96	-	-	-	237.96
Others	-	3,104.52	137.39	0.49	-	3,242.40
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	2.27	1.75	-	-	4.02
Accrued expenses	-	-	-	-	-	-
Total	**-**	**3,344.76**	**139.13**	**0.49**	**-**	**3,484.38**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

NOTE - 24: SHORT TERM BORROWINGS

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured (against FDR)		
Current maturities of long term borrowings	-	(0.00)
Indulsnd Bank- Buyer's Credit	-	1,319.59
Total	**-**	**1,319.59**

NOTE - 25: OTHER FINANCIAL LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Expenses payable	88.66	93.74
Security deposit	27.95	3.00
Employee dues	121.38	105.63
Unclaimed dividend	0.77	0.36
Total	**238.76**	**202.73**

NOTE - 26: OTHER CURRENT LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory dues	164.82	138.25
Contract liability	172.77	126.27
Employer contributions	-	16.59
Advance received against expected sale of assets	-	-
Total	**337.59**	**281.11**

NOTE - 27: CURRENT TAX LIABILITY

(₹ In Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for taxation	-	-
Less: Advance tax and TDS	-	-
Total	**-**	**-**

NOTE - 28: REVENUE FROM OPERATIONS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Sales of Products	20,002.49	14,318.36
Total	**20,002.49**	**14,318.36**

NOTE - 29: OTHER INCOME

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Finance income	244.88	263.00
Miscellaneous income	49.94	966.18
Foreign currency fluctuations	145.33	158.44

Gain on sale of capital assets	-	23.38
Interest Income	-	3.52
Total	**440.14**	**1,414.51**

NOTE - 30: COST OF MATERIAL CONSUMED

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Opening stock	804.05	367.91
Add: Purchase of raw material	4,296.89	2,517.53
Less: Closing stock of Raw Material & WIP	(771.94)	(804.05)
Total	**4,329.00**	**2,081.40**

NOTE - 31: PURCHASE OF TRADED GOODS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Purchase of Paints & Varnish	7,908.28	7,263.08
Total	**7,908.28**	**7,263.08**

31.01 Purchase Include custom duty of ₹ 6,16,84,696 (last year ₹ 5,56,46,322)

NOTE - 32: CHANGES IN STOCK OF TRADED GOODS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Opening Stock		
Finished goods	5,690.91	4,776.59
	5,690.91	**4,776.59**
Closing Stock		
Finished goods	6,196.60	5,700.10
	6,196.60	**5,700.10**
Total	**(505.70)**	**(923.51)**

32.01 Closing Stock Include Stock in transit ₹ 29,55,093 (last year ₹ 19,64,902)

NOTE - 33: EMPLOYEE BENEFIT EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Salaries and wages	1,578.60	1,331.54
Directors Remuneration	147.00	121.57
Gratuity expenses	59.37	26.70
Employer Contribution to provident fund and ESIC	107.55	91.59
Staff welfare expenses	19.78	22.79
Total	**1,912.29**	**1,594.19**

NOTE - 34: FINANCE COSTS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Interest on bank loans	-	0.22
Interest on other loans	1.56	0.50
Other borrowing cost	6.24	9.69
Total	**7.80**	**10.41**

NOTE - 35: DEPRECIATION AND AMORTIZATION EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Depreciation on Property, plant & equipment	412.72	363.57
Amortization of intangible assets	-	2.30
Total	**412.72**	**365.87**

NOTE - 36: IMPAIRMENT OF NON-CURRENT ASSETS

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Impairment of land & building classified as held for sale (Refer Note 18 for details of assets)	-	-
Total	**-**	**-**

NOTE - 37: OTHER EXPENSES

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Manufacturing Expenses		
Consumable Stores	83.26	34.19
Freight & Octroi	532.83	435.46
Miscellaneous Expenses	24.61	16.84
Clearing & Forwarding Exp.	72.78	73.11
Selling, Distribution & Administration Expenses		
Legal & Professional Expenses	35.47	44.68
Interest on MSME	2.04	7.91
CSR Expense (Point (a) below)	63.60	67.25
Testing Charges	-	0.38
Preliminary Expense W/Off	45.21	-
Repair & Maintenance	69.75	87.46
Telephone Expenses	8.51	6.51
Electricity Expenses	57.06	45.95
Insurance	64.11	32.32
Office Expenses	9.38	13.46
Postage & Courier	10.99	8.00
Printing & Stationery	6.18	7.36
Property Tax	4.33	8.50
Rent	185.17	171.06
Security Charges	20.95	12.35
Audit Fees #	4.20	4.20
Advertisement	34.08	35.75
Expected credit loss	-	59.80
Loss Due to Fire	-	1,058.91
Commission	195.03	154.05
Discount & Compensation	396.56	254.73
Exhibition Expenses	8.35	(0.19)
Branch Handling Charges	13.53	9.61
GST Demand	15.68	8.17
Buyer's Credit Fees	9.43	8.71

Fire Charges	-	0.54
Sales Promotion Expenses	319.96	184.59
Travelling & Conveyance	230.30	135.60
Foreign Currency Fluctuation	59.98	81.55
Loss In Transit	-	17.13
Total	**2,583.36**	**3,085.95**

NOTE - 38: INCOME TAX EXPENSES

(i) Income tax expenses in the statement of profit and loss comprises:

(₹ In Lakhs)

Particulars	April'21 to March'22	April'20 to March'21
Current Tax	959.91	614.69
Deffered Tax	62.65	(17.45).
Total	**1,022.55**	**597.24**

NOTE - 39: EARNING PER SHARES

Particulars	April'21 to March'22	April'20 to March'21
Profit after tax (₹ In Lakhs)	2,772.33	1,658.23
Weighted average number of equity shares (For basic and diluted EPS)	2,74,04,400	2,74,04,400
Basic and Diluted Earnings per Ordinary Share	10.12	6.05

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