SHAYA POLYMERS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 8th Annual General Meeting of **SHAYA POLYMERS LTD (Formerly known as Shaya Polymers Private limited)** will be held on Wednesday, the **14th day of August 2024** at 2.00 P.M. at the Registered Office of the Company at Plot No. E4, Sipcot Industrial Park, Irungattukottai, Kanchipuram, Sriperumbudur, Tamil Nadu, India, 602117, to transact the following businesses:-

A. ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS

a. To consider and adopt the Audited Standalone Financial Statements for the financial year ended 31st March, 2024 and the Reports of the Board of Directors and Auditors thereon.

b. To consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March, 2024 and the Report of the Auditors thereon.

2. APPOINTMENT OF DIRECTOR RETIRING BY ROTATION

To consider and approve the appointment of Ms. Vani Takkellapati (DIN-09344811) as a Director of the Company, who retires by rotation and being eligible offers herself for re-appointment and if thought fit pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

RESOLVED THAT Ms. Vani Takkellapati (DIN-09344811), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible, be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation.

3. REAPPOINTMENT OF STATUTORY AUDITORS

To consider and appoint 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 Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules,2014, and as recommended by the Board of Directors of the Company, M/s. Elangovan & Co, Chartered Accountants, Chennai, having Firm Registration No. 006990S allotted by the Institute of Chartered Accountants of India, be and are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this 8th Annual General Meeting (AGM) until the conclusion of 13th Annual General Meeting of the Company to conduct the Statutory Audit from the Financial Year 2024-25 to 2028-29 and that the Board of Directors of the Company be and are hereby authorized to determine the remuneration payable to them each year.

B. SPECIAL BUSINESS:

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SHAYA POLYMERS LIMITED
CIN No : U24100TN2017PLC115377 / GST No : 33AAYCS2908J1ZV
Plot No :E4, SIPCOT Industrial Park Irungattukottai, Sriperumbudur, Kancheepuram D
TamilNadu - 602 117 INDIA. Contact :91-91500 15632 / 91500 03133 / 044-2715-6

4. **APPROVAL OF THE REMUNERATION OF MANAGING DIRECTOR**

To consider and approve the Remuneration payable to the Managing Director, Mr. Ram Sai Yelamanchili (DIN:07716108), and if thought fit pass with or without modification(s) the following resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), the consent of the Shareholders, be and is hereby accorded for the revision in the payment of remuneration to Mr. Ram Sai Yelamanchili, Managing Director as set out hereunder, subject to overall ceiling laid down under Schedule V of the Companies Act,2013, for the period of three years with effect from July 01, 2024.

I. Salary : Rs. 4,00,000/- per month.

II. Mr. Ram Sai Yelamanchili shall also be eligible for the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified above.

1) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income tax Act,1961.

2) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the tenure of abovementioned three years, the remunerations as approved hereby shall be paid to Mr. Ram Sai Yelamanchili, as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT the Managing Director shall also be entitled apart from and irrespective of the remuneration as aforesaid to reimbursement of actual expenses including entertainment expenses incurred by him in connection with the business of the Company, but however, no sitting fees shall be payable to him for attending any meeting of the Board or Committee thereof.

Y. Ram Sai

RESOLVED FURTHER THAT all the Directors /Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the said resolution.

5. **APPROVAL OF THE REMUNERATION OF WHOLETIME DIRECTOR**

To consider and approve the Remuneration payable to the Wholetime Director, Ms. Sireesha Yelamanchili (DIN:07716137), and if thought fit pass with or without modification(s) the following resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), the consent of the Shareholders, be and is hereby accorded for the revision in the payment of remuneration to Ms. Sireesha Yelamanchili, Wholetime Director as set out hereunder, subject to overall ceiling laid down under Schedule V of the Companies Act,2013, for the period of three years with effect from July 01, 2024.

I. Salary : Rs. 1,00,000/- per month.

II. Ms. Sireesha Yelamanchili shall also be eligible for the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified above.

1) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income tax Act,1961.

2) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the tenure of abovementioned three years, the remunerations as approved hereby shall be paid to Ms. Sireesha Yelamanchili, as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT the Wholetime Director shall also be entitled apart from and irrespective of the remuneration as aforesaid to reimbursement of actual expenses including entertainment expenses incurred by him in connection with the

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business of the Company, but however, no sitting fees shall be payable to him for attending any meeting of the Board or Committee thereof.

RESOLVED FURTHER THAT all the Directors /Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the said resolution.

6. **APPROVAL OF THE REMUNERATION OF WHOLETIME DIRECTOR**

To consider and approve the Remuneration payable to the Wholetime Director, Mr. Srinivasa Sumanth Takkellapati (DIN:09114749), and if thought fit pass with or without modification(s) the following resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment(s) thereof for the time being in force), the consent of the Shareholders, be and is hereby accorded for the revision in the payment of remuneration to Mr. Srinivasa Sumanth Takkellapati, Wholetime Director as set out hereunder, subject to overall ceiling laid down under Schedule V of the Companies Act,2013, for the period of three years with effect from July 01, 2024.

I. Salary : Rs. 1,00,000/- per month.

II. Mr. Srinivasa Sumanth Takkellapati shall also be eligible for the following perquisites, which shall not be included in the computation of the ceiling on remuneration specified above.

1) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent that these either singly or put together are not taxable under the Income tax Act,1961.

2) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the tenure of abovementioned three years, the remunerations as approved hereby shall be paid to Mr. Srinivasa Sumanth Takkellapati, Wholetime Director, as a minimum remuneration in compliance with the limits specified in Section II of Part II of Schedule V of the Companies Act, 2013, as may be applicable for the time being in force.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT the Wholetime Director shall also be entitled apart from and irrespective of the remuneration as aforesaid to reimbursement of actual expenses including entertainment expenses incurred by him in connection with the business of the Company, but however, no sitting fees shall be payable to him for attending any meeting of the Board or Committee thereof.

RESOLVED FURTHER THAT all the Directors /Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the said resolution.

SHAYA POLYMERS LIMITED Chennai 602 117

BY ORDER OF THE BOARD OF DIRECTORS
FOR SHAYA POLYMERS LTD

Y. Ram Sai

RAM SAI YELAMANCHILI
CHAIRMAN & MANAGING DIRECTOR
(DIN: 07716108)

Date: 01-07-2024
Place: Sriperumbudur

NOTES:

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (hereinafter known "the Meeting") is entitled to appoint a proxy to attend and vote on poll instead of himself / herself. The proxy need not be a member of the Company. A blank form of proxy is enclosed herewith and if intended to be used, it should be deposited duly filled-up at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
   A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Directors and their shareholding, maintained u/s 170 of the **Companies Act, 2013** and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

Y. Ram Sai

5. Members/proxies attending the meeting are requested to bring their duly filled admission/ attendance slips sent along with the notice of annual general meeting at the meeting.

6. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

SHAYA POLYMERS LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT 2013

Item No. 4, 5 & 6

Pursuant to the recommendation of the Board of Directors, at its meeting held on March 18, 2024 the Shareholders of the Company at the Extraordinary General Meeting held on March 27, 2024, approved the appointment of Mr. RAM SAI YELAMANCHILI (DIN:07716108), as Chairman and Managing Director, Mrs. SIREESHA YELAMANCHILI (DIN:07716137) and Mr. SRINIVASA SUMANTH TAKKELLAPATI (DIN:09114749), as Wholetime Directors of the Company for a period of 5 Years with effect from March 18,2024.

The members are informed that the remuneration as stated in the resolution No. 4,5 & 6 shall be payable to Mr. RAM SAI YELAMANCHILI (DIN:07716108), Chairman and Managing Director, Mrs. SIREESHA YELAMANCHILI (DIN:07716137) and Mr. SRINIVASA SUMANTH TAKKELLAPATI (DIN:09114749), Wholetime Directors as minimum remuneration in case, the Company's profits are inadequate in any financial year during currency of the term of three years from July 01, 2024.

Further, the Board may alter, modify or vary the terms and conditions including the remuneration as approved hereby, in such manner as may be agreed to between the Board and the said Executive Directors subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which lays down the following limits for payment of managerial remuneration:

Where the effective Capital is	**Maximum Yearly Permissible Limit of Managerial Remuneration Per Person:**
Rs.5 crores and above but less than Rs.100 crores	Rs.84 lakhs *

The remuneration in excess of the above limit can be paid if the same is approved by special resolution. Accordingly, it is proposed to pass a special resolution to pay remuneration, including any enhanced remuneration, in excess of aforesaid limit.

The terms and conditions of appointments of Managing Director and the Wholetime Directors as stated in the resolutions will be available for inspection by the members of the Company at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 3.00 p.m. up to the date of the Meeting.

A statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013, is attached herewith and marked as annexure A.

Y. Ram Sai

The Board of Directors of the Company, therefore, recommends passing of the resolutions as set out in Item No. 4,5 & 6 of the Notice above by way of Special resolution.

None of the Directors and Key Managerial Personnel of the Company except those mentioned in the concerned resolutions and their relatives, is in any way, concerned or interested in the said resolutions.

BY ORDER OF THE BOARD OF DIRECTORS
FOR SHAYA POLYMERS LTD

SHAYA POLYMERS LIMITED Chennai 602 117

RAM SAI YELAMANCHILI
CHAIRMAN & MANAGING DIRECTOR
(DIN: 07716108)

Date: 01-07-2024
Place: Sriperumbudur

Annexure - A

STATEMENT PURSUANT TO THE PROVISIONS OF PART II SECTION II (B)(iv) OF SCHEDULE V OF THE COMPANIES ACT, 2013 IN RESPECT TO ITEM NOS. 4, 5 & 6 OF THE NOTICE

I. General Information:

1. Nature of Industry: Manufacturing of Chemicals and Polymer products
2. Date or expected date of commencement of commercial production: July 24, 2017
3. In case of new companies, expected date of commencement of activities as per project approval by financial institution appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

(Rs. In lakhs)

Sl. No.	Particulars	2023-24	2022-23	2021-22
1.	Turnover	2191.16	1749.33	1443.79
2.	Profit/(Loss)before tax	356.73	67.17	54.28
3.	Net Profit/(Loss) after tax	277.14	54.80	42.94
4.	Paid-up share capital	557.73	510.00	310.00
5.	Reserves & Surplus	855.47	60.77	5.97

5. Foreign Investments or collaborations, if any- (Rs. In Lacs)

Particulars	2023-24	2022-23	2021-22
Foreign Exchange Earning	NIL	NIL	NIL
Foreign Exchange Outgo	NIL	NIL	NIL

Foreign Collaboration: None

II. Information about the appointees:

1) Background details:

Mr. RAM SAI YELAMANCHILI

Mr. RAM SAI YELAMANCHILI (DIN:07716108), aged 44 years, is the Managing Director of the Company. He is appointed as Managing Director of the Company w.e.f. March 18, 2024. Mr. RAM SAI YELAMANCHILI is a Promoter Director of the Company. He holds a Ph.D. in Material Science from Germany and an M.Sc. in Chemistry from IIT Madras. With over 20 years of diverse experience in material science and chemistry, Dr. Yelamanchili established the company as a Private limited Company in 2017.

His leadership has driven the company to new heights, emphasizing quality products and innovation. He is the main driving force behind the Company and responsible for overall management of the Company. He has played a key role in growth and development of the Company to the present level.

Ms. SIREESHA YELAMANCHILI

Mrs. SIREESHA YELAMANCHILI (DIN:07716137) aged 42 years, is the Wholetime Director and CFO of the Company. She is appointed in the current designation w.e.f. March 18, 2024. She is a Promoter Director of the Company. Ms. Sireesha is an accomplished Company Director of Shaya Group of companies with over 6 years of experience in corporate governance, compliance, Finance, Accounts, and regulatory affairs. She holds Masters degree in Computer Applications (M.C.A) and under graduate degree in Commerce. With a proven track record in managing and overseeing the legal and administrative functions of Industry, She has successfully navigated Shaya Group of companies through complex corporate transactions, including Initial Public Offerings.

Mr. SRINIVASA SUMANTH TAKKELLAPATI

Mr. SRINIVASA SUMANTH TAKKELLAPATI (DIN:09114749), aged 43 years, is the Wholetime Director of the Company. He is appointed in the current designation w.e.f. March 18, 2024. He is a Promoter Director of the Company. Mr.SUMANTH is an accomplished Company Director of Shaya Group of Companies from the last 3 years have experience in corporate governance, compliance, Finance, Accounts, and regulatory affairs. With a proven track record in managing and overseeing the legal and administrative functions of Industry, He has successfully navigated numerous companies through complex corporate transactions and functioning.

2) Remuneration proposed:

As stated in the proposed Special Resolutions at Item Nos. 4, 5 & 6 in the Notice.

3) The proposed remuneration is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of Mr. RAM SAI YELAMANCHILI (DIN:07716108), Chairman and Managing Director, Mrs. SIREESHA YELAMANCHILI (DIN:07716137) and Mr. SRINIVASA SUMANTH TAKKELLAPATI (DIN:09114749), Wholetime Directors.

4) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

   Mr. RAM SAI YELAMANCHILI (DIN:07716108), Chairman and Managing Director, Mrs. SIREESHA YELAMANCHILI (DIN:07716137) and Mr. SRINIVASA SUMANTH TAKKELLAPATI (DIN:09114749), Wholetime Directors are the promoters of the

Company. The promoter and promoters' group holds 62.07% in the Company as on the date of the Notice.

Mr. Ram Sai Yelamanchili, Managing Director holds 26,01,000 (42.81%) equity shares, Ms. Sireesha Yelamanchili, Whole-time Director holds 6,40,560 (10.54%) equity shares and Mr.Srinivasa Sumanth Takkellapati Whole-time Director holds 3,52,920 (5.81%) equity shares.

III. Other Information

1. Reason of Loss or inadequate profit:

   The company is regularly making profit. Our Company is in manufacturing of various kinds of Polymers and chemical products.

2. Step taken or proposed to be taken for improvement: Presently the Company is in the phase of expansion and is stabilizing its position as one of the prominent brand in India. The Company has also developed a market presence network, and the Company's brands are now well accepted in the region it operates. Accordingly, the Company is taking significant step to enhance its operational capacity and reach. The increase in operations and reach will result in increase in profitability.

3. Expected increase in productivity and profits in measurable terms: The increase in sales volume is showing signs of Company's growth and expansion. We, therefore, are reasonably confident of achieving the better profit in comparison with the previous years.

BY ORDER OF THE BOARD OF DIRECTORS
FOR SHAYA POLYMERS LTD

SHAYA POLYMERS LIMITED Chennai 602 117

RAM SAI YELAMANCHILI
CHAIRMAN & MANAGING DIRECTOR
(DIN: 07716108)

Date: 01-07-2024
Place: Sriperumbudur

DIRECTOR'S REPORT

To the Members,

Your directors have pleasure in submitting their 8th Annual Report of the Company togetherwith the Audited Standalone and Consolidated Statements of Accounts for the year ended 31st March 2024. We have pleasure to inform you that your Company has been converted into a Public Limited Company with effect from June 29, 2024, pursuant to the approval given by the Central Processing Centre, Ministry of Corporate Affairs.

1 **FINANCIAL SUMMARY** Amount in Rs in lakhs

Particulars	As at the end of current reporting Period (31/03/2024)	As at the end of previous reporting Period (31/03/2023)
Total Revenue	2191.16	1749.33
Profit or Loss before Exceptional and Extraordinary items and Tax	**356.73**	**67.17**
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Profit or Loss before Tax	**356.73**	**67.17**
Less: Current Tax	81.83	13.12
Deferred Tax (Asset)	2.24	0.75
Profit or Loss After Tax	**277.14**	**54.80**
Transfer to General Reserve	**277.14**	**54.80**

2 **DIVIDEND**

No Dividend was declared for the current financial year.

3 **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was nodividend declared and paid last year.

4 REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year. There was no change in the nature of business of company.

5 MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company is in the pursuit of both organic and inorganic growth and to facilitate the same, plans are in place for organised fund raising. Towards the end of the financial year, the Company has issued and allotted 475335 Equity shares on Private placement to a new set of identified investors at a premium of Rs.110/- per share.

At the beginning of the Financial Year 2024-25, the Company has again issued and allotted 500000 Equity shares on Private placement to a new set of identified investors at a premium of Rs.110/- per share.

No other material changes and commitments except the above mentioned, affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

6 CHANGES IN SHARE CAPITAL

During the year under review, the company has undertaken following transactions in the Share Capital of the Company:

AUTHORISED CAPITAL:

1. The Company increased its Authorised Capital from Rs. 5,10,00,000 consisting of 51,00,000 equity Shares of Rs. 10 each to Rs. 11,00,00,000 consisting of 1,10,00,000 equity shares of Rs. 10/- each vide shareholders resolution passed at the Extra-Ordinary General Meeting held on 11th day of September 2023.

SHAYA POLYMERS LIMITED Chennai 602 117

2. The Company increased its Authorised Capital from Rs. 11,00,00,000 consisting of 1,10,00,000 equity Shares of Rs. 10 each to Rs. 25,00,00,000 consisting of 2,50,00,000 equity shares of Rs. 10/- each vide shareholders resolution passed at the Extra-Ordinary General Meeting held on 1st day of March 2024.
3. At present the authorised Capital of the Company is Rs. 25,00,00,000 consisting of 2,50,00,000 equity shares of Rs. 10/- each.

PAID UP CAPITAL:

1. The Company has issued and allotted 4,75,335 number of Equity Shares of Face Value of Rs.10/- each at a Premium of Rs.110/- aggregating to Rs.5,70,40,200/- (Rupees Five Crore Seventy lakhs forty thousand two hundred only) as fully paid up Equity Shares in the Capital of the Company on Private Placement basis on March 18, 2024, pursuant to the approval of shareholders by way of Special resolution passed at the Extra-Ordinary General Meeting held on March 01, 2024.

2. The Company has issued 5,00,000 number of Equity Shares of Face Value of Rs.10/- each at a Premium of Rs.110/- aggregating to Rs.6,00,00,000/- (Rupees Six Crores only) as fully paid up Equity Shares in the Capital of the Company on Private Placement basis, pursuant to the approval of shareholders by way of Special resolution passed at the Extra-Ordinary General Meeting held on March 27, 2024. But the subscription amount has been received only in the Financial Year 2024-25, in the month of April and allotment was made on April 09, 2024.

3. This value of the shares was arrived for the aforesaid private placements, based on the valuation report dated January 11, 2024 given by Mr. Ramji Mahadevan, Registered Valuer and Chartered Accountant in practice with Membership No.204541, having their office at No.15-7, Maruthi, 35th Street, Nanganallur, Chennai -600061, and a Registered Valuer having Regn. No. IBBI/RV/05/2019/10894.

7 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Efforts have been initiated to conserve energy by various means. There was no foreign exchange inflow or Outflow during the year under review.

SHAYA POLYMERS LIMITED Chennai 602 117

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8 STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has appropriate Risk Management Policy in place. Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximise the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. The Company has mechanisms in place to inform Board Members about the Risk Assessment and Minimisation procedures and periodical reviews to ensure that risk is controlled by the Executive Management through the means of a properly defined framework.

9 DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Section 135 of the Companies Act, 2013 has mandated companies having minimum net worth of Rs.500 crores or turnover of Rs.1000 crores or a net profit of Rs. 5 crores during the immediately preceding financial year to constitute a Corporate Social Responsibility Committee of the Board. As the Company does not meet any of the aforesaid stipulations, it remains outside the purview of Section 135 of the Companies Act, 2013 and accordingly, is not required to make any disclosure in terms of the aforesaid section.

10 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company breaching the limits specified under Section186 of the Companies Act, 2013 during the year under review.

11 PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no contracts or arrangements made with related parties as defined

SHAYA POLYMERS LIMITED
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602 117

Plot No. E4, SIPCOT Industrial Park, Irungattukottai, Sriperumbudur, Kancheepuram District, Tamilnadu - 602 117, INDIA. Contact : 91-91500 15632 / 91500 03133 / 044-2715-6632
E-mail : cs@shayapolymers.com, accounts@shayapolymers.com

under Section 188 of the Companies Act, 2013 during the year under review, other than those disclosed in the Notes to the Financial Statements.

12 EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company for the Financial Year 2023-24.

13 DETAILS OF FRAUD REPORTED BY AUDITOR:

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

14 COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company for the Financial Year 2023-24. Since the Company is now converted into a public company, applicability of this section will be considered based on the attainment of the threshold limits prescribed therein.

15 NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDERREVIEW

The Company has conducted 14 Board meetings during the financial year under review. The gap between two meetings had not exceeded 120 days in any situation during the year under review. The names of members of the Board, their attendance at the Board Meetings and the AGM are as under:

SHAYA POLYMERS LIMITED Chennai 602 117

Name of Directors	Director Identification Number	Number of Meetings attended/ Total Meetings held during the F.Y. 2023-24	Attendance at last AGM
Mr. Ram Sai Yelamanchili	07716108	14/14	Yes
Ms. Sireesha Yelamanchili	07716137	14/14	Yes
Mr. Takkellapati Srinivasa Sumanth	09114749	14/14	Yes
Ms. Takkellapati Vani	09344811	14/14	Yes
Mr. Muthukumaran Jayaraman	10556093	0/14	NA
Mr. Trivellore Kesavan Premkumar	10516340	0/14	NA
Mr. Gnanasambandam Venkatraghavan	03482581	0/14	NA

16 SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has two Subsidiary Companies, Shaya Adhesives Private Limited and Shaya Polyurethanes Private Limited and the consolidated Financial Statements have been included along with the Standalone statements.

17 DEPOSITS

The Company has neither accepted nor renewed any deposits during the year underreview.

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Y. Ram Sai

18 DIRECTORS AND KEY MANAGERIAL PERSONNEL

There were following changes in the constitution of the Board of Directors and in Key Managerial Personnel happened during the year under review.

1. Mr. RAM SAI YELAMANCHILI has been appointed as Chairman and Managing Director of the Company by the Board of Directors at their meeting held on 18-03-2024 for a period of 5 years and the Shareholders have also approved the appointment at the Extra Ordinary General Meeting held on 27-03-2024.

2. Ms. SIREESHA YELAMANCHILI has been appointed as Wholetime Director and Chief Financial Officer of the Company by the Board of Directors at their meeting held on 18-03-2024 for a period of 5 years and the Shareholders have also approved the appointment at the Extra Ordinary General Meeting held on 27-03-2024.

3. Mr. SRINIVASA SUMANTH TAKKELAPATI has been appointed as Wholetime Director of the Company by the Board of Directors at their meeting held on 18-03-2024 for a period of 5 years and the Shareholders have also approved the appointment at the Extra Ordinary General Meeting held on 27-03-2024.

4. Ms. VANI TAKKELAPATI has been redesignated as Non executive director with effect from 18-03-2024, at the Board meeting held on that date.

5. Mr. MUTHUKUMARAN JAYARAMAN has been appointed as Non executive Independent Director at the Extra Ordinary General Meeting held on 27-03-2024, for a period of 5 years w.e.f. that date.

6. Mr. TRIVELLORE KESAVAN PREMKUMAR has been appointed as Non executive Independent Director at the Extra Ordinary General Meeting held on 27-03-2024, for a period of 5 years w.e.f. that date.

7. Mr. GNANASAMBANDAM VENKATRAGHAVAN has been appointed as Non executive Independent Director at the Extra Ordinary General Meeting held on 27-03-2024, for a period of 5 years w.e.f. that date.

SHAYA POLYMERS LIMITED Chennai 602 117

Y. Ramsai

8. Mr. SUBBARAYALU KUMAR is appointed as Company Secretary and Compliance Officer of the Company w.e.f. 18-03-2024

19 DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declaration from all the Independent Directors confirming that they continue to meet the criteria of independence as prescribed under Section 149 for appointment of Independent Directors Act and comply with the Code for Independent Directors as specified under Schedule IV of the Act.

20 ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TOFINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

21 STATUTORY AUDITORS

M/s JVS & Co Chartered Accountants, Chennai were appointed as Statutory Auditors for the Financial Year 2023-24, at the 7th Annual General Meeting (AGM) of the Company to hold office till the date of 8th AGM. On March 18, 2024, they have submitted their resignation due to the requirement of peer review of the Audit Firm for the purpose of initiating Initial Public Offer (IPO) by the Company. M/s. Elangovan &Co, Chartered Accountants, has been appointed at the EGM held on 27-03-2024 at the casual vacancy caused by the resignation of previous auditor to hold office upto the date of 8th AGM to be held in the year 2024. The proposal for reappointment of M/s. Elangovan &Co, as Statutory Auditors for the next 5 years has been included in the agenda of this Annual General Meeting.

22 DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not

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applicable to the Company for the Financial Year 2023-24. Since the Company is now converted into a public company, applicability of this section will be considered based on the attainment of the threshold limits prescribed therein.

23 COST RECORDS:

The provisions of Cost audit as per section 148 of the Companies Act, 2013 is not applicable for the Company.

24 CONSTITUTION OF COMMITTTEE - SEXUAL HARASSMENT AT WORKPLACE:

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and during the year under review, there were no complaints/ cases filed pursuant to the provisions of the aforesaid Act.

25 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THEREGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

26 DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to materialdepartures;
b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraudand other irregularities;
d. the directors had prepared the annual accounts on a going concern basis;
e. the Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicableto the Company; and
f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27 ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For SHAYA POLYMERS LIMITED

RAM SAI YELAMANCHILI CHAIRMAN & MANAGING DIRECTOR (DIN: 07716108)	SIREESHA YELAMANCHILI WHOLETIME DIRECTOR (DIN: 07716137)

Date: 01-July-2024
Place: Sriperumbudur

SHAYA POLYMERS LIMITED Chennai 602 117

Elangovan and Co.,
Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S. SHAYA POLYMERS LIMITED
(Formerly Known as Shaya Polymers Private Limited)

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. SHAYA POLYMERS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31 March 2024**, the Statement of Profit and Loss and Cash Flow Statement and the statement of changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of standalone Financial statements in accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act, our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Stand alone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the Standalone financial statements of the current period. These matters were addressed in the context of my audit of the Standalone financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted company.

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Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for 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

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exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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

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matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts

   d) in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.

   e) On the basis of written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**.

   g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

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iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub clause (a) and (b) contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place: Chennai

Date: 01-07-2024

UDIN: 24226384BKAVES9309

For Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S

S Sathish Kumar
Partner
Membership No: 226384
Peer Review No. 015357

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of **SHAYA POLYMERS LIMITED** for the year ended 31st March, 2024. We report that:

i. a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets as reflected in books.

b) In our opinion and according to the information and explanation given to us, the Property, plant and equipment have been physically verified by the management in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies are noticed on such physical verification

c) In our opinion and according to the information and explanation given to us, on the basis of my examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company

d) 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, there are no proceedings which has been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988. Hence, reporting whether the Company has appropriately disclosed in the Standalone financial statements or not does not arise.

ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.

b) As per the explanations provided to us, the quarterly returns and statements filed by the company with the banks or financial institutions are in agreement with the books of account of the Company.

iii. Based on the information and explanations given to me, during the year, the company has not provided or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Hence, para 3(a) to 3 (f) is not applicable to the company.

iv. There are no loans and security extended by the company under the provisions of Section 185 and 186 of the Companies Act, 2013. In respect of the investments made and guarantees the company has complied with the provisions of Section 186 of the Companies Act, 2013 wherever applicable.

v. According to the information and explanations given to us, the company has not accepted any deposits, hence reporting on clause (v) of the order is not applicable.

vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013.

vii. a) According to the information and explanations given to us and as per books and records examined by us, the Company is regular in depositing the undisputed statutory dues payable including Goods and

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Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues and there are no such dues payable to the appropriate authorities outstanding as at 31st March 2024 for a period exceeding six months from the date they became payable as on the last day of the financial year.

b) There are no dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

viii. As per the information and explanations given to us and as per the records examined by us, there are no such transactions which are not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year

b. Company is not declared wilful defaulter by any bank or financial institution or other lender

c. According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained

d. According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes

e. According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures

f. According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies; or the company has no borrowing, including debt securities during the year

x. a. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause (x) (a) of the Companies (Auditor's Report) Order, 2020 does not arise.

b. According to the information and explanation given to us, the company has made private placement of shares under review and the requirement of section 42 of the companies act, 2013 have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised.

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xi.

a) According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year;

b) No report under section 143 (12) of the Companies Act, 2013 has been filed by us 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 explanation given to us, there have been no whistle blower complaints received by the Company during the year. Hence, reporting under clause (xi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise;

xii. The Company is not a nidhi company, accordingly provisions of the clause 3(xii) of the order is not applicable to the company.

xiii. According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with section 177 and 188 of companies act, 2013 where applicable and the details have been disclosed in the Standalone financial statements etc., as required by the accounting standards and the companies act, 2013.

xiv. a. According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business

b.Based on the information and explanations given to us, appointment of Internal Auditor is not applicable to the Company as per the provisions of the Company Act, 2013 and the rules made thereunder. Accordingly, appointment of Internal Auditor and reporting under Clause (xiv) (b) of the Companies (Auditor's Report) Order, 2020 does not arise.

xv. According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the order is not applicable.

xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the reserve bank of India act, 1934 and the company is not a core investment company (cic) as defined in the regulations made by the reserve bank of India, accordingly the provisions of clause 3(xvi) of the order are not applicable

xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;

xviii. There has been resignation of the statutory auditors during the year and accordingly, there were no issues, objections or concerns raised by the outgoing statutory auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realization 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 indicating that company is incapable 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.

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xx. The provisions of section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the order is not applicable

For Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 00[illegible]S

Place: Chennai

Date: 01-07-2024

UDIN: 24226384BKAVES9309

S Sathish Kumar
Partner
Membership No: 226384
Peer Review No. 015357

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

ANNEXURE - B REFERRED TO PARAGRAPH (I)(f) OF OUR REPORT OF EVEN DATE

We have audited the Internal Financial Controls over financial reporting of **SHAYA POLYMERS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply the 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 aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these 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 directions of the company; and

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over the financial reporting to future periods are subject to the risk that the internal financial control over the 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 aspects, an adequate internal financial controls system over the financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over the Financial Reporting issued by the Institute of Chartered Accountants of India.

For Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S

Place: Chennai

Date: 01-07-2024

UDIN: 24226384BKAVES9309

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S Sathish Kumar
Partner
Membership No: 226384
Peer Review No. 015357

SHAYA POLYMERS LIMITED
(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)
CIN -U24100TN2017PLC115377

(Rupees in Lakhs)

Balance Sheet as at 31st March 2024

	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I	**EQUITY AND LIABILITIES**			
1.	**Shareholders' Funds**			
	a. Share Capital	3	557.53	510.00
	b. Reserves and Surplus	4	855.47	60.77
	c. Money received against share warrants		0.00	0.00
			1413.00	570.77
2.	**Non-Current Liabilities**		0.00	0.00
	a. Long-term borrowings	5	2384.29	1020.66
	d. Long Term Provisions	8	7.59	0.00
			0.00	0.00
3.	**Current Liabilities**		0.00	0.00
	a. Short-term borrowings	9	703.03	527.12
	b. Trade payables	10	0.00	0.00
	-total outstanding dues of creditors other than micro and small enterprises		257.34	312.48
	c. Other current liabilities	11	29.83	25.59
	d. Short Term Provisions	12	81.83	13.12
			3463.90	**1898.96**
	TOTAL		**4876.90**	**2469.73**
II	**ASSETS**			
1.	**Non-current assets**			
	a. Property, Plant & Equipments and Intangible assets	13		
	(i) Property, Plant and Equipment		1686.41	757.18
	(ii) Intangible Assets		0.24	0.65
	(iii) Capital Work in Progress		791.37	0.00
	(iv) Intangible assets under development		44.39	0.00
	c. Deferred tax assets (net)	6	5.14	2.91
			2527.55	**760.74**
2.	**Current Assets**		0.00	0.00
	a. Current Investments	17	199.98	199.98
	b. Inventories	18	1020.05	666.64
	c. Trade Receivables	19	489.11	352.24
	d. Cash and Bank Balance	20	206.04	5.49
	e. Short Term Loans and Advances	21	434.17	484.65
			2349.35	**1709.00**
	TOTAL		**4876.90**	**2469.73**

Significant accounting policies — 1 & 2

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S
Peer Review Certificate No. 014...

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as **Shaya Polymers Private Limited**)

S Sathish Kumar
Partner
Membership No: 226384
UDIN: 24226384BKAVES9389
Place: Chennai
Date: 01/07/2024

Ram Sai Yelamanchili
Managing Director
DIN: 07716108
Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300
Place: Chennai
Date : 01/07/2024

SHAYA POLYMERS LIMITED
(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)
CIN -U24100TN2017PLC115377

Statement of Profit & Loss for the Year ended on 31st March, 2024

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I	Revenue from Operations	23	2191.16	1749.33
II	Other Income	24	1.39	0.02
III	**Total Income**		**2192.55**	**1749.35**
			0.00	0.00
IV	**EXPENSES**		0.00	0.00
	Cost of Materials Consumed	25	1733.35	1562.60
	Direct Expenses	26	71.69	80.47
	Change in inventory of finished goods, work-in-progress and stock in trade	27	-361.68	-310.15
	Employee Benefits Expenses	28	133.62	97.41
	Finance Cost	29	128.78	104.20
	Depreciation and Amortization Expense	30	40.65	45.33
	Other Expenses	31	89.42	102.32
	Total Expenses		**1835.81**	**1682.18**
V	**Profit before exceptional and extraordinary items and tax**		**356.73**	**67.17**
VI	Exceptional items		**0.00**	**0.00**
VII	**Profit before extraordinary items and tax**		**356.73**	**67.17**
VIII	Extraordinary items		**0.00**	**0.00**
IX	**Profit before tax**		**356.73**	**67.17**
X	**Tax Expense**		0.00	0.00
	a. Current Tax		81.83	13.12
	b. Deferred Tax		-2.24	-0.75
	c. Tax related to Previous years		0.00	0.00
			79.59	**12.37**
XI	**Profit (Loss) for the period from continuing operations**		277.14	54.80
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	**Profit/ (Loss) after tax (XI + XIV)**		**277.14**	**54.80**
XVI	**Earning per equity share of Rs. 10/- each**			
	a. Basic		5.42	1.17
	b. Diluted		5.42	1.17

Significant accounting policies — 1 & 2

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S
Peer Review Certificate No. 015357

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as **Shaya Polymers Private Limited**)

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S Sathish Kumar
Partner
Membership No: 226384
UDIN: 24226384BKAVES9309
Place: Chennai

Ram Sai Yelamanchili
Managing Director
DIN: 07716108
Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300
Place: Chennai
Date : 01/07/2024

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED

(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)

CIN -U24100TN2017PLC115377

Cash Flow Statement for the year ended as on 31st March, 2024

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
(A)	**Cash Flow from Operating Activities**			
	Net profit as per The Statement of Profit & Loss before Tax		356.73	67.17
	Adjustment for:-		0.00	0.00
	Income from no operating activities		-1.39	-0.02
	Foreign Exchange fluctuation		0.00	1.18
	Depreciation		40.65	45.33
	Expenses related with financing activities		128.78	104.20
	Provision for Gratuity		2.28	0.00
	Operating Profit Before Working Capital Changes		**527.05**	**217.85**
	Adjustment for Current Assets & Liabilities		0.00	0.00
	(Increase)/Decrease in trade receivable		-136.87	-23.92
	(Increase)/Decrease in Inventories		-353.41	-73.91
	Increase/(Decrease) in other current liabilities		4.24	-6.41
	Increase in Short term borrowings		175.91	241.36
	Increase/(Decrease) in trade payables		-55.15	-95.55
	Direct taxes paid		-13.12	-9.31
			-378.39	32.26
	Cash Generated from/(utilized in) Operating activities	**(A)**	**148.65**	**250.11**
(B)	**Cash flow from Investment Activities**		0.00	0.00
	Income from no operating activities		1.39	0.02
	Investment in Subsidiary company		0.00	-199.98
	(Increase)/Decrease in short term loans & advances		50.48	-234.22
	Purchase of Intangible Assets		0.00	-1.00
	Purchase of fixed assets		-1805.23	-597.93
	Cash generated from/(utilised in) Investing activities	**(B)**	**-1753.36**	**-1033.11**
			0.00	0.00
(C)	**Cash flow from Financing Activities**		0.00	0.00
	Increase in Equity Share Capital		47.53	200.00
	Increase in Securities Premium		522.87	0.00
	Increase in Long term borrowings		1363.63	688.92
	Interest & other finance expenses paid		-128.78	-104.20
	Cash generated from (utilised in) Financing activities	**(C)**	1805.26	784.72
	Effect of Foreign Exchange fluctuation		0.00	-1.18
Net Increase (Decrease) in Cash and cash equivalents		**(A+B+C)**	**206.04**	**5.49**
	Opening Cash & Cash Equivalents		5.49	4.94
	Closing Cash & Cash Equivalents		**206.04**	**5.49**
			0.00	0.00
Significant accounting policies		1 & 2	0.00	0.00

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S
Peer Review Certificate No. 015357

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as **Shaya Polymers Private Limited**)

S Sathish Kumar
Partner
Membership No: 226384
UDIN: 24226384BKAVES9800
Place: Chennai
Date: 01/07/2024

Ram Sai Yelamanchili
Managing Director
DIN: 07716108
Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300
Place: Chennai
Date: 01/07/2024

ELANGOVAN & CO. CHARTERED ACCOUNTANTS CHENNAI 600 004

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

(Rupees in Lakhs)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
3	**Share Capital**		
3.1	**Authorized Share Capital**		
	2,50,00,000 (2023: 51,00,000) equity shares of Rs.10/- each	2,500.00	510.00
		2,500.00	**510.00**
3.2	**Issued , Subscribed & Fully Paid up Capital**		
	60,75,335 (2023: 51,00,000) equity shares of Rs.10/- each	607.53	510.00
		607.53	**510.00**
3.3	**Issued , Subscribed & Fully Paid up Capital**		
	55,75,335 (2023: 51,00,000) equity shares of Rs.10/- each	557.53	510.00
		557.53	**510.00**
3.4	**Reconciliation of Number of Shares**		
	Number of Equity Shares as at the beginning of the Financial year	51.00	31.00
	Add: - Number of Shares Issued during the period	4.75	20.00
	Less - Number of Shares tranfered during the Period	-	-
	Number of Equity Shares as at the end of the financial Years	**55.75**	**51.00**

3.5 **List of Shareholders holding more than 5% of Equity Shares of the company**

Name	% of Shares		Number of Shares	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Ram Sai Yelamanchili	46.65%	51.00%	26,01,000	26.01
Sireesha Yelamanchili	11.49%	7.70%	6,40,560	3.93
Kandukuri Vijayalakshmi	7.91%	10.00%	4,41,150	5.10
Takkellapati Srinivasa Sumanth	6.33%	8.00%	3,52,920	4.08
Rajasthan Global Securities Pvt Ltd	12.17%	13.30%	6,78,300	6.78
	84.55%	**90.00%**	**47,13,930**	**45.90**

3.6 **Details of Shares held by promoters**

Shares held by promoters at the end of the year 31st March 2024

Promoter Name	2023-2024		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	46.65%	0.00%
Sireesha Yelamanchili	6.41	11.49%	63.12%
Takkellapati Srinivasa Sumanth	3.53	6.33%	-13.50%
Takkellapati Vani	1.76	3.17%	-13.50%

Shares held by promoters at the end of the year 31st March 2022

Promoter Name	2022-2023		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	51.00%	64.52%
Sireesha Yelamanchili	3.93	7.70%	-39.68%
Takkellapati Srinivasa Sumanth	4.08	8.00%	64.52%
Takkellapati Vani	2.04	4.00%	64.52%

3.7 **Terms / Rights attached to Equity Shares**

The company has only one class of equity share having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.

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

	Particulars	As at 31st March, 2024	As at 31st March, 2023
4	**Reserves & Surplus**		
4.1	**Securities Premium**		
	Opening balance	-	-
	Add : Addition during the year	522.87	-
	Less : Deduction during the year	-	-
	Closing balance	**522.87**	**-**

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115277

Notes Forming Part of the Financial Statements as at 31-03-2024

4.2 Surplus (Statement of Profit & Loss)

Opening balance	60.77	5.97
Add : Profit During the Year	277.14	54.80
less : Opening Employees Gratuity Provision	- 5.31	-
Closing balance	332.60	60.77
	-	-
Total	**855.47**	**60.77**

5 Long Term Borrowings

Particulars	As at 31st March, 2024	As at 31st March, 2023
5.1 Term Loan		
-From Banks	1,265.73	611.49
-From NBFCs	626.25	118.10
5.2 Loans and advances from related parties	620.50	342.20
5.3 *Less:* Current maturities (refer note no 9)	- 128.19	- 51.12
Total	**2,384.29**	**1,020.66**

5.4 Terms of repayment of term loans and other loans shall be stated. Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest, shall be specified separately in each case.

Name of the Lender	Nature of Facility	Date of issue	Sanctioned Amount	Security Offered	Re-Payment Period	Rate of Interest	Outstanding amount as per Banks (31.03.2024)
Deutsche Bank	Term Loan	28-04-2022	25.00	NA	36	18.00%	12.29
Fedbank Financial Services Ltd	Other Loan	08-04-2022	23.50	NA	36	18.00%	11.56
HDFC Bank	Business Loan	23-04-2022	35.99	NA	48	14.75%	21.47
ICICI Bank	Auto Loan	10-03-2022	35.85	Exclusive Charge by way of Hypothecation of Vehicle in favour of the Bank till the date of full repayment of the Loan	60	7.40%	22.55
IndusInd Bank	Business Loan	30-04-2022	35.00	NA	36	18.00%	15.69
Standard Chartered Bank	Business Loan	07-05-2022	48.00	NA	36	17.50%	17.07
HDFC Bank	BBG - WC Term loan	24-01-2024	795.00	Exclusive charge on movable properties including plant and machinery, stock in trade and receivables	90	9%	795.00
HDFC Bank	BBG - WC Term loan	08-01-2024	30.89	Exclusive charge on movable properties including plant and machinery, stock in trade and receivables	36	9%	30.14
HDFC Bank	BBG - WC Term loan	08-01-2024	1.49	Exclusive charge on movable properties including plant and machinery, stock in trade and receivables	36	9%	1.41
HDFC Bank	BBG - WC Term loan	08-01-2024	342.54	Exclusive charge on movable properties including plant and machinery, stock in trade and receivables	60	9%	338.36
Ugro Capital Limited	Business Loan	30-10-2022	15.27	NA	30	19.00%	9.53
Hero FinCorp Ltd	Business Loan	30-04-2023	15.16	NA	36	19.00%	11.77
CSL Capital Private Limited	Term Loan	13-06-2023	600.00	Pledge of equity shares	7	16.00%	604.95

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

6 Deferred Tax Assets (Net)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
6.1	Deferred Tax Assets		
	Opening balance	2.91	2.16
	During the Year	2.24	0.75
	Closing balance	5.14	2.91
6.2	Deferred liabilities		
	Opening balance	-	-
	During the Year	-	-
	Closing balance	-	-

7 Other Long term Liabilities

	Particulars	As at 31st March, 2024	As at 31st March, 2023
7.1	Trade Payables	-	-
7.2	Other	-	-
	Total	-	-

8 Long Term Provisions

	Particulars	As at 31st March, 2024	As at 31st March, 2023
8.1	Provision for Employee Benefits	7.59	-
8.2	Others	-	-
	Total	7.59	-

9 Short Term Borrowings

	Particulars	As at 31st March, 2024	As at 31st March, 2023
9.1	Loans repayable on demand		
	-From Banks	574.83	475.99
	-From other parties	-	-
9.2	Current Maturity of Long Term Debt	128.19	51.12
	Total	703.02	527.12

10 Trade Payables

	Particulars	As at 31st March, 2024	As at 31st March, 2023
10.1	Due to Micro and Small enterprises	-	-
10.2	Due to Others	257.34	312.48
	Total	257.34	312.48

10.3 Based on the information available with the company, the balance due to Micro, Small and Medium Enterprises as defined under the MSMED Act 2006 is Rs. Nil (Previous Year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act 2006.

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

10.4 Trade payable ageing schedule: As at 31st March,2024

Particulars	Not due	Unbilled amount	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	90.12	37.04	-	-	127.16
Others		-	115.87	14.31	-	-	130.18
Total	-	-	205.98	51.35	-	-	257.34

Trade payable ageing schedule: As at 31st March,2023

Particulars	Not due	Unbilled amount	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	70.41	36.19	-	-	106.60
Others	-	-	175.65	30.24	-	-	205.88
Total	-	-	246.06	66.43	-	-	312.48

11 **Other Current Liabilities**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
11.1	Other payables	29.83	35.99
		-	-
	Total	29.83	35.99

12 **Short Term Provisions**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
12.1	Provision for Employee Benefits	-	-
12.2	Provision for income tax	81.83	13.12
	Total	81.83	13.12

14 **Non Current Investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	-	-

15 **Long Term Loans & Advances**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	-	-

16 **Other non current assets**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
16.1	Other non current assets	-	-
	Total	-	-

17 **Current Investments**

Particulars	As at 31st March, 2024	As at 31st March, 2023
	-	-
Investment In Equity Instruments	199.98	199.98
Total	199.98	199.98
	-	-
Aggregate amount of Unquoted Investment	199.98	199.98

18 **Inventories**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
18.1	Raw Material	235.31	243.58
18.2	Work-in-Progress	295.30	240.25
18.3	Finished Goods	489.45	182.81
	Total	1,020.05	666.64

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

19 Trade Receivables

	Particulars	As at 31st March, 2024	As at 31st March, 2023
19.1	Secured, Considered good		
	-with related parties	-	-
	-with others	489.11	352.24
	Total	**489.11**	**352.24**

19.4 Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

19.5 **Trade receivable ageing schedule: As at 31st March,2024**

Particulars	Outstanding for following periods from due date of payment						
	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Trade Receivables – considered good	-	489.11	-	-	-	-	-
Total	-	489.11	-	-	-	-	-

Trade receivable ageing schedule: As at 31st March,2023

Particulars	Outstanding for following periods from due date of payment						
	Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Trade Receivables – considered good	-	352.24	-	-	-	-	-
Total	-	352.24	-	-	-	-	-

20 Cash and cash equivalents

	Particulars	As at 31st March, 2024	As at 31st March, 2023
20.1	Balances with Banks		
	- in current account	94.62	0.51
20.2	Cash on hand	0.17	4.97
20.4	Others - Fixed deposits	111.25	-
	Total	**206.04**	**5.49**
20.5	**Details of Fixed deposit**	-	-
	Fixed deposit more than 12 months	111.25	-

21 Short term Loan & Advances

	Particulars	As at 31st March, 2024	As at 31st March, 2023
21.1	Other loans and advance	434.17	484.65
		-	-
	Total	**434.17**	**484.65**

21.3 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

22 Other Current Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	-	-

ELANGOVAN & CO. CHARTERED ACCOUNTANTS CHENNAI 600 004

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024 (Rupees in Lakhs)

	Particulars	As at 31st March, 2024	As at 31st March, 2023
23	**Revenue from Operations**		
23.1	Sale of Products	2,191.16	1,749.33
23.2	Sale of Services	-	-
	Total	2,191.16	1,749.33

24 **Other Income**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
24.1	Interest Income	1.39	-
24.2	Other Non Operating Income	-	-
	Income from Mutual fund	-	0.02
	Total	1.39	0.02

25 **Cost of Materials Consumed**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Stock	243.58	479.82
Add : Purchases	1,725.08	1,326.36
Less : Closing	(235.31)	(243.58)
Cost of Materials Consumed	1,733.35	1,562.60

26 **Direct Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Direct Expenses	53.06	49.80
Factory Rent	18.63	30.67
Total	71.69	80.47

27 **Changes in inventories of Finished Goods, Work in Progress and Stock in trade**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Inventories at the beginning of the year		
i.) Finished goods	182.81	112.91
ii.) Work in progress	240.25	-
Sub Total (A)	423.06	112.91
Inventories at the end of the year		
i.) Finished goods	489.45	182.81
ii.) Work in progress	295.30	240.25
Sub Total (B)	784.75	423.06
Net Increase / (Decrease) (A - B)	(361.68)	(310.15)

28 **Employee Benefit Expenses**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
28.1	Salary & Wages (Including bonus)	90.07	77.57
28.2	Director's Salary	18.00	-
28.3	Employees Gratuity	2.28	-
28.4	Staff welfare Expenses	16.66	13.80
28.5	Contribution to Various Funds	6.61	6.05
	Total	133.62	97.41

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly Known as Shaya Polymers Private Limited)

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024 *(Rupees in Lakhs)*

29 Finance Costs

	Particulars	As at 31st March, 2024	As at 31st March, 2023
29.1	Interest Expense	121.24	87.42
29.2	Other Borrowing Costs	7.54	16.78
	Total	**128.78**	**104.20**

30 Depreciation and Amortization Expense

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation	40.24	44.93
Amortization	0.41	0.40
Total	**40,64,864**	**45,32,859**

31 Other Expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
Auditors' remuneration	1.00	0.50
Freight outward	19.48	27.10
Consultancy Charges	10.15	16.29
Postage and Courier	0.05	0.08
Printing & Stationery	0.85	0.86
Insurance	1.11	3.01
License & Fees	2.91	2.75
Office Maintenance Expenses	1.95	4.32
Security charges	2.71	1.68
Testing charges	0.29	0.51
Subscription & Renewals	0.11	0.45
Late Fee & Interest	0.52	0.51
Rent	10.97	6.95
Repairs and maintenance:		
- Buildings	-	0.02
- Plant and machinery	11.11	9.73
- Others	1.74	3.89
Telephone expenses	3.21	3.07
Travelling and conveyance	12.55	7.53
Commission	1.56	-
Scrap Dispose Expenses	5.64	-
ROC Charges & related	1.22	4.64
Design & Development Charges	-	4.25
Donation	-	1.51
Foreign Exchange Gain/ Loss A/C	-	1.18
Discount Allowed	-	0.00
Legal Expenses	-	0.41
Miscellaneous expenses	0.30	1.06
Total	**99.42**	**102.32**

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SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED (Formerly known as Shaya Polymers Private Limited)
CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

Note No. 13 : Property, Plant & Equipments

(Rupees in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As on 01.04.2023	Addition during the year	Deduction during the year	As on 31.03.2024	As on 01.04.2023	For the year	Deduction during the year	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
12.1	**Tangible Assets**										
a	SIPCOT Land	590.39	-	-	590.39	-	-	-	-	590.39	590.39
b	Building	4.44	950.00	-	954.44	1.48	4.47	-	5.95	948.49	2.96
c	Computer & Accessories	3.79	1.11	-	4.90	2.65	0.87	-	3.52	1.38	1.14
d	Electrical & Fittings	2.78	9.09	-	11.87	1.01	0.89	-	1.90	9.97	1.77
e	Furniture & Fittings	19.77	-	-	19.77	15.22	1.18	-	16.40	3.38	4.56
f	Office Equipments	16.54	1.66	-	18.20	11.61	2.56	-	14.17	4.03	4.93
g	Plant & Machinery	220.31	7.60	-	227.92	100.50	21.98	-	122.48	105.43	119.81
h	Lab Equipment	0.60	-	-	0.60	0.50	0.03	-	0.53	0.08	0.11
i	Two wheeler	1.36	-	-	1.36	0.85	0.13	-	0.98	0.38	0.51
j	Motor Car	41.21	-	-	41.21	12.01	7.56	-	19.57	21.64	29.20
k	Motor Van	9.34	-	-	9.34	7.53	0.57	-	8.09	1.24	1.81
	Total	910.54	969.47	-	1,880.01	153.36	40.24	-	193.60	1,686.41	757.18
	(Previous Year)	312.61	597.93	-	910.54	108.43	44.93	-	153.36	757.18	204.18
12.2	**Intangible Asset**										
a	Software	0.47	-	-	0.47	0.45	0.01	-	0.46	0.01	0.02
b	Trade Mark	1.00	-	-	1.00	0.37	0.40	-	0.77	0.23	0.63
	Total	1.47	-	-	1.47	0.82	0.41	-	1.23	0.24	0.65
	(Previous Year)	0.47	1.00	-	1.47	0.42	0.40	-	0.82	0.65	0.05
12.3	**Capital Work in Progress**	-	791.37	-	791.37	-	-	-	-	791.37	-
	Total	-	791.37	-	791.37	-	-	-	-	791.37	-
	(Previous Year)	-	-	-	-	-	-	-	-	-	-
12.4	**Intangible assets under development**	-	44.39	-	44.39	-	-	-	-	44.39	-
	Total	-	44.39	-	44.39	-	-	-	-	44.39	-
	(Previous Year)	-	-	-	-	-	-	-	-	-	-

CWIP/Intangible assets under development aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Capital-work-in progress/Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHARTERED ACCOUNTANTS CHENNAI 600 004

SHAYA POLYMERS LIMITED
(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)
CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024 '(Rupees in Lakhs)

Note No. 1 : Corporate Information

Shaya Polymers Limited, 'the Company', was incorporated on 08 March 2017 in Chennai. The company was formerly known as **Shaya polymers Private limited.** It is an evolving Manufacturer that focuses on the production and distribution of Molded & Slab Foam and the Development of Specialties, Foam Assembly with PP and Rubber Parts, Shaya design and build a sustainable Automotive community,through a well-equipped manufacturing unit, a well-knit Shaya Squad, a state of the art facility for testing and the Shaya Quality Assurance.

Shaya takes pride in innovation, collaboration and sustainability.Automotive foams, furniture foams, adhesives, chemicals used in moulded furniture & automotive parts, furniture components and so on and on all form part of the Shaya range of innovation. The business is based in Chennai, has a branch office in Bengaluru, and has a brand presence inmultiple states across the Country.

Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 27.03.2024 and the name of the Company was changed to Shaya Polymers Limited ('the Company " or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 29.06.2024 Registrar of Companies, Chennai with Corporate Identification Number U24100TN2017PLC115377.

Note No. 2 : Significant Accounting Policies

(a) **Basis of Accounting**

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

(b) **Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of Goods

Revenue from, sale of goods including cartage is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Other Income

Other income is recognized on accrual basis.

(c) **Property Plant and Equipment including Intangible assets:**

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

(d) **Depreciation & Amortisation:**

Depreciation on Fixed Assets is provided to the extent of the depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognized on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale. The Company has used thefollowing rates to provide depreciation on fixed assets:

Asset Classification	Rate of Depreciation
Building	9.5%
Plant and Machinery	18.1%
Computers and Accessories	63.16%

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Notes Forming Part of the Financial Statements as at 31-03-2024 '(Rupees in Lakhs)

Office Equipment	45.07%
Furniture and Fittings	25.89%
Commercial Vehicles	31.23%
Lab Equipment	25.89%
Two-wheeler	25.89%
Electrical Fittings	25.89%
Motor Car	25.89%
SIPCOT Land	Nil

(e) **Use of estimates:-**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

(f) **Employees Benefits**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service. However the Company has not adopted any policy for payment of Bonus and thus no amount has been charged to profit and loss account or provisioned in the balance sheet.

Post-Employment benefits:
Defined benefit plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

(g) **Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(h) **Accounting Concepts:-**

The Company follows a mercantile system of accounting and recognizes income and expenditure on accrual basis. The accounts are prepared on a historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

(i) **Investments:**

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Long-term investments during the year are NIL if any in the future would be stated at cost, and provision for diminution in value, other than temporary, is considered wherever necessary. Current investments in equity instruments it amounts to Rs 1,99,98,000/- and are carried at a lower of cost, Market value / Net asset value.

(j) **Inventories:**

Cost includes cost of purchase and other costs included in bringing the inventories to their present location and condition. The method of valuation of various categories of inventory are as follows :-

1. Raw Materials : At lower of cost or net realisable value (FIFO Method)
2. Work in Progress & Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads.
3. Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads based on normal operating capacity.
4. Stores, Spares & Packing Materials : At Cost (FIFO Method)

Inventories consisting of work in progress are valued at cost or net realisable value whichever is lower. Work-in-progress consisting of material, labour and other direct expenses are valued at cost incurred.

(k) **Contingent Liabilities & Provisions**

Contingent Liabilities during the year are NIL. All known liabilities of a material nature would be provided for in the accounts. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions.

(l) **Cash and Cash equivalents**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

(m) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) **Investments**

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary , in the value of long term investments.

(o) **Cash Flow Statements**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company are segregated.

(p) **Capital Work in Progress (CWIP)**

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Capital Work in Progress (CWIP) represents costs incurred for property, plant, equipment, and other tangible assets that are still under construction or development at the end of the reporting period. These costs will be capitalized as tangible fixed assets once the asset is ready for its intended use. The financial statements are prepared in accordance with the applicable accounting standards and the generally accepted accounting principles. The cost of CWIP includes all directly attributable expenditure to bring the asset to its working condition for its intended use.CWIP includes construction costs, costs of materials, labor, and overheads directly attributable to the construction of the asset.Expenditures are capitalized as CWIP when incurred if it is probable that future economic benefits associated with the asset will flow to the entity and the cost can be measured reliably. Once the asset is ready for its intended use, it is reclassified to the appropriate category of tangible fixed assets.

(q) **Research and Development Cost**

Research and development (R&D) costs are expenditures incurred in the search for new or improved products, processes, or services. These costs include research activities aimed at obtaining new knowledge and development activities directed towards applying research findings or other knowledge to plan or design new or significantly improved products, processes, or services before the start of commercial production or use. The financial statements are prepared in accordance with the applicable accounting standards and generally accepted accounting principles. The treatment of R&D costs is based on whether they meet the criteria for capitalization or expensing.

(r) **Research Costs:** Expenditures on research activities are recognized as an expense when incurred.

Development Costs: Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:
-
The technical feasibility of completing the intangible asset so that it will be available for use or sale.
Its intention to complete and its ability to use or sell the asset.
How the asset will generate future economic benefits.
The availability of resources to complete the asset.
The ability to measure reliably the expenditure during development.

(s) **Current and Non current classification:**

"An asset shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realized within twelve months after the reporting date; or it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current."

"An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months."

"A liability shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

All other liabilities shall be classified as non-current."

(t) **Corporate Social Responsibility (CSR):**

There is no applicability towards CSR and hence no such contributions are made

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Note: 32 Other notes to accounts **(Rupees in Lakhs)**

1 **Contingent liabilities and commitments (to the extent not provided for): NIL**

2 **Proposed Dividend Details:**
The Company has not declared dividend for the year ended March 2024

3 No issue of securities were made for any specific purpose by the Company during the reporting year.

4 The Company has made borrowings from banks and financial institutions for specific purposes during the year for constructing Factory building.

5 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realisation in the ordinary course of business equal to the amount at which they are stated.

6 **Details of Benami Property held**

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

7 The Company has borrowings from the banks or financial institutions on the basis of security of current assets. Quarterly returns or statement of current assets are required to be filled by the company with any banks or Financial institutions.

8 **Wilful Defaulter**
The company is not declared as wilful defaulter by any bank or financial institution or other lender.

9 **Relationship with Struck off Companies**
The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

10 **Registration of charges or satisfaction with Registrar of Companies:**
The Company has no charge which is yet to be registered with Registrar of Companies beyond the statutory period.

11 **Compliance with number of layers of companies:**
The Company has subsidiaries hence layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are applicable.

12 **Compliance with approved Scheme(s) of Arrangements:**
No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

13 **Utilisation of Borrowed funds and share premium:**

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

14 **Payment to the Auditor:**

Particulars	**As at 31st March**	
	2024	**2023**
Statutory Audit Fees	1.00	0.50
Other matters	-	-
Total	**1.00**	**0.50**

15 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exist at the date as at which balance sheet made up.

16 **Details of supply of Service :not applicable as the company is not into supply of services**

17 **Undisclosed income:**

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

18 **Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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19 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

Name of Related Parties	Description
1 Mr. Ram Sai Yelamanchili	Chairman cum Managing Director
2 Mrs. Sreesha Yelamanchili	Whole Time Director cum CFO
3 Mr. Srinivasa Sumanth Takkellapati	Whole Time Director
4 Mrs. Vani Takkellapati	Non Independent & Non- Executive Director
5 Mr. Muthukumaran Jayaraman	Independent Director
6 Mr. Subbarayalu Kumar	Company Secretary cum Compliance Officer
7 Mr. Tiruvllore Kesavan Premkumar	Independent Director
8 Mr. Gnanasambandam Venkataraghavan	Independent Director
9 Shaya Polyurethanes Private Limited	Wholly Owned Subsidiary
10 Shaya Adhesives Private Limited	Wholly Owned Subsidiary

S.No	Name of the Party	Nature of RP	Relationship
1	Mr. Ram Sai Yelamanchili	Individual	Chairman cum Managing Director
2	Mrs. Sreesha Yelamanchili	Individual	Whole Time Director cum CFO
3	Mr. Srinivasa Sumanth Takkellapati	Individual	Whole Time Director
4	Mrs. Vani Takkellapati	Individual	Non Independent & Non- Executive Director
5	Mr. Muthukumaran Jayaraman	Individual	Independent Director
6	Mr. Subbarayalu Kumar	Individual	Company Secretary cum Compliance Officer
7	Mr. Tiruvllore Kesavan Premkumar	Individual	Independent Director
8	Mr. Gnanasambandam Venkataraghavan	Individual	Independent Director

Details of related party transactions during the year ended 31 March, 2024 and outstanding balances as at 31 March, 2024:-

Particulars	Nature of Payment	Financial year	
		2023-24	2022-23
Mr. Ram Sai Yelamanchili	Remuneration	12.00	-
Mrs. Sreesha Yelamanchili	Remuneration	3.00	-
Mr. Srinivasa Sumanth Takkellapati	Remuneration	3.00	-
Mr. Subbarayalu Kumar	Remuneration	1.24	
TOTAL		19.24	-

Particulars	Sales	Financial year	
		2023-24	2022-23
Shaya Polyurethanes Private Limited	Supply/ Works Contract	281.84	369.70
Shaya Adhesives Private Limited	Supply/ Works Contract	10.70	1.96
TOTAL		**292.54**	**371.67**

Particulars	Nature	Financial year	
		31-03-2024	31-03-2023
Shaya Polyurethanes Private Limited	Receivable	205.06	-
Shaya Adhesives Private Limited	receivable	435.41	250.40
TOTAL		**640.47**	**250.40**

Notes to related party disclosure:

1. Mrs. Sreesha Yelamanchili was appoined as the Chief Financial officer on 18-03-2024
2. Mr Muthukumar Jayaraman was appointed as independent director on 27-03-2024
3. Mr Subbarayalu Kumar was appointed as compliance officer on 18-03-2024
4. Mr Tiruvllore Kesavan Premkumar was appointed on 27-03-2024
5. Mr Gnanasambandam Venkataraghavan was appointed on 27-03-2024

20 **Income Taxes:**

I. Minimum Alternate Tax

Company has opted the Special tax rate of the Income Tax Act, 1961. Hence, MAT asset is not recognised

II. Current Tax

Particulars	As at	
	31-03-2024	31-03-2023
Current Tax	81.83	13.12
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	**81.83**	**13.12**

III. Details of Interest and Penalities

1)Interest on Shortfall in payment of Advance Tax	Rs.	NIL
2) Any Penalties levied under Income Tax Act	Rs.	NIL
3)Excess/Short Provision of Taxes relating to earlier years	Rs.	NIL

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21 **Employee Benefit (Incurred in India):**

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Company does not have a funded plan for gratuity liability.

Interest cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of opening and closing balance of gratuity obligations:

Particulars	As at 31-03-2024	As at 31-03-2023
Net Liability as at the beginning of the period	5.31	3.26
Net Expenses in P/L A/c	2.28	2.05
Benefits Paid	-	-
Net Liability as at the end of the period	7.59	5.31
Present Value of Gratuity Obligation (Closing)	**7.59**	**5.31**

(ii) Expenses recognised in Statement of Profit and Loss during the year:

Particulars	As at 31-03-2024	As at 31-03-2023
Interest Cost	0.40	0.25
Current Service Cost	1.83	1.44
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	0.05	0.36
Net Expenses to be recognized in P&L	2.28	2.05
Total	**4.56**	**4.09**

(iii) Changes in Benefit Obligations:

Particulars	As at 31-03-2024	As at 31-03-2023
Opening Defined benefit Obligation	5.31	3.26
Current Service Cost	1.83	1.44
Interest Cost for the Year	0.40	0.25
Actuarial losses (gains)	0.05	0.36
Closing Defined Benefit Obligation	7.59	5.31
Total	**7.59**	**5.31**

(iv) Actuarial assumptions:

Particulars	As at 31/03/2024	As at 31/03/2023
Rate of Discounting	7.23%	7.52%
Salary Escalation	7%	7%
Attrition Rate	10%	10%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

22 **Cashflow Statement**

(1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was **Rs.2,06,83,621/-** that are available for use by Company.

(2) Company does not have undrawn borrowing facilities that may be available for future operating activities.
(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
(4) Company is investing adequately in the maintenance of its operating capacity.
(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED Chennai 602 117

Additional Disclosures:

I. Components of Cash and Cash Equivalents:	For the period ended	
	31-03-2024	31-03-2023
Cash on Hand	0.17	4.97
Balance with scheduled banks	94.62	0.51
Fixed deposits with maturity less than 12 months	111.25	-
Total Components of Cash and Cash Equivalents:	**206.04**	**5.49**

23 **Changes in Accounting Estimates**
There are no changes in Accounting Estimates made by the Company during the year.

24 **Changes in Accounting Policies**
There are no changes in Accounting Policies made by the Company during the year.

25 **Disclosures on PPE and Intangible Assets**

I. Property, Plant and Equipment
(1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
(2) Company has not constructed any item in Property, Plant & equipment.
(3) Company has no contractual commitments for the acquisition of Property,Plant & Equipment.
(4) Company has no Impairment loss during the period for Property, Plant & Equipment.
(5) Assets are periodically checked for active usage and those which are retired are written off.
(6) There are no temporarily idle property, plant and equipment.
(7) There are no fully depreciated property, plant and equipment that is still in use.

(8) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.

26 **Segment Reporting**
The Company does not have reportable segment.

27 **Earnings Per Share**

Particulars	As at	
	31-03-2024	31-03-2023
1. Profit attributable to equity shareholders before extraordinary items (A)	277.14	54.80
2. Profit attributable to equity shareholders after extraordinary items (B)	277.14	54.80
3. Weighted average number of equity shares outstanding during the year (C)	51.17	46.89
4. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C) (in Rs.)	5.42	1.17
5. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C) (in Rs.)	5.42	1.17
6. Diluted earnings per share before extraordinary items of face value of ₹ 10 (A/D) (in Rs.)	5.42	1.17
7.Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/D) (in Rs.)	5.42	1.17

INTERIM FINANCIAL REPORTING
1) If an estimate of an amount reported in an interim period is changed significantly during the final interim period of the financial year but a separate financial report is not prepared and presented for that final interim period, the nature and amount of that change in estimate should be disclosed in a note to the annual financial statements for that financial year.
2) The measurement procedures to be followed in an interim financial report should be designed is appropriately disclosed.

28 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

29 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

30 **Ratios**

S.No	RATIOS	Current year Numerator	Current year Denominator	31-03-2024	31-03-2023	Previous year Numerator (Rs)	Previous year Denominator (Rs)
a.	**Current Ratio**(in times) Current Assets / Current liabilities	2,349.35	1,072.02	2.19	1.95	1,709.00	878.31
b.	**Debt-Equity Ratio**(in times) Total Outside Liabilities / Total Shareholder's Equity	3,087.31	1,413.00	2.18	2.71	1,547.77	570.77
c.	**Debt Service Coverage Ratio** EBITDA / (Interest + Principal)	526.56	746.42	0.70	0.45	216.70	477.88
d.	**Return on Equity Ratio** (Net Profit After Taxes - Preference Dividend if any) / Net Worth	277.14	1,413.00	0.20	0.10	54.80	570.77
e.	**Inventory Turnover Ratio** Cost of Goods Sold (or) Sales / Average Inventory	1,733.35	239.44	7.24	4.32	1,562.60	361.70
f.	**Trade Receivables Turnover Ratio** Credit Sales / Average Trade Receivables	2,191.16	420.67	5.21	5.14	1,749.33	340.28

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SHAYA POLYMERS LIMITED Chennai 602 117

g	**Trade Payable Turnover Ratio** Credit Purchases / Average Trade Payables	1,723.08	284.91	6.05	3.68	1,326.16	360.26
h	**Net Capital Turnover Ratio** Cost of Goods Sold (or) Sales / Average working capital	1,733.35	1,054.01	1.64	2.27	1,562.60	687.12
i	**Net Profit (after tax) Ratio** Net Profit (after tax)/ Total Sales * 100	277.14	2,191.16	12.65	0.03	54.80	1,749.33
j	**Return on Capital Employed** (EBIT / Capital Employed) * 100	485.51	3,797.29	0.13	0.11	171.37	1,591.43

31 **Variance:**

S.No	RATIOS	As at March 31,2024	
		Variance	Reason for variance
a	**Current Ratio** Current Assets / Current liabilities	12.63%	The working capital has increased in line with increase in revenue and the internal accruals are
b	**Debt-Equity Ratio** Total Outside Liabilities / Total Shareholder's Equity	19.43%	The leverage is almost nil due to repayment of loans and non utilization of bank funding which also indicates the sufficient cash flow to manage the
c	**Debt Service Coverage Ratio** EBITDA / (Interest + Principal)	33.45%	As the short term debt portion is low, the company has comfortable DSCR to cover the current maturity
d	**Return on Equity Ratio** (Net Profit After Taxes - Preference Dividend if any) / Net Worth	104.27%	The improvement in ROE is due to increase in PAT margin evidencing the optimum utilization of the funds invested
e	**Inventory Turnover Ratio** Cost of Goods Sold (or) Sales / Average Inventory	67.57%	The improvement in inventory turnover in response to the increased revenue is due to effective management of the goods comparison to the previous
f	**Trade Receivables Turnover Ratio** Credit Sales / Average Trade Receivables	1.12%	The positive variance is due to the prompt and timely realisation of debtors in the FY23-24 comparing the
g	**Trade Payable Turnover Ratio** Credit Purchases / Average Trade Payables	64.46%	The ratio has increased due to the effective system in place to meet the timely creditor payments
h	**Net Capital Turnover Ratio** Sales / Net Assets	-27.69%	The Optimum utilisation of funds in the company improved the overall ratio comparing the previous
i	**Net Profit (after tax) Ratio** Net Profit (after tax)/ Total Sales * 100	40272.32%	PAT has increased in line with the increased topline comparing the previous years with effective
j	**Return on Capital Employed** (EBIT / Capital Employed) * 100	18.73%	Operating margin improved due to optimum utilisation of resources during the financial year

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S
Peer Review Certificate No. 0

S Sathish Kumar
Partner
Membership No: 22
UDIN: 24226384BKAV
Place: Chennai
Date: 01/07/2024

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as **Shaya Polymers Private Limited**)

Ram Sai Yelamanchili Managing Director
DIN: 07716108
Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45200
Place: Chennai
Date : 01/07/2024

compile

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Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M/S. SHAYA POLYMERS PRIVATE LIMITED

Report on Audit of the Consolidated Financial Statements

Opinion

We have audited the Consolidated Financial Statements of **SHAYA POLYMERS PRIVATE LIMITED** (hereinafter referred to as the "Holding Company"), and its subsidiary companies (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss, Consolidated Statement of Cash flows, Notes to Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information..

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the act read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its consolidated profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of Consolidated Financial Statementsin accordance with the Standards on Auditing ("SA's") specified under Section 143(10) of the Act,ourresponsibilities under those Standards 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidatedfinancial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of my audit of theConsolidated Financial Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted company.

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Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, 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.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.The respectiveBoards of Directors of the companies included in the Group are responsible for maintenance of adequateaccounting records in accordance with the provisions of the Act for safeguarding the assets of the Groupand for preventing and detecting frauds and other irregularities; selection and application of appropriateaccounting policies; making judgments and estimates that are reasonable and prudent; and design,implementation and maintenance of adequate internal financial controls, that were operating effectivelyfor ensuring the accuracy and completeness of the accounting records, relevant to the preparation andpresentation of the financial statements that give a true and fair view and are free from materialmisstatement, whether due to fraud or error, which have been used for the purpose of preparation of theconsolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies
included in the Group are responsible for assessing the ability of the respective entities to continue as a

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going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statementsas 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of theseConsolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

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- 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 withgovernance, we determine those matters that were of mostsignificance in the audit of the Consolidated Financial Statements of the current period and are therefore the key auditmatters. We describe these matters in our auditor's report unlesslaw or regulation precludes public disclosure about the matteror when, in extremely rare circumstances, we determine thata matter should not be communicated in our report becausethe adverse consequences of doing so would reasonablybe expected to outweigh the public interest benefits of suchcommunication.

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 purpose of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts

   d) in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.

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e) On the basis of written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidatedfinancial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to the consolidated financial statements of those companies.

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group does not have any pending litigations which would impact its financial position.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the companyand its subsidiary companies incorporatedin India.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company and its subsidiary incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shalldirectly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Parent Company or its subsidiary incorporated in India or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Parent Company and its subsidiary incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiary incorporated in India shall: directly or indirectly, lend or invest in

other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries ; and

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(c)Based on the audit procedures that have been considered reasonable and appropriate
in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Companyand its subsidiary companieshas neither declared nor paid any dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log)facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2024.

2. A 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 Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S

Place: Chennai

Date: 01-07-2024

UDIN: 24226384BKAVEV2403

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S Sathish Kumar
Partner
Membership No: 226384
Peer Review No: 015357

ANNEXURE - ATO THE INDEPENDENT AUDITOR'S REPORT

(Referred To Paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shaya Polymers Private Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for theyear ended March 31, 2024, we have audited the internal financial controls with reference to ConsolidatedFinancial Statements of Shaya Polymers Private Limited (hereinafter referred to as the "Company") and its subsidiarycompanies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company and its subsidiary companies, which are companiesincorporated in India, are responsible for establishing and maintaining internal financial controls basedon the internal control over financial reporting criteria established by the respective Companiesconsidering the essential components of internal control stated in the Guidance Note on Audit of InternalFinancial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India(the "ICAI"). These responsibilities include the design, implementation and maintenance of adequateinternal financial controls that were operating effectively for ensuring the orderly and efficient conductof its business, including adherence to the respective company's policies, the safeguarding of its assets,the prevention and detection of frauds and errors, the accuracy and completeness of the accountingrecords, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference toConsolidated Financial Statements of the Company and its subsidiary companies, which are companiesincorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Noteon Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by theInstitute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed underSection 143(10) of the Act, to the extent applicable to an audit of internal financial controls with referenceto Consolidated Financial Statements. Those Standards and the Guidance Note require that we complywith ethical requirements and plan and perform the audit to obtain reasonable assurance about whetheradequate internal financial controls with reference to Consolidated Financial Statements was establishedand 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 internalfinancial controls with reference to Consolidated Financial Statements and their operating effectiveness.Our audit of internal financial controls with reference to Consolidated Financial Statements includedobtaining an understanding of internal financial controls with reference to Consolidated FinancialStatements, assessing the risk that a material weakness exists, and testing and evaluating the design andoperating effectiveness of internal control based on the assessed risk. The procedures selected depend onthe auditor's judgement, including the assessment of the risks of material misstatement of the financialstatements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis forour audit opinion on the internal financial controls with reference to Consolidated Financial Statementsof the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial

ELANGOVAN & Co. CHENNAI 600 004 CHARTERED ACCOUNTANTS

statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these 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 directions 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 consolidated financial statements.

Inherent limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

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 with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to Consolidated Financial Statements 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.

Place: Chennai

Date: 01-07-2024

UDIN: 24226384BKAVEV2403

For Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S Sathish Kumar
Partner
Membership No: 226384
Peer Review No: 015357

SHAYA POLYMERS LIMITED

(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)

CIN -U24100TN2017PLC115377

Consolidated Balance Sheet as at 31st March 2024

(Rupees in Lakhs)

		Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I		**EQUITY AND LIABILITIES**			
1.		**Shareholders' Funds**			
	a.	Share Capital	3	557.53	510.00
	b.	Reserves and Surplus	4	1,026.55	140.89
	c.	Money received against share warrants		-	-
				1,584.08	650.89
2.		**Minority Interest**		0.03	0.02
3.		**Non-Current Liabilities**		-	-
	a.	Long-term borrowings	5	2,561.30	1,360.34
	b.	Deferred tax liabilities (Net)	6	-	0.68
	c.	Other Long term liabilities	7	-	-
	d.	Long Term Provisions	8	13.02	-
4.		**Current Liabilities**		-	-
	a.	Short-term borrowings	9	1,031.94	844.05
	b.	Trade payables	10	347.28	309.98
	c.	Other current liabilities	11	42.14	70.07
	d.	Short - term provisions	12	114.96	23.39
				4,110.66	2,697.40
		TOTAL		5,694.74	3,348.29
II		**ASSETS**			
1.		**Non-current assets**			
	a.	Property, Plant & Equipments and Intangible assets	13		
		(i) Property, Plant and Equipment		1,846.52	922.86
		(ii) Intangible Assets		0.24	0.65
		(iii) Capital Work in Progress		806.37	-
		(iv) Intangible assets under development		44.39	-
	b.	Non Current Investments	13	-	-
	c.	Deferred tax assets (net)	6	6.91	5.41
	d.	Long term loans and advances	14	-	-
	e.	Other Non Current Assets	15	-	-
				2,704.42	928.92
2.		**Current Assets**			
	a.	Current Investments	16	-	-
	b.	Inventories	17	1,815.94	1,260.19
	c.	Trade Receivables	18	796.56	584.50
	d.	Cash and Bank Balance	19	233.68	36.00
	e.	Short Term Loans and Advances	20	144.14	538.68
	f.	Other Current Assets	21	-	-
				2,990.32	2,419.38
		TOTAL		5,694.74	3,348.29

Significant accounting policies 1

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

for Elangovan & Co.,

Chartered Accountants

Firm's Registration No: 005990S

Peer Review Certificate No

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S Sathish Kumar

Partner

Membership No: 226384

UDIN: 24226384BKAVEV2...

Place: Chennai

Date: 01/07/2024

For and on behalf of the Board of Directors of Shaya Polymers Limited

(Formerly known as **Shaya Polymers Private Limited**)

T. Sirisha

Ram Sai Yelamanchili
Managing Director
DIN: 07716108

Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137

Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300

Place: Chennai
Date : 01/07/2024

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED

(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)

CIN -U24100TN2017PLC115377

Consolidated Statement of Profit & Loss for the Year ended on 31st March, 2024

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
I	Revenue from Operations	22	2,494.84	2,461.17
II	Other Income	23	2.62	0.65
III	**Total Income**		2,497.46	2,461.83
IV	**EXPENSES**			
	Cost of Materials Consumed	24	1,872.01	2,179.88
	Direct Expenses	25	129.62	113.90
	Change in inventory of finished goods, work-in-progress and stock in trade	26	- 574.36	- 657.93
	Employee Benefits Expenses	27	206.56	239.21
	Finance Cost	28	164.57	185.85
	Depreciation and Amortization Expense	29	71.82	68.88
	Other Expenses	30	143.02	225.78
	Total Expenses		2,013.04	2,355.58
V	**Profit before exceptional and extraordinary items and tax**		**484.42**	106.25
VI	Exceptional items		-	-
VII	**Profit before extraordinary items and tax**		**484.42**	106.25
VIII	Extraordinary items		-	-
IX	**Profit before tax**		**484.42**	106.25
X	**Tax Expense**		-	
	a. Current Tax (Net of Mat)		114.96	23.39
	b. Deferred Tax		- 2.17	0.17
	c. Tax related to Previous years		-	-
			112.79	**23.56**
XI	**Profit (Loss) for the period from continuing operations**		371.63	82.69
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Minority Interest		- 0.01	- 0.00
XV	Profit/ (Loss) after tax (XI + XIV)		371.62	82.69
XVI	**Earning per equity share of Rs. 10/- each**			
	a. Basic		6.67	1.62
	b. Diluted		6.67	1.62

As per our report of even date attached

for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006990S
Peer Review Certificate No:

S. Sathish Kumar

S Sathish Kumar
Partner
Membership No: 2263
UDIN: 24226384BKAVE
Place: Chennai
Date: 01/07/2024

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as Shaya Polymers Private Limited)

T. Sirisha

Ram Sai Yelamanchili
Managing Director
DIN: 07716108

Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137

Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300

Place: Chennai
Date : 01/07/2024

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED

(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)

CIN -U24100TN2017PLC115377

Consolidated Cash Flow Statement for the year ended as on 31st March, 2024

(Rupees in Lakhs)

	Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
(A)	**Cash Flow from Operating Activities**			
	Net profit as per The Statement of Profit & Loss before Tax		484.42	106.25
	Adjustment for:-		-	-
	Income from non operating activities		(2.62)	(0.65)
	Foreign Exchange fluctuation		-	1.18
	Depreciation		71.82	68.88
	Expenses related with financing activities		164.57	185.85
	Provision for Gratuity		4.19	-
	Operating Profit Before Working Capital Changes		722.37	361.58
	Adjustment for Current Assets & Liabilities		-	-
	(Increase)/Decrease in trade receivable		(212.05)	10.63
	(Increase)/Decrease in Inventories		(555.74)	(345.46)
	(Increase)/Decrease in other current assets		-	(15.16)
	Increase/(Decrease) in provisions		-	0.70
	Increase/(Decrease) in Short term borrowings		187.91	354.40
	Increase/(Decrease) in other current liabilities		(27.93)	3.34
	Increase/(Decrease) in trade payables		(42.70)	(94.88)
	Direct taxes paid		(23.39)	(22.31)
			(673.91)	(108.74)
	Cash Generated from/(utilized in) Operating activities	(A)	48.46	252.77
			-	-
(B)	**Cash flow from Investment Activities**		-	-
	Income from non operating activities		2.62	0.65
	(Increase)/Decrease in short term loans & advances		394.53	(540.49)
	Purchase of Intangible Assets		-	(1.00)
	Purchase of fixed assets		(1,845.83)	(716.75)
	Cash generated from/(utilised in) Investing activities	(B)	(1,448.67)	(1,257.58)
			-	-
(C)	**Cash flow from Financing Activities**		-	-
	Increase in Equity Share Capital		47.53	200.00
	Increase in Securities Premium		522.87	-
	Increase in Long term borrowings		1,192.06	1,009.53
	Interest & other finance expenses paid		(164.57)	(185.85)
	Cash generated from (utilised in) Financing activities	(C)	1,597.89	1,023.48
	Effect of Foreign Exchange fluctuation		-	(1.18)
Net Increase (Decrease) in Cash and cash equivalents		(A+B+C)	233.68	36.00
	Opening Cash & Cash Equivalents		36.00	18.52
	Closing Cash & Cash Equivalents		**233.68**	**36.00**

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 006
Peer Review Certificate

S Sathish Kumar
Partner
Membership No: 2263
UDIN: 24226384BKAVE
Place: Chennai
Date: 01/07/2024

For and on behalf of the Board of Directors of Shaya Polymers Limited
(Formerly known as **Shaya Polymers Private Limited**)

Ram Sai Yelamanchili
Managing Director
DIN: 07716108

Place: Chennai
Date: 01/07/2024

Sireesha Yelamanchili
Director & CFO
DIN: 07716137

Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer
M.No: A45300

Place: Chennai
Date : 01/07/2024

ELANGOVAN & CO. CHARTERED ACCOUNTANTS CHENNAI 600 004

SHAYA POLYMERS LIMITED Chennai 602 117

SHAYA POLYMERS LIMITED

CIN-U25109TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024 *(Rupees in Lakhs)*

Particulars	As at 31st March, 2024	As at 31st March, 2023
3 Share Capital		
3.1 Authorised Share Capital		
2,50,00,000 (2023: 51,00,000) equity shares of Rs.10/- each	2,500.00	510.00
	2,500.00	510.00
3.2 Issued Share Capital		
60,75,335 (2023: 51,00,000) equity shares of Rs.10/- each each	607.53	510.00
	607.53	510.00
3.3 Subscribed & Fully Paid up Capital		
55,75,335 (2023: 51,00,000) equity shares of Rs.10/- each	557.53	510.00
	557.53	510.00
3.4 Reconciliation of Number of Shares		
Number of Equity Shares as at the beginning of the Financial year	51.00	31.00
Add :- Number of Shares Issued during the period	4.75	20.00
Less :- Number of Shares tranferred during the Period	-	-
Number of Equity Shares as at the end of the financial Year	55.75	51.00

3.5 List of Shareholders holding more than 5% of Equity Shares of the company

Name	% of Shares 31.03.2024	% of Shares 31.03.2023	Number of Shares 31.03.2024	Number of Shares 31.03.2023
Ram Sai Yelamanchili	46.65%	51.00%	26.01	26.01
Sireesha Yelamanchili	11.49%	7.70%	6.41	3.93
Kandukuri Vijayalakshmi	7.91%	10.00%	4.41	5.10
Takkellapati Srinivasa Sumanth	6.33%	8.00%	3.53	4.08
Rajasthan Global Securities Pvt.Ltd	12.17%	13.30%	6.78	6.78
			-	-
	85%	90%	47.14	45.90

3.6 Details of Shares held by promoters

Shares held by promoters at the end of the year 31st March 2024

Promoter Name	2023-2024		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	46.65%	0.00%
Sireesha Yelamanchili	6.41	11.49%	63.12%
Takkellapati Srinivasa Sumanth	3.53	6.33%	-13.50%
Takkellapati Vara	1.76	3.17%	-13.50%

Shares held by promoters at the end of the year 31st March 2023

Promoter Name	2022-2023		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	51.00%	64.52%
Sireesha Yelamanchili	3.93	7.70%	-39.68%
Takkellapati Srinivasa Sumanth	4.08	8.00%	64.52%
Takkellapati Vara	2.04	4.00%	64.52%

3.6 Details of Shares held by promoters

Shares held by promoters at the end of the year 31st March 2024

Promoter Name	2023-24		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	47%	0%
Sireesha Yelamanchili	6.41	11%	0%

Shares held by promoters at the end of the year 31st March 2023

Promoter Name	2022-23		
	No. of Shares	%of total shares	% Change during the year
Ram Sai Yelamanchili	26.01	51%	0%
Sireesha Yelamanchili	3.93	8%	63%

3.7 Terms / Rights attached to Equity Shares

The company has only one class of equity share having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. Whenever the company declares dividend it will be paid in Indian Rupees.

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

4 Reserves & Surplus

Particulars	As at 31st March, 2024	As at 31st March, 2023

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024

(Rupees in Lakhs)

4.1 **Securities Premium**

Opening balance	-	-
Add : Addition during the year	522.87	-
Less : Deduction during the year	-	-
Closing balance	522.87	-

4.2 **Surplus (Statement of Profit & Loss)**

Opening balance	67.74	5.97
Add : Profit During the Year	371.62	82.68
Less: Pre-Acquisition profit - Transferred to Capital reserve	-	20.91
Add : Opening Employees Gratuity Provision	- 8.82	-
Closing balance	430.53	67.74

4.3 **Capital Reserve**

Capital Reserve	73.15	73.15
	-	-
Total	1,026.55	140.89

5 **Long Term Borrowings**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
5.1	**Term Loan**		
	-From Banks	1,407.94	821.24
	-From Other Parties	728.15	276.98
5.2	Loans and advances from related parties	670.92	430.12
5.3	Less: Current maturities of long term debt	- 246.71	- 159.11
	Total	2,561.30	1,369.24

5.1.a NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Name of the Lender	Nature of Facility	Date of loan	Sanctioned Amount	Security Offered	Re-Payment Period	Rate of Interest	Outstanding amount as per Books (31.03.2024)
Deutsche Bank	Term Loan	20-04-2022	25.00	NA	36	18.00%	12.20
Fedbank Financial Services Ltd	Other Loan	08-04-2022	25.50	NA	36	18.00%	11.56
HDFC Bank	Business Loan	23-04-2022	35.00	NA	48	14.75%	21.47
ICICI Bank	Auto Loan	10-03-2022	35.65	KIA CAR	60	7.40%	23.36
Indusind Bank	Business Loan	30-04-2022	35.00	NA	36	18.00%	15.09
Standard Chartered Bank	Business Loan	07-05-2022	40.00	NA	36	17.50%	17.07
HDFC Bank	BBG - WC Term loan	24-01-2024	755.00	NA	90	9%	755.00
HDFC Bank	BBG - WC Term loan	08-01-2024	30.00	NA	36	9%	30.14
HDFC Bank	loan	08-01-2024	1.42	NA	36	9%	1.41
HDFC Bank	BBG - WC Term loan	08-01-2024	142.26	NA	60	9%	238.76
Ugro Capital Limited	Business Loan	30-10-2022	15.27	NA	36	19.00%	8.03
Hero FinCorp Ltd	Business Loan	30-04-2022	15.66	NA	36	19.00%	17.77
CSL Capital Private Limited	Term Loan	13-06-2023	600.00	Pledge of equity shares	7	16.00%	604.02
Axis Bank	Term Loan	25-11-2021	85.30	Machinery	60	11.00%	33.93
Indusind Bank Ltd	WC Term Loan	28-04-2022	20.00	NA	36	18.00%	9.08
SIDBI	Machinery Loan	12-08-2022	86.00	NA	54	8.85%	69.03
Axis Bank	Term loan	05-07-2021	4.00	NA	48	13.00%	0.54
Cholamandalam Investment & Finance Company Limited	Business Loan	13-10-2022	20.28	NA	36	20.50%	12.76
Growth Source Financial Technologies Private Limited	Term loan	29-09-2022	10.00	NA	18	22.00%	[illegible]
Neo Growth Credit Pvt Ltd	Business Loan	25-10-2022	15.00	NA	24	24.99%	1.84
Indifinance Fincorp Limited & Ugro Capital Limited	Business Loan	14-11-2022	17.33	NA	24	21.57%	7.58
Aditya Birla Finance Ltd	Business Loan	26-04-2022	30.00	NA	24	18.00%	2.93
UNIRO Capital Limited	Business Loan	30-04-2022	25.43	NA	36	19.50%	11.08
Tricolor	WC Term Loan	31-05-2021	20.00	NA	24	21.00%	17.46
State Bank of India	Term Loan	10-06-2022	30.00	Machinery	60	13.15%	53.98
HDFC Bank	Business Loan	23-04-2022	14.80	NA	36	16.00%	6.47
Deutsche Bank	Business Loan	29-06-2022	20.00	NA	36	18.00%	10.22
Bajaj Finserv Ltd	Business Loan	26-04-2022	20.90	NA	36	18.50%	8.54
ASHV Finance	Business Loan	22-10-2022	20.00	NA	24	24.50%	8.03
Finance Finance Pvt	Business Loan	02-12-2022	8.00	NA	24	24.00%	3.84
MAS Financial Services Limited	WC Term Loan	31-01-2023	25.00	NA	36	22.00%	17.27

5.4 Terms of repayment of term loans and other loans shall be stated. Period and amount of continuing default as on the Balance Sheet date in repayment of loans and interest, shall be specified separately in each case.

6 **Deferred Tax Assets (Net)**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
6.1	Deferred Tax Liabilities on Account of Depreciation		
	Opening balance	5.08 -	3.11

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED

CIN -U24100TN2017PLC118377

Notes Forming Part of the Financial Statements as at 31-03-2024

(Rupees in Lakhs)

	During the Year	- 0.68	0.79
	Closing balance	-	0.68
6.2	Deferred Tax Assets on Account of Depreciation		
	Opening balance	5.41	6.29
	During the Year	1.50	0.62
	Closing balance	6.91	5.41

7 Other Long term Liabilities

Total	-	-

8 Long Term Provisions

	Particulars	As at 31st March, 2024	As at 31st March, 2023
8.1	Provision for Employee Benefits	13.02	-
8.2	Others	-	-
	Total	13.02	-

9 Short Term Borrowings

	Particulars	As at 31st March, 2024	As at 31st March, 2023
9.1	Loans repayable on demand		
	-From Banks	785.23	684.92
	-From other parties	-	-
9.2	Current Maturity of Long Term Debt	246.71	159.11
	Total	1,031.94	844.03

9.3 Where loans have been guaranteed by directors or others, the aggregate amount of such loans under each head shall be disclosed. Period and amount of default as on the Balance Sheet date in repayment of loans and interest, shall be specified separately in each case. current maturities of Long term borrowings shall be disclosed separately.

10 Trade Payables

	Particulars	As at 31st March, 2024	As at 31st March, 2023
10.1	Due to Micro and Small enterprises	-	-
10.2	Due to Others	347.28	389.98
	Total	347.28	389.98

10.3 Based on the information available with the company, the balance due to Micro, Small and Medium Enterprises as defined under the MSMED Act 2006 is Rs. Nil (Previous Year Rs. Nil) and no interest has been paid or is payable under the terms of the MSMED Act 2006.

10.4 Trade payable ageing schedule: As at 31st March,2024

Particulars		Not due	Unbilled amount	Outstanding for following periods from due date of payment				Total
				< 1 year	1-2 years	2-3 years	> 3 years	
MSME		-	-	-	-	-	-	-
Others		-	-	347.28	-	-	-	347.28
Disputed dues-MSME		-	-	-	-	-	-	-
Disputed dues-Other		-	-	-	-	-	-	-
Total		-	-	347.28	-	-	-	347.28

Trade payable ageing schedule: As at 31st March,2023

Particulars		Not due	Unbilled amount	Outstanding for following periods from due date of payment				Total
				< 1 year	1-2 years	2-3 years	> 3 years	
MSME		-	-	-	-	-	-	-
Others		-	-	389.98	-	-	-	389.98
Disputed dues-MSME		-	-	-	-	-	-	-
Disputed dues-Other		-	-	-	-	-	-	-
Total		-	-	389.98	-	-	-	389.98

11 Other Current Liabilities

	Particulars	As at 31st March, 2024	As at 31st March, 2023
11.1	Other payables	42.14	70.07
	Total	42.14	70.07

12 Short Term Provisions

	Particulars	As at 31st March, 2024	As at 31st March, 2023
12.1	Provision for Employee Benefits	-	-
12.2	Provision for income tax	114.06	23.38
	Total	114.06	23.38

13 Non Current Investments

Total	-	-

14 Long Term Loans & Advances

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED

CIN -U24100TN2017PLC115377

Notes Forming Part of the Financial Statements as at 31-03-2024 *(Rupees in Lakhs)*

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	-	-

15 Other non current assets

Total	-	-

16 Current Investments

Total	-	-

17 Inventories

	Particulars	As at 31st March, 2024	As at 31st March, 2023
17.1	Raw Material	355.34	374.16
17.2	Work-in-Progress	579.59	446.83
17.3	Finished Goods	881.01	439.21
	Total	1,815.94	1,260.19

18 Trade Receivables

	Particulars	As at 31st March, 2024	As at 31st March, 2023
18.1	Secured, Considered good		
	-with related parties	-	-
	-with others	796.56	584.50
	Total	796.56	584.50

18.2 Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member should be separately stated.

18.3 Trade receivable ageing schedule: As at 31st March,2024

Particulars		Outstanding for following periods from due date of payment						
		Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Trade Receivables – considered good			701.87	94.68	-	-	-	-
Total		-	701.87	94.68	-	-	-	-

Trade receivable ageing schedule: As at 31st March,2023

Particulars		Outstanding for following periods from due date of payment						
		Not due	< 6 months	6month-1 years	1-2 years	2-3 years	> 3 years	Total
Undisputed Trade Receivables – considered good		-	584.50	-	-	-	-	-
Total		-	584.50	-	-	-	-	-

19 Cash and cash equivalents

	Particulars	As at 31st March, 2024	As at 31st March, 2023
19.1	Balances with Banks		
	- in current account	98.75	1.92
19.2	Cash on hand	0.44	11.96
19.3	Others - Fixed deposits	134.49	22.13
	Total	233.68	36.00
19.4	**Details of Fixed deposit**		
	Fixed deposit more than 12 months	134.49	22.13

20 Short term Loan & Advances

	Particulars	As at 31st March, 2024	As at 31st March, 2023
20.1	Other loans and advance	148.14	538.68
		-	-
	Total	148.14	538.68

20.2 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amount due by firms or private companies respectively in which any director is a partner or a director or a member shall be separately stated.

21 Other Current Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total	-	-

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED

CIN -U24100TN2017PLC115577

Notes Forming Part of the Financial Statements as at 31-03-2024 *(Rupees in Lakhs)*

	Particulars	As at 31st March, 2024	As at 31st March, 2023
22	**Revenue from Operations**		
22.1	Sale of Products	2,494.84	2,461.17
	Total	**2,494.84**	**2,461.17**

23 **Other Income**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
23.1	Interest Income	2.62	0.63
23.2	Other Non Operating Income	-	-
	Income from Mutual fund	-	0.02
	Trade payables written back	-	-
	Total	**2.62**	**0.65**

24 **Cost of Materials Consumed**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Stock	374.16	686.62
Add : Purchases	1,853.40	1,867.42
Less : Closing	355.55	374.16
Cost of Materials Consumed	**1,872.01**	**2,179.88**

25 **Direct Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Direct Expenses	90.95	43.14
Factory Rent	38.68	70.76
Total	**129.62**	**113.90**

26 **Changes in inventories of Finished Goods, Work in Progress and Stock in trade**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Inventories at the beginning of the year		
i.) Finished goods	439.21	228.11
ii.) Work in progress	446.83	-
Sub Total (A)	**886.04**	**228.11**
Inventories at the end of the year	-	-
i.) Finished goods	881.01	439.21
ii.) Work in progress	579.39	446.83
Sub Total (B)	**1,460.40**	**886.04**
Net Increase / (Decrease) (A - B)	**(574.36)**	**(657.93)**

27 **Employee Benefit Expenses**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
27.1	Salary & Wages (Including bonus)	143.60	198.07
27.2	Director's Salary	18.00	-
27.3	Employees Gratuity	4.19	-
27.4	Staff welfare Expenses	28.29	31.36
27.5	Contribution to Various Funds	12.29	8.78
	Total	**206.36**	**238.21**
		-	-
Note :	**Details of Contribution to various Funds**		
	i.) Provident fund & Employees State Insurance	12.29	8.78
	ii.) Gratuity fund	4.19	-
	Total	**16.47**	**8.78**

28 **Finance Costs**

	Particulars	As at 31st March, 2024	As at 31st March, 2023
28.1	Interest Expense	145.36	150.13
28.2	Other Borrowing Costs	19.21	35.75
	Total	**164.57**	**185.88**

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED

CIN -U24100TN2017PLC115577

Notes Forming Part of the Financial Statements as at 31-03-2024

(Rupees in Lakhs)

29 Depreciation and Amortization Expense

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation	71.41	68.47
Amortization	0.41	0.40
Total	71.82	68.88

30 Other Expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
Auditors' remuneration	2.00	1.50
Discount Allowed	0.12	0.37
Freight outward	38.11	61.65
Consultancy Charges	14.00	22.75
Postage and Courier	0.24	0.31
Printing & Stationery	1.43	2.01
Pooja expenses	1.06	0.92
Insurance	1.83	4.03
License & Fees	2.55	2.75
Office Maintenance Expenses	9.75	7.75
Security charges	6.45	6.61
Testing charges	0.29	0.51
Subscription & Renewals	0.08	0.05
Late Fee & Interest	0.67	0.51
Rent	16.91	23.53
ROC Charges	1.38	5.75
Repairs and maintenance	-	-
- *Buildings*	-	0.02
- *Plant and machinery*	15.08	10.08
- *others*	1.74	5.76
Telephone expenses	3.21	3.07
Travelling and conveyance	19.89	21.81
Miscellaneous expenses	0.21	1.05
Scrap Dispose Expenses	5.72	-
Legal Expenses	-	0.41
Design & Development Charges	-	4.25
Donation	-	1.51
Foreign Exchange Gain/ Loss A/C	-	1.18
Power and fuel	-	35.20
Penalty	-	0.06
Total	143.02	225.78

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

1. Company Overview & Significant Accounting Policies

1(A) Company Overview

Shaya Polymers Limited, 'the Company', was incorporated on 08 March 2017 in Chennai. The company was **formerly known as Shaya polymers Private limited**. It is an evolving Manufacturer that focuses on the production and distribution of Molded & Slab Foam and the Development of Specialties, Foam Assembly with PP and Rubber Parts. Shaya design and build a sustainable Automotive community, through a well-equipped manufacturing unit, a well-knit Shaya Squad, a state of the art facility for testing and the ShayaQuality Assurance.

Shaya takes pride in innovation, collaboration and sustainability. Automotive foams, furniture foams, adhesives, chemicals used in moulded furniture & automotive parts, furniture components and so on and on all form part of the Shaya range of innovation. The business is based in Chennai, has a branch office in Bengaluru, and has a brand presence in multiple states across the Country.

Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 27.03.2024 and the name of the Company was changed to Shaya Polymers Limited ("the Company " or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 29.06.2024 Registrar of Companies, Chennai with Corporate Identification Number U24100TN2017PLC115377.

1(B) Significant Accounting Policies

1 Basis of Preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

Principles of consolidation:

The consolidated financial statements comprise the financial statements of Shaya Polymers Limited (the Holding Company) and it's Subsidiaries Companies. The Financial Statements of all the companies are prepared according to uniform accounting policies, in accordance with generally accepted accounting principles in the countries of incorporation. The effects of intercompany transactions are eliminated on consolidation.

The companies included in the consolidation are Shaya Adhesives Private Limited and Shaya Polyurethanes Private Limited.

2 Revenue Recognition:

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and other taxes. Revenue is recognised once the performance obligation has been met. This is deemed to be when the goods and services have been collected by, or delivered to, the customer in accordance with the agreed delivery terms.

<u>Sale of Goods</u>

Revenue from, sale of goods including cartage is recognized in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

<u>Interest income</u>

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

<u>Other Income</u>

Other income is recognized on accrual basis.

3 Property Plant and Equipment Including Intangible Assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

4 Depreciation & Amortisation:

Depreciation on Fixed Assets is provided to the extent of the depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognized on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale. The Company has used the following rates to provide depreciation on fixed assets:

The estimated useful lives of assets are as follows:
Useful life of Property, Plant and Equipments

Sl. No	Asset	Useful Life - No of Years
1	Building	9.5%
2	Plant and Machinery	18.1%
3	Computers and Accessories	63.16%
4	Office Equipment	45.07%
5	Furniture and Fittings	25.89%
6	Commercial Vehicles	31.23%
7	Lab Equipment	25.89%
8	Two-wheeler	25.89%
9	Electrical Fittings	25.89%
10	Motor Car	25.89%
11	SIPCOT Land	Nil

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

5 **Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

6 **Employee Benefits:**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service. However the Company has not adopted any policy for payment of Bonus and that no amount has been charged to profit and loss account or provisioned in the balance sheet.

B. Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

7 **Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. As per the provisions applicable, MAT Assets are not recognised.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

8 **Accounting Concepts**

The Company follows a mercantile system of accounting and recognises income and expenditure on accrual basis.The accounts are prepared on a historical cost basis as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

9 **Investments:**

Long-term investments during the year are NIL. if any in the future would be stated at cost, and provision for diminution in value, other than temporary, is considered wherever necessary. Current investments in equity instruments it amounts to Rs 1,99,98,000/- and are carried at a lower of cost, Market value / Net asset value.

10 **Inventories:**

Cost includes cost of purchase and other costs included in bringing the inventories to their present location and condition. The method of valuation of various categories of inventory are as follows :-

1. Raw Materials : At lower of cost or net realisable value (FIFO Method)
2. Work in Progress & Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads
3. Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads based on normal operating capacity.
4. Stores, Spares & Packing Materials : At Cost (FIFO Method)

Inventories consisting of work in progress are valued at cost or net realisable value whichever is lower. Work-in-progress consisting of material, labour and other direct expenses are valued at cost incurred.

11 **Contingent Liabilities & Provisions**

Contingent Liabilities during the year are NIL. All known liabilities of a material nature would be provided for in the accounts. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognised as provisions.

12 **Cash and Cash equivalents**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

SHAYA POLYMERS LIMITED
(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)
CIN -U24100TN2017PLC115377

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

13 Related party disclosures

Name of the related party	Nature of Relationship
Mr. Ram Sai Yelamanchili Mrs. Sireesha Yelamanchili	Directors - Key Management personnel
Mr. Ram Sai Yelamanchili Mrs. Sireesha Yelamanchili	Husband & Wife

14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

EPS	31-03-2024	31-03-2023
Net Profit / (Loss) after tax (in. Rs.)	3,71,62,246.38	82,68,779.22
Weighted average outstanding equity shares considered for basic & diluted EPS (Nos.)	51,16,883.00	46,89,041.00
Earning per share Basic & Diluted (in. Rs)	7.26	1.76
Nominal value per share (in. Rs.)	10	10
Nominal value per share (in. Rs.)	10	10

15 **Investments**

Investments that are readily realisable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary , in the value of long term investments.

16 **Cash Flow Statements**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company are segregated.

17 **Current and Non current classification:**

"An asset shall be classified as current when it satisfies any of the following criteria:
(a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within twelve months after the reporting date; or it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
All other assets shall be classified as non-current."

"An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months."

"A liability shall be classified as current when it satisfies any of the following criteria:
(a) it is expected to be settled in the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the reporting date; or
(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current."

18 Corporate Social Responsibility (CSR):
There is no applicability towards CSR and hence no such contributions are made.

19 Proposed Dividend Details:
The Company has not declared dividend during the period under review.

20 Details of Benami Property Held:
There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

21 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with the banks or financial institutions are done periodically. The Amount as per the Quaterly returns of the Inventory and Book Debts submitted to the banks were lower than the amount as per the books of account and accordingly did not effect the drawing power and the security cover in accordance with the sanction terms.

22 **Wilful Defaulter:**

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

23 **Relationship with Struck off Companies:**

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

24 **Compliance with Number of Layers of Companies:**

The Company has Two wholly owned subsidiaries namely Shaya Adhesives Private Limited and Shaya Polyurethanes Private Limited. WOS are under the exception of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

25 **Compliance with Approved Scheme(s) of Arrangements:**

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

26 **Utilisation of Borrowed Funds or Share Premium**

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

27 **Payment to the Statutory Auditor:**

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees & Tax Audit Fees	2,00,000	1,00,000
Total	2,00,000	1,00,000

28 **Corporate Social Responsibility:**

The applicability towards CSR has not commenced yet and no such contributions are made

29 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exist at the date as at which balance sheet made up.

30 **Undisclosed Income:**

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1061 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

31 **Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

32 **Dues to Micro, Small and Medium Enterprise (MSME):**

There are no dues towards micro, small and medium enterprises.

33 **Registration of Charges or Satisfaction with registrar of Companies :**

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period except for vehicle loans availed by the Company for which the company has filed compounding application under the provisions of the companies act, 2013.

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

34 **Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of Related Parties	Description
1 Mr. Ram Sai Yelamanchili	Chairman cum Managing Director
2 Mrs. Sireesha Yelamanchili	Whole Time Director cum CFO
3 Mr. Srinivasa Sumanth Takkellapati	Whole Time Director
4 Mrs. Vani Takkellapati	Non Independent & Non- Executive Director
5 Mr. Muthukumaran Jayaraman	Independent Director
6 Mr. Subbarayalu Kumar	Company Secretary cum Compliance Officer
7 Mr. Tiruvellore Kesavan Premkumar	Independent Director
8 Mr. Gnanasambandam Venkataraghavan	Independent Director
9 Shaya Polyurethanes Private Limited	Wholly Owned Subsidiary
10 Shaya Adhesives Private Limited	Wholly Owned Subsidiary

II. Transactions with related parties

(Rupees in Lakhs)

Particulars	Nature of Payment	Financial year	
		2023-24	2022-23
Mr. Ram Sai Yelamanchili	Remuneration	12,00,000.00	-
Mrs. Sireesha Yelamanchili	Remuneration	3,00,000.00	-
Mr. Srinivasa Sumanth Takkellapati	Remuneration	3,00,000.00	-
			-
TOTAL		18,00,000.00	-

Notes to related party disclosure:
1. Mrs. Sireesha Yelamanchili was appointed as the Chief Financial officer on 18-03-2024
2. Mr Muthukumar Jayaraman was appointed as independent director on 27-03-2024.
3. Mr Subbarayalu Kumar was appointed as compliance officer on 18-03-2024
4. Mr Tiruvellore Kesavan Premkumar was appointed on 27-03-2024
5. Mr Gnanasambandam Venkataraghavan was appointed on 27-03-2024

35 **Income Taxes:**

I . Minimum Alternate Tax

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax *(Rupees in Lakhs)*

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	1,14,95,737	23,38,316
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	1,14,95,737	23,38,316

36 **Employee Benefit (Incurred in India):**

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(Rupees In Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Liability as at the Beginning of the Period	8,83,044	-
Net Expenses in P/L A/c	4,18,641	-
Benefits Paid	-	-
Net Liability as at the End of the Period	13,01,685	-
Present Value of Gratuity Obligation (Closing)	**13,01,685**	-

SHAYA POLYMERS LIMITED
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Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

(ii) Expenses Recognised in Statement of Profit and Loss during the Year:

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	66,405	-
Current Service Cost	3,29,136	-
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	23,100	-
Net Expenses to be Recognized in P&L	4,18,641	-
Total	4,18,641	-

(iii) Changes in Benefit Obligations:

(Rupees in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined benefit Obligation	8,83,044	-
Current service Cost	3,29,136	-
Interest Cost for the Year	66,405	-
Actuarial Losses (gains)	23,100	-
Benefits Paid	-	-
Closing Defined benefit Obligation	13,01,685	-
Total	13,01,685	-

Actuarial Assumptions:

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Rate of Discounting	7.23%	NA
Salary Escalation	7%	NA
Attrition Rate	10%	NA
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	NA

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

37 Cash Flow Statement:

(1) The amount of significant cash and cash equivalent balances held by the group as at March 31, 2024 was Rs.2,33,68,435/- that are available for use by Company.

(2) Company does not have undrawn borrowing facilities that may be available for future operating activities.

(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.

(4) Company is investing adequately in the maintenance of its operating capacity.

(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures: *(Rupees in Lakhs)*

I. Components of Cash and Cash Equivalents:	For the period ended March 31, 2024	March 31, 2023
Consolidated:		
Cash on Hand	43,936	11,95,833
Balance with Banks	98,75,277	1,91,628
Fixed Deposits with Banks	1,34,49,222	22,12,986
Total Components of Cash and Cash Equivalents	2,33,68,435	36,00,446

38 Changes in Accounting Policies:

There are no changes in Accounting Policy made by the Company for the year ended 31st March 2024.

SHAYA POLYMERS LIMITED Chennai 602 117

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

39 **Disclosures on Property, Plant and Equipment and Intangible Assets:**

1. Property, Plant and Equipment

(1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.

(2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.

(3) Company has no Impairment loss during the period for Property, Plant & Equipment.

(4) Assets are periodically checked for active usage and those which are retired are written off.

(5) There are no temporarily idle property, plant and equipment.

(6) Intangible asset is amortised as per Schedule II.

(7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.

(8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

40 **Capital Work in Progress (CWIP)**

Capital Work in Progress (CWIP) represents costs incurred for property, plant, equipment, and other tangible assets that are still under construction or development at the end of the reporting period. These costs will be capitalized as tangible fixed assets once the asset is ready for its intended use. The financial statements are prepared in accordance with the applicable accounting standards and the generally accepted accounting principles. The cost of CWIP includes all directly attributable expenditure to bring the asset to its working condition for its intended use. CWIP includes construction costs, costs of materials, labor, and overheads directly attributable to the construction of the asset. Expenditures are capitalized as CWIP when incurred if it is probable that future economic benefits associated with the asset will flow to the entity and the cost can be measured reliably. Once the asset is ready for its intended use, it is reclassified to the appropriate category of tangible fixed assets.

41 **Research and Development Cost**

Research and development (R&D) costs are expenditures incurred in the search for new or improved products, processes, or services. These costs include research activities aimed at obtaining new knowledge and development activities directed towards applying research findings or other knowledge to plan or design new or significantly improved products, processes, or services before the start of commercial production or use. The financial statements are prepared in accordance with the applicable accounting standards and generally accepted accounting principles. The treatment of R&D costs is based on whether they meet the criteria for capitalization or expensing.

Research Costs: Expenditures on research activities are recognized as an expense when incurred.
Development Costs: Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate: –

The technical feasibility of completing the intangible asset so that it will be available for use or sale.
Its intention to complete and its ability to use or sell the asset.
How the asset will generate future economic benefits.
The availability of resources to complete the asset.
The ability to measure reliably the expenditure during development.

42 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

43 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

44 **Ratios:** As per Guidance Note of ICAI Analytical Ratios are not mandatory to be presented in Consolidated Financial Statement.

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 0069005
Peer Review Certificate No:

For and on behalf of the Board of Directors of Shaya Limited

ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

S.Sathish Kumar
Partner
Membership No: 224284
UDIN: 24224384BKAVEV
Place: Chennai
Date: 01/07/2024

Ram Sai Yelamanchili
Managing Director

DIN: 07716108
Place: Chennai

Sireesha Yelamanchili
Director & CFO

DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer

M.No: A45300
Place: Chennai

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

1. Company Overview & Significant Accounting Policies

1(A) Company Overview

Shaya Polymers Limited, 'the Company', was incorporated on 08 March 2017 in Chennai. The company was formerly known as Shaya polymers Private limited. It is an evolving Manufacturer that focuses on the production and distribution of Molded & Slab Foam and the Development of Specialties, Foam Assembly with PP and Rubber Parts, Shaya design and build a sustainable Automotive community through a well-equipped manufacturing unit, a well-knit Shaya Squad, a state of the art facility for testing and the ShayaQuality Assurance.

Shaya takes pride in innovation, collaboration and sustainability.Automotive foams, furniture foams, adhesives, chemicals used in moulded furniture & automotive parts, furniture components and so on and on all form part of the Shaya range of innovation. The business is based in Chennai, has a branch office in Bengaluru, and has a brand presence in multiple states across the Country.

Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 27.03.2024 and the name of the Company was changed to Shaya Polymers Limited ("the Company " or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 29.06.2024 Registrar of Companies, Chennai with Corporate Identification Number U24100TN2017PLC115377.

1(B) Significant Accounting Policies

1 Basis of Preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.
Principles of consolidation:

The consolidated financial statements comprise the financial statements of Shaya Polymers Limited (the Holding Company) and it's Subsidiaries Companies. The Financial Statements of all the companies are prepared according to uniform accounting policies, in accordance with generally accepted accounting principles in the countries of incorporation. The effects of intercompany transactions are eliminated on consolidation.

The companies included in the consolidation are Shaya Adhesives Private Limited and Shaya Polyurethanes Private Limited.

2 Revenue Recognition:

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, GST and other taxes. Revenue is recognised once the performance obligation has been met. This is deemed to be when the goods and services have been collected by, or delivered to, the customer in accordance with the agreed delivery terms.

<u>Sale of Goods</u>

Revenue from, sale of goods including cartage is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

<u>Interest income</u>
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

<u>Other Income</u>
Other income is recognized on accrual basis.

3 Property Plant and Equipment Including Intangible Assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

4 Depreciation & Amortisation:

Depreciation on Fixed Assets is provided to the extent of the depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Depreciation on assets acquired/sold during the year is recognized on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale. The Company has used thefollowing rates to provide depreciation on fixed assets:

The estimated useful lives of assets are as follows:
Useful life of Property, Plant and Equipments

Sl. No	Asset	Useful Life - No of Years
1	Building	9.5%
2	Plant and Machinery	18.1%
3	Computers and Accessories	63.16%
4	Office Equipment	45.07%
5	Furniture and Fittings	25.89%
6	Commercial Vehicles	31.23%
7	Lab Equipment	25.89%
8	Two-wheeler	25.89%
9	Electrical Fittings	25.89%
10	Motor Car	25.89%
11	SIPCOT Land	Nil

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ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

5 **Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

6 **Employee Benefits:**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service. However the Company has not adopted any policy for payment of Bonus and thus no amount has been charged to profit and loss account or provisioned in the balance sheet.

B. Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

7 **Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below.

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961. As per the provisions applicable, MAT Assets are not recognised.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

8 **Accounting Concepts**

The Company follows a mercantile system of accounting and recognizes income and expenditure on accrual basis.The accounts are prepared on a historical cost basis as a going concern.Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

9 **Investments:**

Long-term investments during the year are NIL if any in the future would be stated at cost, and provision for diminution in value, other than temporary, is considered wherever necessary. Current investments in equity instruments it amounts to Rs 1,99,98,000/- and are carried at a lower of cost, Market value / Net asset value.

10 **Inventories:**

Cost includes cost of purchase and other costs included in bringing the inventories to their present location and condition. The method of valuation of various categories of inventory are as follows :-

1. Raw Materials : At lower of cost or net realisable value (FIFO Method)
2. Work in Progress & Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads.
3. Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads based on normal operating capacity.
4. Stores, Spares & Packing Materials : At Cost (FIFO Method)

Inventories consisting of work in progress are valued at cost or net realisable value whichever is lower. Work-in-progress consisting of material, labour and other direct expenses are valued at cost incurred.

11 **Contingent Liabilities & Provisions**

Contingent Liabilities during the year are NIL. All known liabilities of a material nature would be provided for in the accounts. As regards Provisions, it is only those obligations arising from past events existing independently of an enterprise's future actions that are recognized as provisions.

12 **Cash and Cash equivalents**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

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ELANGOVAN & CO. CHENNAI 600 004 CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

13 **Related party disclosure**

Name of the related party	Nature of Relationship
Mr. Ram Sai Yelamanchili Mrs. Sireesha Yelamanchili	Directors - Key Management personnel
Mr. Ram Sai Yelamanchili Mrs. Sireesha Yelamanchili	Husband & Wife

14 **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

EPS	31-03-2024	31-03-2023
Net Profit / (Loss) after tax (in. Rs.)	0.0037	82.69
Weighted average outstanding equity shares considered for basic & diluted EPS (Nos.)	51.17	40.89
Earning per share Basic & Diluted (in. Rs)	7.26	1.76
Nominal value per share (in. Rs.)	10	10
Nominal value per share (in. Rs.)	10	10

15 <u>Investments</u>

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary , in the value of long term investments.

16 <u>Cash Flow Statements</u>

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company are segregated.

17 <u>Current and Non current classification:</u>

"An asset shall be classified as current when it satisfies any of the following criteria:
(a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realized within twelve months after the reporting date; or it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
All other assets shall be classified as non-current."

"An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months."

"A liability shall be classified as current when it satisfies any of the following criteria:
(a) it is expected to be settled in the company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the reporting date; or
(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current."

18 **Corporate Social Responsibility (CSR):**
There is no applicability towards CSR and hence no such contributions are made.

19 **Proposed Dividend Details:**
The Company has not declared dividend during the period under review.

20 **Details of Benami Property Held:**
There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

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Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

21 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with the banks or financial institutions are done periodically. The Amount as per the Quaterly returns of the Inventory and Book Debts submitted to the banks were lower than the amount as per the books of account and accordingly did not effect the drawing power and the security cover in accordance with the sanction terms.

22 **Wilful Defaulter:**

The company is not declared as wilful defaulter by any bank or financial institution or other lender.

23 **Relationship with Struck off Companies:**

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

24 **Compliance with Number of Layers of Companies:**

The Company has Two wholly owned subsidiaries namely Shaya Adhesives Private Limited and Shaya Polyurethanes Private Limited. WOS are under the exceptions of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

25 **Compliance with Approved Scheme(s) of Arrangements:**

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

26 **Utilisation of Borrowed Funds or Share Premium**

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

27 **Payment to the Statutory Auditor:**

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees & Tax Audit Fees	2.00	1.00
Total	2.00	1.00

28 **Corporate Social Responsibility:**

The applicability towards CSR has not commenced yet and no such contributions are made.

29 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

30 **Undisclosed Income:**

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

31 **Details of Crypto Currency or Virtual Currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

32 **Dues to Micro, Small and Medium Enterprise (MSME):**

There are no dues towards micro, small and medium enterprises.

33 **Registration of Charges or Satisfaction with registrar of Companies :**

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period except for vehicle loans availed by the Company for which the company has filed compounding application under the provisions of the companies act, 2013.

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CHARTERED ACCOUNTANTS

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

34 **Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of Related Parties	Description
1 Mr. Ram Sai Yelamanchili	Chairman cum Managing Director
2 Mrs. Sireesha Yelamanchili	Whole Time Director cum CFO
3 Mr. Srinivasa Sumanth Takkellapati	Whole Time Director
4 Mrs. Vani Takkellapati	Non Independent & Non- Executive Director
5 Mr. Muthukumaran Jayaraman	Independent Director
6 Mr. Subbarayalu Kumar	Company Secretary cum Compliance Officer
7 Mr. Tiruvellore Kesavan Premkumar	Independent Director
8 Mr. Gnanasambandam Venkatraghavan	Independent Director
9 Shaya Polyurethanes Private Limited	Wholly Owned Subsidiary
10 Shaya Adhesives Private Limited	Wholly Owned Subsidiary

II. Transactions with related parties

(Rupees in Lakhs)

Particulars	Nature of Payment	Financial year	
		2023-24	2022-23
Mr. Ram Sai Yelamanchili	Remuneration	12.00	-
Mrs. Sireesha Yelamanchili	Remuneration	3.00	-
Mr. Srinivasa Sumanth Takkellapati	Remuneration	3.00	-
		-	-
TOTAL		18.00	-

Notes to related party disclosure:

1. Mrs. Sireesha Yelamanchili was appointed as the Chief Financial officer on 18-03-2024
2. Mr Muthukumar Jayaraman was appointed as independent director on 27-03-2024.
3. Mr Subbarayalu Kumar was appointed as compliance officer on 18-03-2024.
4. Mr Tiruvellore Kesavan Premkumar was appointed on 27-03-2024
5. Mr Gnanasambandam Venkataraghavan was appointed on 27-03-2024

35 **Income Taxes:**

I. Minimum Alternate Tax

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax *(Rupees in Lakhs)*

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Current Tax	114.96	23.39
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	114.96	23.39

36 **Employee Benefit (Incurred in India):**

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(Rupees in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Net Liability as at the Beginning of the Period	8.83	-
Net Expenses in P/L A/c	4.19	-
Benefits Paid	-	-
Net Liability as at the End of the Period	13.02	-
Present Value of Gratuity Obligation (Closing)	13.02	-

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

(ii) Expenses Recognized in Statement of Profit and Loss during the Year:

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Interest Cost	0.66	-
Current Service Cost	3.29	-
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailment Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	0.23	-
Net Expenses to be Recognized in P&L	4.19	-
Total	4.19	-

(iii) Changes in Benefit Obligations:

(Rupees in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Defined benefit Obligation	8.83	-
Current service Cost	3.29	-
Interest Cost for the Year	0.66	-
Actuarial Losses (gains)	0.23	-
Benefits Paid	-	-
Closing Defined benefit Obligation	13.02	-
Total	13.02	-

Actuarial Assumptions:

(Rupees in Lakhs)

Particulars	For the period ended March 31, 2024	For the year ended March 31, 2023
Rate of Discounting	7.23%	NA
Salary Escalation	7%	NA
Attrition Rate	10%	NA
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	NA

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

37 **Cash Flow Statement:**

(1) The amount of significant cash and cash equivalent balances held by the group as at March 31, 2024 was Rs.2,33,68,435/- that are available for use by Company.

(2) Company does not have undrawn borrowing facilities that may be available for future operating activities.

(3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.

(4) Company is investing adequately in the maintenance of its operating capacity.

(5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

Additional Disclosures: *(Rupees in Lakhs)*

I. Components of Cash and Cash Equivalents:	For the period ended March 31, 2024	March 31, 2023
Consolidated:		
Cash on Hand	0.44	11.96
Balance with Banks	98.75	1.92
Fixed Deposits with Banks	134.49	22.12
Total Components of Cash and Cash Equivalents:	233.68	36.00

38 **Changes in Accounting Policies:**

There are no changes in Accounting Policy made by the Company for the year ended 31st March 2024

SHAYA POLYMERS LIMITED
(Formerly Known as SHAYA POLYMERS PRIVATE LIMITED)
CIN - U24100TN2017PLC115377

Notes to Consolidated Financial Statements for the Period Ended March 31, 2024 *(Rupees in Lakhs)*

39 **Disclosures on Property, Plant and Equipment and Intangible Assets:**

I. Property, Plant and Equipment

(1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.

(2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.

(3) Company has no Impairment loss during the period for Property, Plant & Equipment.

(4) Assets are periodically checked for active usage and those which are retired are written off.

(5) There are no temporarily idle property, plant and equipment.

(6) Intangible asset is amortised as per Schedule II.

(7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.

(8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

40 **Capital Work In Progress (CWIP)**

Capital Work in Progress (CWIP) represents costs incurred for property, plant, equipment, and other tangible assets that are still under construction or development at the end of the reporting period. These costs will be capitalized as tangible fixed assets once the asset is ready for its intended use. The financial statements are prepared in accordance with the applicable accounting standards and the generally accepted accounting principles. The cost of CWIP includes all directly attributable expenditure to bring the asset to its working condition for its intended use.CWIP includes construction costs, costs of materials, labor, and overheads directly attributable to the construction of the asset.Expenditures are capitalized as CWIP when incurred if it is probable that future economic benefits associated with the asset will flow to the entity and the cost can be measured reliably. Once the asset is ready for its intended use, it is reclassified to the appropriate category of tangible fixed assets.

41 **Research and Development Cost**

Research and development (R&D) costs are expenditures incurred in the search for new or improved products, processes, or services. These costs include research activities aimed at obtaining new knowledge and development activities directed towards applying research findings or other knowledge to plan or design new or significantly improved products, processes, or services before the start of commercial production or use. The financial statements are prepared in accordance with the applicable accounting standards and generally accepted accounting principles. The treatment of R&D costs is based on whether they meet the criteria for capitalization or expensing.

Research Costs: Expenditures on research activities are recognized as an expense when incurred.
Development Costs: Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate: -

The technical feasibility of completing the intangible asset so that it will be available for use or sale.
Its intention to complete and its ability to use or sell the asset.
How the asset will generate future economic benefits.
The availability of resources to complete the asset.
The ability to measure reliably the expenditure during development.

42 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

43 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

44 **Ratios:** As per Guidance Note of ICAI Analytical Ratios are not mandatory to be presented in Consolidated Financial Statement.

As per our report of even date attached
for Elangovan & Co.,
Chartered Accountants
Firm's Registration No: 00[illegible]
Peer Review Certificate N[illegible]

ELANGOVAN & CO. CHARTERED ACCOUNTANTS CHENNAI 600 004

S Sathish Kumar
Partner
Membership No: 2263[illegible]
UDIN: 24226384BKAV[illegible]
Place: Chennai
Date: 01/07/2024

For and on behalf of the Board of Directors of Shaya Limited

Ram Sai Yelamanchili
Managing Director

DIN: 07716108
Place: Chennai

Sireesha Yelamanchili
Director & CFO

DIN: 07716137
Place: Chennai
Date : 01/07/2024

S Kumar
Company Secretary Cum Compliance Officer

M.No: A45300
Place: Chennai

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SHAYA POLYMERS LIMITED
CIN -U24100TN2017PLC115277

Notes Forming Part of the Financial Statements as at 31-03-2024

Note No. 12 : Property, Plant & Equipments

(Rupees in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As on 01.04.2023	Addition during the year	Deduction during the year	As on 31.03.2024	As on 01.04.2023	For the year	Deduction during the year	As on 31.03.2024	As on 31.03.2024	As on 31.03.2023
12.1	Tangible Assets										
a	SIPCOT Land	590.39	-	-	590.39	-	-	-	-	590.39	590.39
b	Building	4.44	950.00	-	954.44	1.48	4.47	-	5.95	948.49	2.96
c	Computer & Accessories	4.78	1.11	-	5.90	3.49	0.96	-	4.45	1.45	1.29
d	Electrical & Fittings	10.89	9.09	-	19.98	5.45	1.85	-	7.30	12.68	5.44
e	Furniture & Fittings	22.69	-	-	22.69	16.40	1.63	-	18.03	4.66	6.29
f	Office Equipments	22.45	1.66	-	24.11	16.36	3.08	-	19.44	4.67	6.09
g	Plant & Machinery	402.19	33.20	-	435.40	126.93	50.19	-	177.12	258.28	275.27
h	Lab Equipment	0.78	-	-	0.78	0.54	0.05	-	0.59	0.19	0.24
i	Two wheeler	1.36	-	-	1.36	0.85	0.13	-	0.98	0.38	0.51
j	Motor Car	41.21	-	-	41.21	12.01	7.56	-	19.57	21.64	29.20
k	Motor Van	9.34	-	-	9.34	7.53	0.57	-	8.09	1.24	1.81
l	Tools & Dies	0.80	-	-	0.80	0.39	0.07	-	0.46	0.34	0.41
m	Vehicle	9.86	-	-	9.86	6.91	0.85	-	7.75	2.11	2.95
		-	-	-	-	-	-	-	-	-	-
	Total	1,121.38	995.47	-	2,116.25	198.33	71.41	-	269.74	1,846.52	922.80
	(Previous Year)	404.44	716.75	-	1,121.18	123.85	84.47	-	198.33	922.86	274.58
12.2	Intangible Asset	-	-	-	-	-	-	-	-	-	-
a	Software	0.47	-	-	0.47	0.45	0.01	-	0.46	0.01	0.02
b	Trade Mark	1.00	-	-	1.00	0.37	0.40	-	0.77	0.23	0.63
	Total	1.47	-	-	1.47	0.82	0.41	-	1.23	0.24	0.65
	(Previous Year)	0.47	1.00	-	1.47	0.42	0.40	-	0.82	0.65	0.05
12.3	Capital Work in Progress	-	806.37	-	806.37	-	-	-	-	806.37	-
	Total	-	806.37	-	806.37	-	-	-	-	806.37	-
	(Previous Year)	-	-	-	-	-	-	-	-	-	-
12.4	Intangible assets under development	-	44.39	-	44.39	-	-	-	-	44.39	-
	Total	-	44.39	-	44.39	-	-	-	-	44.39	-
	(Previous Year)	-	-	-	-	-	-	-	-	-	-

CWIP/Intangible assets under development aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Capital-work-in progress/Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

SHAYA POLYMERS LIMITED Chennai 602 117

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