



technopoints

GROWING FORWARD...@2035



Annual Report 2023 - 2024



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JOURNEY SO FAR...

Techno Paints has established itself as a dynamic player in the Indian paint industry. Beginning with a focus on quality and innovation, the company has grown steadily by offering a wide range of products that cater to both decorative and industrial segments. From its inception, Techno Paints emphasized customer satisfaction and sustainable solutions, earning a strong reputation for its eco-friendly and durable paints.

As the company expanded, it ventured into multi-metro cities and diversified its portfolio, including decorative paints, industrial coatings, and specialized finishes. With strategic collaborations and continuous investment in research and development, Techno Paints has been able to meet the evolving demands of various sectors such as residential, commercial, and infrastructure projects.

The brand's success can be attributed to its robust distribution network, efficient supply chain, and innovation-driven approach. In addition, Techno Paints' focus on customer engagement through experience centers and its expansion into new geographies and verticals has solidified its position in the market.

As it continues to grow, Techno Paints aims to further strengthen its presence in export markets and explore new opportunities in government contracts, business chains, and institutional segments, with a vision of becoming a leading name in the global paint industry by 2035.



MESSAGE FROM CHAIRMAN

As we reflect on the 23rd year of Techno Paints' legacy, I extend my heartfelt gratitude to our customers, employees, and stakeholders for their support. Over the years, Techno Paints has evolved from a painting services provider to a leading comprehensive solutions partner in India, marked by innovation and excellence, and now preparing for an Initial Public Offering (IPO) next year, a milestone reflecting our growth, the trust of our patrons, and the vast potential we've realized in the painting and construction industry.

As we continue our expansion across product lines and geographies, we are focusing on strengthening our R&D capabilities to introduce a variety of high-performance products that cater to the evolving needs of our clients. From emulsions, primers, textures, and water-resistant putties to cutting-edge finishes, special finishes and construction chemicals, we are constantly innovating to provide quality and sustainable solutions for every project.

Looking ahead, Techno Paints is committed to its vision of growth and innovation. By 2035, we aim to achieve significant milestones across all business verticals, strengthening our market presence, expanding our manufacturing capabilities, and exploring new market opportunities. We are geared to meet the growing demands of the industry while staying true to our core values of quality, sustainability, and customer satisfaction.

I thank you once again for your trust and belief in Techno Paints. Together, we will achieve our vision and continue to grow, leaving a vibrant legacy for years to come.

**Sincerely,
Srinivasa Reddy Akuri
Chairman**

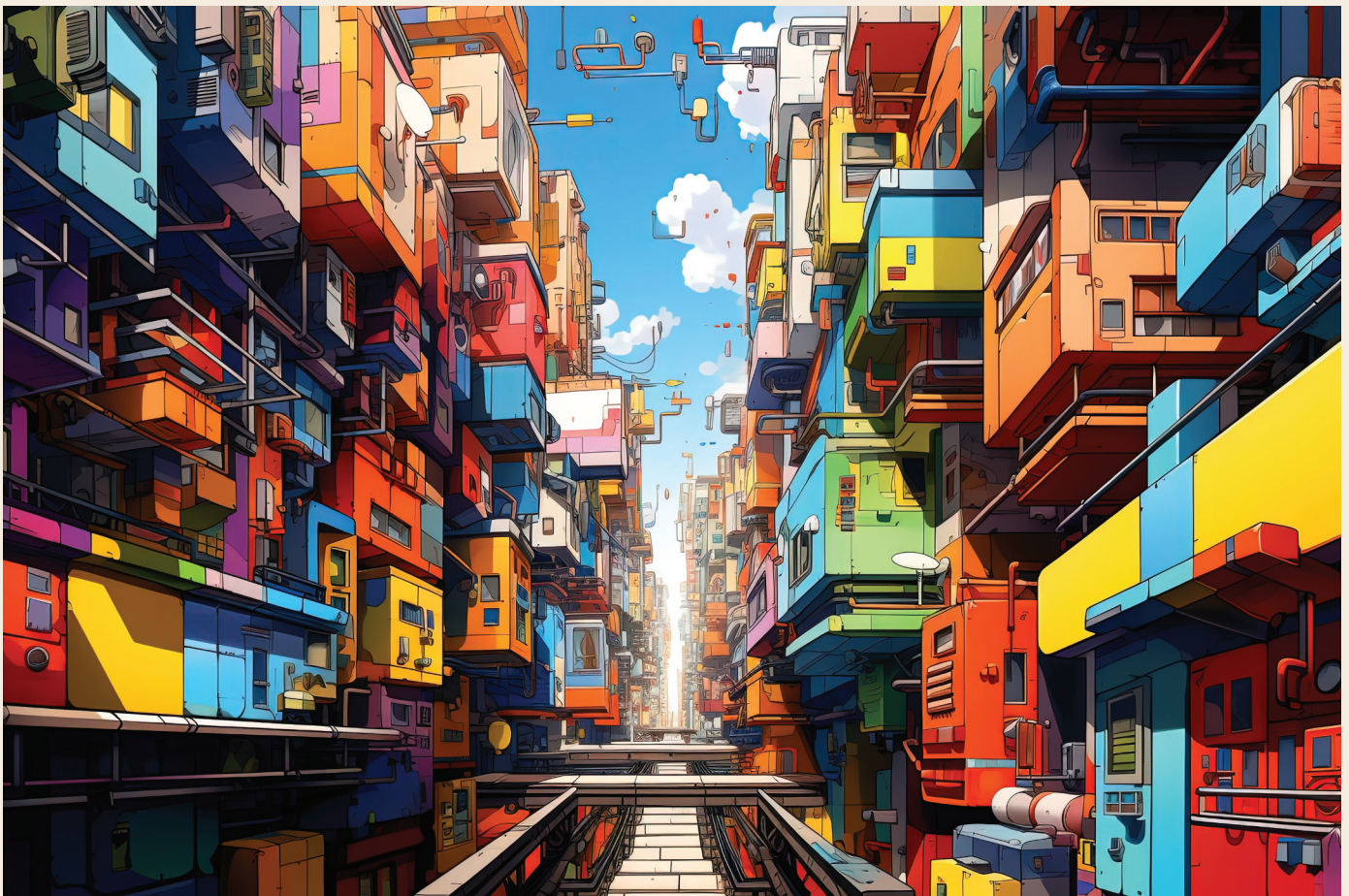


REALISING POTENTIAL - IS THE DRIVING FACTOR

In business, realizing one's potential is the key driving factor for success, often more crucial than understanding competition. Instead of focusing solely on external competitors, companies must concentrate on unlocking their own internal capabilities. This means leveraging strengths, innovating, and pushing boundaries to create unique value in the market.

Techno Paints has embraced this approach by recognizing its potential to target the growth of the industry across all verticals. The company understands the market needs and consistently aligns its strategies to cater to those demands. By focusing on realizing its own strengths, Techno Paints has cultivated a deep understanding of the painting ecosystem, recognizing that understanding the potential of the painting market is more critical than simply competing with others in the supply and application sectors.

By realizing their potential, companies like Techno Paints can differentiate themselves, establish a strong market presence, and build a loyal customer base. The path to success is about tapping into unutilized resources, refining skills, and consistently evolving, ensuring long-term sustainability and growth.



MESSAGE FROM VICE CHAIRMAN



GROWING FORWARD..... TECHNO@2035

TECHNO PAINTS has completed 23 successful years and is now set to become a listed company in 2024-25, aiming for significant growth over the next 40 quarters. As India moves towards becoming the third-largest economy by 2047, we have defined clear goals and milestones. With 3,000+ technicians and the capacity to paint 20 lakh square feet daily, we are the largest decorative painting services company, trusted by numerous developers. Yet, this is just the beginning, with immense opportunities ahead for growth and investment.

Developing human capital: Developing human capital has been central to TECHNO PAINTS' strategy and purpose. The company has nurtured 25 entrepreneurs from its employees and equipped both technical and non-technical teams with professional skills. TECHNO aims to cultivate 250 entrepreneurs as business partners while increasing its workforce tenfold as part of this mission.

Innovation: TECHNO PAINTS' robust R&D team is developing next-gen products that cater to the evolving expectations of India's new demographics in terms of quality, aesthetics, and uniqueness. Some of these innovative products are driving significant demand, and we plan to expand their availability nationwide and internationally through our exclusive EXPERIENCE CENTRES.

Geographical expansion: Painting services is a universal need and the TECHNO has a well-structured Painting Project Execution Model that can be replicated at any location of any continent. Moreover India as the largest affluent economy with median age of 28 is envisioned to experience painting the interiors of the house on their own frequently as a matter of pleasant family experience.

Value creation: TECHNO is sincerely committed to invest and reinvest the benefits derived from the committed endeavors of its members into fruitful avenues and see the investors, the employees and the families of the employees, its customers and also the end user common man.

Diversification: TECHNO is operating with a perfect architecture consisting of frameworks of business development and branding, R&D and production, logistics, execution, finance and economic engine, HR nurturing, administration and regulatory compliance.

I firmly believe TECHNO is the blue chip of Indian painting services sector much before 2035.

**Warm regards,
CVLN Murthy
Vice Chairman**



CURRENT YEAR PERFORMANCE — TILL NOW

So far, we have successfully achieved Rs.80 crore from corporate projects and Rs.5 crore from project supplies. The retail segment has contributed Rs.8 crore, while other segments have added Rs.6 crore to our total revenue. This performance reflects strong momentum across various verticals, with an overall revenue achievement of Rs.99 crore. We have also expanded our retail touch points to over 600 dealers, further strengthening our market presence.

ESTIMATED FOR THE NEXT 6 MONTHS

The next six months are critical as we focus on strategic initiatives to drive further growth. We expect around Rs.100 crore from corporate projects, Rs.9 crore from project supplies, 10 crore from the retail segment, and Rs.10 crore from other segments. With these targets, we aim to reach an approximate total revenue of Rs.250 crore by the end of the financial year.

Key areas of focus include scaling operations, launching new products, and enhancing customer engagement to support this growth. We are also looking to expand our retail dealer network to 850+ by the close of the financial year. By closely monitoring market trends and managing potential risks, we aim to optimize our performance and meet investor expectations while positioning ourselves for sustainable growth.

CEO's MESSAGE



Dear Shareholders, Partners, and Employees,

As we look back at our remarkable journey, I am filled with immense pride in what Techno Paints has achieved so far. From our humble beginnings to becoming one of the fastest-growing companies in the paint industry, our progress has been marked by relentless innovation, customer-centricity, and an unwavering commitment to quality.

Over the years, Techno Paints has expanded its footprint across multiple regions, and we have significantly grown our portfolio to include a wide range of products, addressing to diverse segments of the market. Our manufacturing capabilities have steadily scaled, enabling us to meet the evolving needs of our customers, while our research and development initiatives have introduced advanced products that resonate with the market demands.

2024 has been an exciting year of growth for us, as we continue to strengthen our position in the industry. Our investments in state-of-the-art manufacturing facilities and cutting-edge R&D have resulted in the launch of new, eco-friendly, and sustainable paint products that are well-aligned with the market trends. We have also expanded our distribution channels and entered new territories, further enhancing our brand presence. Looking ahead, we are poised for strong growth, driven by increasing demand for high-quality, sustainable paints. By 2035, we aim to boost market share, strengthen our global presence, and lead in innovative, eco-friendly paint solutions, delivering value to our customers, partners, and communities.

We are also gearing up for one of the most significant milestones in our company's history—our Initial Public Offering (IPO) planned for next year. This marks a new chapter for Techno Paints, and we are confident that this move will unlock tremendous value for our stakeholders. The IPO will enable us to accelerate our expansion plans, fund future innovations, and strengthen our position in the global market.

As we continue this exciting journey, I want to thank each of you—our dedicated employees, valued partners, and loyal customers—for your trust and support.

Let's continue to paint a brighter future!

Warm regards,
Anil Kondoth
CEO

GROWING FORWARD..... @ 2035

"As we look ahead to 2035, growth is anticipated across various geographies, verticals, and market segments, with an emphasis on expanding reach, innovating product offerings, and tapping into new business opportunities."

1. Geographies

Multi Metros: Expansion in multiple metro cities will drive urban market penetration, targeting growing demand for high-quality paints and coatings in fast-developing cities.

Export Markets: Exploring international markets for exporting products, particularly in emerging economies and countries with growing infrastructure development, will unlock new growth avenues.

2. Verticals

A. Product Offerings

Apply: Focus on application services, enhancing customer experience with efficient and professional solutions.

S&A (Supply & Application): Specialized surface treatments and application techniques that cater to both aesthetics and durability.

Decorative: Growth in decorative paints, targeting the residential and

commercial sectors with trendy and innovative finishes.

Masterbond: High-performance bonding solutions, catering to specialized construction and industrial requirements

Special Finishes: Niche and premium finishes, including textured and high-end coatings for luxury markets.

Industrial Paints: Focus on expanding the industrial paints division to cater to heavy industries, manufacturing, and infrastructure projects.

Experience Centres: Establish experience centers to provide customers with hands-on demonstrations and visualizations, enhancing product awareness and customer engagement.

B. Supply

Efficient and robust supply chains to ensure consistent delivery across all regions, focusing on timely fulfillment and maintaining product quality.

3. Segments

Business Houses: Focus on providing customized paint solutions for corporate buildings, factories, and office spaces.

Business Chains: Collaborate with retail and franchise chains for consistent branding and aesthetics across multiple locations.

Institutions: Serve educational institutions, healthcare facilities, and commercial complexes with durable and eco-friendly products.

Government Contracts: Leverage government projects to supply large-scale infrastructure, social, and industrial projects with high-quality paints.

Social Infra: Provide solutions for public buildings, transportation hubs, and community spaces, contributing to social infrastructure development.

Industrial Infra: Focus on heavy-duty paints for industrial infrastructure like warehouses, manufacturing plants, and ports, ensuring long-lasting protection and performance.

B2S (Business to Society): Engage in projects that emphasize sustainability and social impact, contributing to community development and eco-friendly infrastructure.





CONTEXT TO IPO – GROWTH

An Initial Public Offering (IPO) is a key milestone for companies aiming to access public markets for raising capital. It is a significant event in the growth journey of a business, providing a platform for expansion, innovation, and increased visibility. By going public, companies can attract substantial investment, which can be used for scaling operations, entering new markets, acquiring assets, and funding R&D.

An IPO also enhances the company's credibility, making it easier to secure financing in the future. Moreover, the increased public scrutiny and regulatory compliance that comes with an IPO foster improved governance and transparency, strengthening investor confidence. As the business grows post-IPO, it can leverage these funds and its public status to achieve long-term growth, expand shareholder value, and enhance its market position.

IPO ANY TIME AFTER 31-03-2025

Techno Paints is preparing for a potential Initial Public Offering (IPO) anytime after 31st March 2025. The company is actively working on strengthening its business operations, optimizing its financial performance, and ensuring compliance with regulatory requirements in anticipation of this milestone.

Efforts are being directed toward enhancing product lines, expanding market presence, and improving corporate governance. Techno Paints is also focusing on bolstering its supply chain, diversifying its verticals, and building strong relationships with key stakeholders. This IPO will mark a significant step in Techno Paints' growth journey, providing the company with the capital required for further expansion, innovation, and market leadership.

OUR PILLARS



AKURI SRINIVASA REDDY
FOUNDER & CHAIRMAN



CVLN MURTHY
VICE - CHAIRMAN



K ANIL
CEO



A SATYANARAYANA REDDY
DIRECTOR R & D



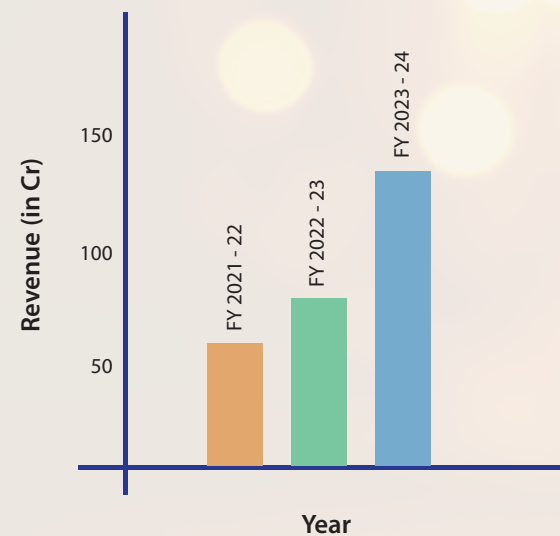
KRISHNA HARISH
DIRECTOR SALES & MARKETING



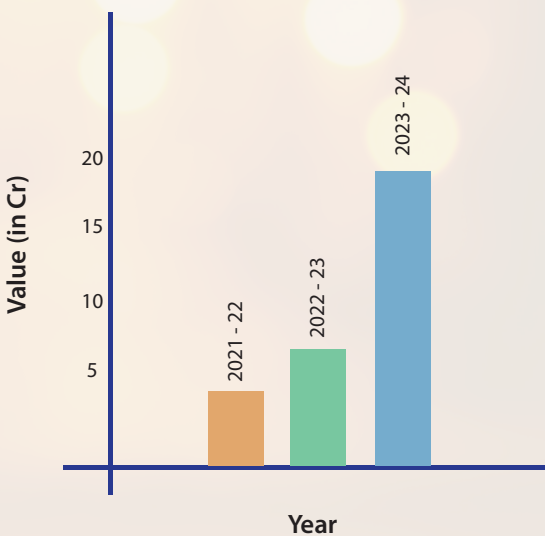
K SIVA REDDY
DIRECTOR - SUPPLY CHAIN

COMPARISON REPORT

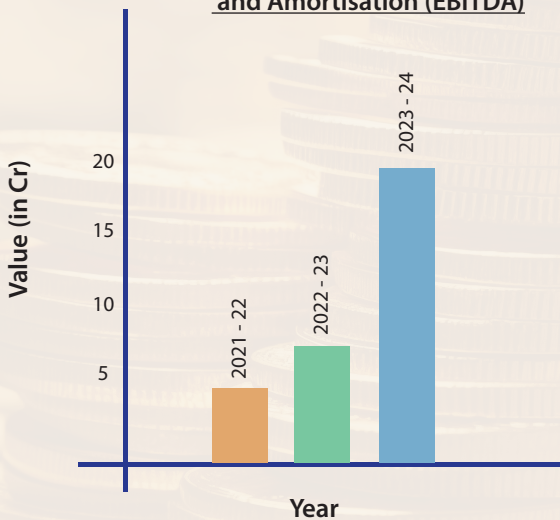
Revenue from Operations



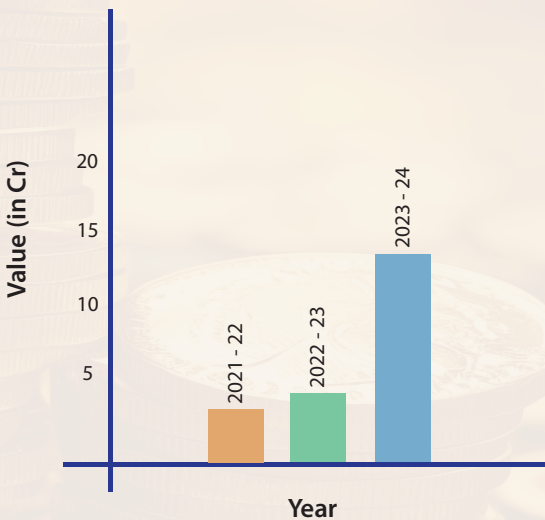
Profit Before Tax (P.B.T)



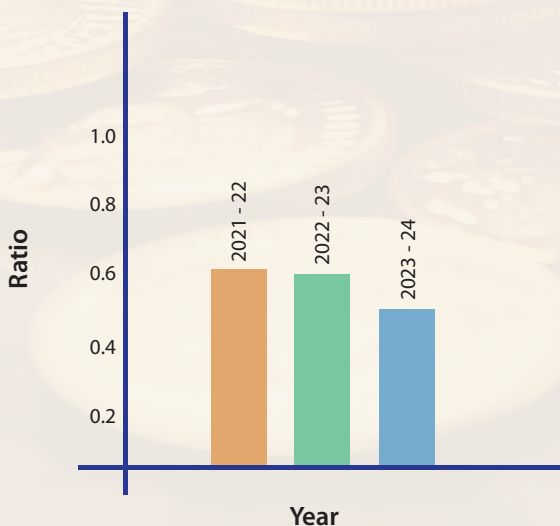
Earning Before Interest Tax, Depreciation and Amortisation (EBITDA)



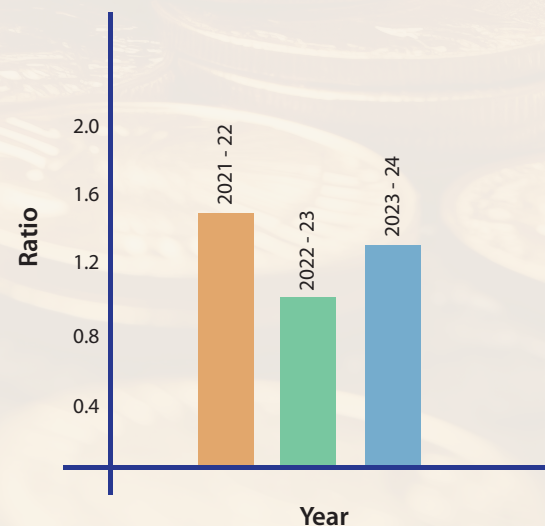
Profit After Tax (PAT)



Debt Equity Ratio - D/E Ratio



Current Ratio



RESEARCH & DEVELOPMENT

ADVANCING THE FUTURE OF PAINTS



TECHNO PAINTS' R&D CAPACITIES

Cutting-Edge R&D at Techno Paints' Centre

Techno Paints has established a state-of-the-art Research Centre located in Prashanti Nagar, Kukatpally, Hyderabad, dedicated to conducting cutting-edge research and technological advancements in the field of paints and coatings. The Research Centre is equipped with advanced laboratory facilities and employs a team of subject matter experts who engage in rigorous research and development activities.

BASIC TECHNOLOGY

Eco-Friendly Innovations: Techno Paints' Basic Tech Research

At Techno Paints Research Centre, the focus is on fundamental technological research aimed at advancing the understanding of various paint formulations, emulsions, additives, and pigments. This involves the development of environmentally friendly and people-friendly products by carefully selecting raw materials and avoiding the use of hazardous substances. The Research Centre also places a high emphasis on reducing volatile organic compounds (VOCs) during the paint application and curing processes, aligning with Techno Paints' commitment to sustainability and environmental responsibility.

APPLICATION TECHNOLOGY

Superior Results: Techno Paints' Application Tech Research

Techno Paints specializes in painting services, combining advanced paint formulations with innovative application techniques. Its Research Centre focuses on optimizing application methods to enhance appearance, performance, and efficiency, ensuring customer satisfaction. By integrating paint and application processes, Techno Paints consistently delivers superior results through continuous improvement and technological innovation. This commitment to excellence keeps the company at the forefront of the paints and coatings industry.

EXCELLENCE IN COATINGS: "TECHNO PAINTS' INNOVATION & SUSTAINABILITY"

Techno Paints' state-of-the-art Research Centre drives innovation with a focus on environmentally and people-friendly products. A team of experts conducts advanced research on paint technology and application methods, ensuring high performance and sustainability. Committed to customer satisfaction, Techno Paints leads the paints and coatings industry through continuous innovation and development.

OUR NEW LAUNCHES

Super Gloss
PU Enamel



Synthetic
Enamel



Ultra GP Synthetic
Enamel



Ultra Red
Oxide Primer



Zinc Metal
Primer



PU Colour Satin
Interior (2K)



PU Colour Gloss
Interior (2K)



PU Colour Gloss
Exterior (2K)



Primewood
Exterior PU (1K)



Primewood
Interior PU (1K)



Epoxy
Insulator



Epoxy
Primer



Melamine



NC Thinner
(Fast Drying)



NC Thinner
(Slow Drying)



Mineral
Turpentine Oil



NC Wood
Filler



Techno Wood
Sealer



Wood
Polish



Wood
Stainer



BRANDING & ADVERTISING

ADVERTISING



PRINT MEDIA

t.p technopoints

తీసా పాయింట్స్

ఫోన్ - 080-47-44, 3678023 కియా టెక్నాలజీస్ ప్రైవేట్ లిమిటెడ్ ఎ.ఎం. ఆర్. ఇంటి-4/50 323

SINCE 2001

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“రంగుల్లో నైట్ చాలు...టిక్కెట్ సియంట్.”
— మహేష్ బాబు

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with complete color gamut

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BRANDING & ADVERTISING

SOCIAL MEDIA



INDEPENDENT AUDITORS' REPORT

To
The Fortune Paints Private limited,
Hyderabad.

Report on the Financial Statements

We have audited the accompanying financial statements of Fortune Paints Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

Other Information

The Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Financial Statements and our auditors' report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 Companies Act, 2013, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure 1** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(a) 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;

(b) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

(c) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standard) Rules, 2015, as amended;

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

(e) 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 2**';

(f) 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 pending litigations as at 31st March 2024 which would impact the financial position;

ii. The Company has not entered into any long-term contracts including derivative contracts requiring provision under the applicable law or accounting standards, for material foreseeable losses;

iii. On the basis of information and explanations given to us and on our audit of books of account, there are no dues, required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

b. The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. On the basis of our examination and test checks, the feature of recording Audit trail (EditLog) facility in the Accounting Software used for maintaining accounts was not enabled during the financial year ending on 31st march, 2024.

For VASG & ASSOCIATES

Chartered Accountants

Firm Reg. No.006070S

Sd/-

(G.S.Sridhar)

Partner

M.No.026878

UDIN : **24026878BKCXIQ1348**

Place: Hyderabad

Date: 06-09-2024

“ANNEXURE-1” TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2024:

Sl. No	CARO Ref No.	Auditors Report
1	3 (i)	Fixed Assets
	3 (i)	The Company is in the process developing proper records showing full particulars, including quantitative details and situation of its property, plant and Equipment.
	3(i)(b)	The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
	3(i)(c)	The title deeds of immovable properties are held in the name of the Company
	3(i)(d)	The Company has not revalued its Property, Plant and Equipment during the year.
	3(i)(e)	According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2	3 (ii)	Inventories
	3(ii)(a)	The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
	3(ii)(b)	The Company has obtained working capital limits from Banks in excess of Rs. five Crores during the year under audit. As per our verification of records, information provided to us and explanations given to us, the quarterly returns and statements filed with the Banks are in agreement with the Books of account.
3	3(iii)	Loans given by the Company
		The Company has granted Unsecured loan to its Subsidiary named Fenetre UPVC Private limited for the purpose of business. The aggregate amount of loan given was Rs. 1,57,38,193/-, and the balance as on 31 st March, 2024 is Rs. NIL/-. As per the information and explanation given to us, the terms and conditions of the Loan is not prejudicial to the interest of the Company.
4	3(iv)	Compliance of Section 185 of the Companies Act 2013: Loan to directors, etc
		In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

5	3(v)	Acceptance of Deposits								
		The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.								
6	3(vi)	Maintenance of Cost Records								
		As informed to us, Maintenance of Cost Records specified by the Central Government under sub-section (1) of Section 148 of the Act, is not applicable to the company in respect of the activities carried on by the company.								
7	3(vii)	Deposit of Statutory dues								
	3(vii)(a)	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues including provident fund, Goods and Services Tax, Tax deducted at source and other statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, and other statutory dues which were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable. According to the information and explanations given to us, the company has not registered with the Employees State Insurance Act.								
	3(vii)(b)	According to the information and explanations given to us, there are no disputed dues relating to Income Tax or any other Statutory Acts with respect to any Pending Tax Assessments or Pending Appeals before Tax Authorities during the year. <table><tr><td>Nature of Statute</td><td>Amount</td><td>Period relating to</td><td>Forum where dispute is pending</td></tr><tr><td>Income Tax</td><td>Rs.66,08,065/-</td><td>FY 2021-22</td><td>CIT (Appeals)</td></tr></table>	Nature of Statute	Amount	Period relating to	Forum where dispute is pending	Income Tax	Rs.66,08,065/-	FY 2021-22	CIT (Appeals)
Nature of Statute	Amount	Period relating to	Forum where dispute is pending							
Income Tax	Rs.66,08,065/-	FY 2021-22	CIT (Appeals)							
8	3(viii)	Unrecorded Income								
		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in tax assessments under the Income tax Act, 1961 as income during the year.								
9	3(ix)	Defaults in repayment of loans to Banks and Financial Institutions								
	3(ix)(a)	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loans from banks or financial institutions								
	3(ix)(b)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.								

	3(ix)(c)	According to the information and explanations given to us by the management, the Company had utilised the term loan for the purpose for which the loan was taken.
	3(ix)(d)	According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been utilised for long term purposes. Accordingly, clause 3(ix)(d) of the Order is not applicable.
	3(ix)(e)	According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds for the purposes of its Subsidiary.
	3(ix)(f)	According to the information and explanation given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
10	3(x)	IPO / FPO/ Term loans
	3(x)(a)	Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x)(a) of the Order are not applicable to the Company and hence not commented upon.
	3(x)(b)	According to the information and explanation given to us and on the basis of our examinations of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
11	3(xi)	Frauds by or on the Company
	3(xi)(a)	Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
	3(xi)(b)	According to the information and explanations given to us, no report under Section 143 (12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	3(xi)(c)	There were no whistle blower complaints received by the Company during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable.
12	3(xii)	Nidhi Company
		In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13	3(xiii)	Related Party Transactions
		As per the explanations given to us and the records of the Company, in our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14	3(xiv)	Internal Audit
	3(xiv)(a)	Based on information and explanations provided to us and our audit procedures, in our opinion, the Company does not have an internal audit system. The Company is not required to have Internal Audit system as per the provisions of Section 138 of the Companies Act, 2013.
15	3(xv)	Non-cash Transactions with directors
		In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
16	3(xvi)	Registration under RBI Act, 1934
	3(xvi)(a)	In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.
	3(xvi)(b)	The company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi)(b) of the Order is not applicable to the Company.
	3(xvi)(c)	The Company is not a Core Investment Company (CIC) as defined in the regulations is made by the Reserve Bank of India. Accordingly, clause 3 (xvi)(c) of the Order is not applicable to the Company.
	3(xvi)(d)	According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, clause 3 (xvi)(d) of the Order is not applicable to the Company.
17	3(xvii)	Cash Losses during the year
		The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
18	3(xviii)	Statutory Auditors' resignation
		There has been no resignation of Statutory Auditors during the year under review.
19	3(xix)	Financial ratios
		According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at on 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 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.

20	3(xx)	Unspent project funds in ongoing projects
		In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, clause 3 (xx) of the Order is not applicable to the Company.
21	3(xxi)	Audit Qualifications
		In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have any subsidiary. Accordingly, clause 3 (xxi) of the Order is not applicable to the Company.

For VASG & ASSOCIATES

Chartered Accountants

Firm Reg. No.006070S

Sd/-

(G.S.Sridhar)

Partner

M.No.026878

UDIN : **24026878BKCXIQ1348**

Place: Hyderabad

Date: 06-09-2024

ANNEXURE — 2 TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Liquors India Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the 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 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. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 audit opinion on the Company's internal financial controls 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 those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting

principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, 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.

For VASG & ASSOCIATES

Chartered Accountants

Firm Reg. No.006070S

Sd/-

(G.S.Sridhar)

Partner

M.No.026878

UDIN : **24026878BKCXIQ1348**

Place: Hyderabad

Date: 06-09-2024

Fortune Paints Private Limited
CIN:U24220TG2008PTC058787
Balance Sheet as at March 31,2024

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
I. EQUITY AND LIABILITIES			
1. Shareholders Funds			
Share Capital	1	1,10,40,000	92,00,000
Reserves and Surplus	2	28,16,86,645	15,09,46,652
		29,27,26,645	16,01,46,652
2. Non Current Liabilities			
Long Term Borrowings	3	16,04,25,889	9,15,50,506
Deferred Tax Liabilities	4	68,70,176	41,27,035
Other Long Term Liabilities	5	5,47,02,129	51,47,892
		22,19,98,194	10,08,25,433
3. Current Liabilities			
Short Term Borrowings	6	34,65,75,326	25,74,72,552
Trade Payables	7	27,17,41,417	14,37,24,152
Other Current Liabilities	8	6,85,85,682	1,29,28,745
Short Term Provisions	9	4,59,55,451	1,73,92,864
		73,28,57,876	43,15,18,313
Total Equity and Liabilities		1,24,75,82,715	69,24,90,398
II. ASSETS			
1. Non Current Assets			
Property, Plant, Equipment & Intangible Assets			
Property, Plant & Equipment	10	22,83,52,623	17,75,22,316
Capital Working Progress		63,50,200	3,99,06,270
Non Current Investments	11	1,47,04,010	-
Other Non Current Assets	12	38,69,482	21,11,271
		25,32,76,315	21,95,39,856
2. Current Assets			
Inventories	13	44,56,44,996	21,83,43,410
Trade Receivables	14	39,25,76,088	12,68,52,654
Cash and Cash Equivalents	15	4,43,77,076	6,06,75,574
Short Term Loans And Advances	16	73,97,600	1,70,83,717
Other Current Assets	17	10,43,10,640	4,99,95,187
		99,43,06,400	47,29,50,542
Total Assets		1,24,75,82,715	69,24,90,398
Significant Accounting Policies and Notes to Accounts	1 to 27		

As per Our Report of even Date
For VASG & ASSOCIATES
Chartered Accountants
Firm Regd. No. 006070S

Sd/-
(G.S. Sridhar)
Partner
M.No.026878
UDIN : 24026878BKCXI1348
Place : Hyderabad
Date : 06-09-2024

For and on behalf of the Board of Directors
Fortune Paints Private Limited

Sd/-
Srinivasa Reddy Akuri
Director
DIN : 01746988

Fortune Paints Private Limited
CIN:U24220TG2008PTC058787
Income Statement for the Year ended March 31, 2024

Particulars		Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
I	Incomes			
	Revenue from Operations	18	1,36,76,88,421	74,76,17,858
	Other Income	19	17,17,131	31,42,595
	Total Income (i)		1,36,94,05,552	75,07,60,453
II	Expenses			
	Cost of Materials Consumed	20	62,63,16,507	36,66,46,799
	Manufacturing Expenses	21	4,85,58,156	3,61,47,294
	Changes in Inventory	22	(17,83,81,551)	(13,20,36,380)
	Contract Expenses	23	42,45,53,427	32,03,15,591
	Employee Benefits Expenses	24	4,83,10,807	3,49,84,572
	Finance Costs	25	3,78,18,478	2,30,38,085
	Depreciation and Amortisation Expenses	10	1,37,82,631	68,55,783
	Other Expenses	26	16,80,88,511	3,04,07,790
	Total Expenses (ii)		1,18,90,46,967	68,63,59,533
III	Profit / (Loss) Before Tax		18,03,58,585	6,44,00,921
IV	Tax Expenses			
	Earlier Taxes			1,65,774
	Current Tax		4,59,55,451	1,73,92,864
	Deferred Tax		27,43,141	27,67,870
			4,86,98,592	2,03,26,508
V	Profit / (Loss) After Tax		13,16,59,993	4,40,74,413
	Dividend(Appropriation)		(9,20,000)	
	Net Profit available to Equity Shareholders		13,07,39,993	4,40,74,413
VI	Earnings Per Share			
	Basic & Diluted		119.26	47.91
	Number of Shares		11,04,000	9,20,000
Significant Accounting Policies and Notes to Accounts		1 to 27		

As per Our Report of even Date
For VASG & ASSOCIATES
Chartered Accountants
Firm Regd. No. 006070S

Sd/-
(G.S. Sridhar)
Partner
M.No.026878
UDIN : 24026878BKCXIQ1348
Place : Hyderabad
Date : 06-09-2024

For and on behalf of the Board of Directors
Fortune Paints Private Limited

Sd/-
Srinivasa Reddy Akuri
Director
DIN : 01746988

Sd/-
Akuri Sandhya
Director
DIN : 01982867

Fortune Paints Private Limited
CIN:U24220TG2008PTC058787
Cash Flow Statement for the Year ended March 31, 2024

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Cash Flow from Operating Activities		
Profit before Taxation	18,03,58,585	6,44,00,921
Non-Cash adjustment to reconcile Profit before Tax to Net Cash Flows:		
Depreciation & Amortisation	1,37,82,631	68,55,783
Finance Costs	3,78,18,478	2,30,38,085
Operating Profit before Working Capital Changes	23,19,59,695	9,42,94,788
Movements in Working Capital:		
(Increase)/Decrease in Other Current Assets	(5,43,15,453)	(2,15,68,766)
(Increase)/Decrease in Trade Receivables	(26,57,23,434)	(2,78,73,665)
(Increase)/Decrease in Inventories	(22,73,01,586)	(16,09,33,077)
(Increase)/Decrease in Other Non-Current Assets	(17,58,211)	60,000
Increase/(Decrease) in Short Term Provisions	2,85,62,587	71,38,767
Increase/(Decrease) in Short Term Borrowings	8,91,02,773	18,77,75,125
Increase/(Decrease) in Trade Payables	12,80,17,265	10,99,34,023
Increase/(Decrease) in Other Current Liabilities	5,56,56,938	(2,11,51,795)
Cash From / (Used in) Operations	(24,77,59,121)	7,33,80,612
Direct Taxes paid	(4,59,55,451)	(1,75,58,638)
Net Cash Flow generated From / (Used in) Operating Activities	(6,17,54,878)	15,01,16,762
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(6,46,12,939)	(7,62,40,046)
Non Current Investments purchased	(1,47,04,010)	
Short Term Loans And Advances Given	96,86,117	2,24,71,063
Funds in Capital WIP	3,35,56,070	(3,99,06,270)
Net Cash Flow From / (Used in) Investing Activities	(3,60,74,762)	(9,36,75,253)
Cash Flows from Financing Activities		
Increase in Share Capital	18,40,000	
Increase/(Decrease) in Other Long Term liabilities	4,95,54,237	
Increase/(Decrease) in Long Term Borrowings	6,88,75,383	2,63,85,860
Dividend paid	9,20,000	
Finanace Costs	(3,78,18,478)	(2,30,38,085)
Net Cash Flow From / (Used in) Financing Activities	8,15,31,142	33,47,775
Net Increase in Cash and Cash Equivalents	(1,62,98,498)	5,97,89,285
Cash and Cash Equivalents at the beginning of the Year	6,06,75,574	8,86,290
Cash and Cash Equivalents at the end of the Year	4,43,77,076	6,06,75,574

As per Our Report of even Date
For VASG & ASSOCIATES
Chartered Accountants
Firm Regd. No. 0060705

For and on behalf of the Board of Directors
Fortune Paints Private Limited

Sd/-
(G.S. Sridhar)
Partner
M.No.026878
UDIN : 24026878BKCXI1348
Place : Hyderabad
Date : 06-09-2024

Sd/-
Srinivasa Reddy Akuri
Director
DIN : 01746988

Sd/-
Akuri Sandhya
Director
DIN : 01982867

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **16th Annual General Meeting** of the Company will be held on **Monday the 30th day of September 2024 at 11.30 A.M.** at the Daspalla Hotel, Road No. 37, Jubilee Hills, Hyderabad-33 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited balance sheet as at **31st March, 2024** and the reports of Auditors and Directors thereof.
2. To declare **Dividend** for the **FY 2023-24** as recommended by the Board of Directors of the Company and for this purpose to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

RESOLVED THAT a Dividend of **Rs.0.50/-** per equity share of face value of **Rs.10/-** each as recommended by the Board of Directors of the Company for the financial year ended **March 31, 2024**, be and is hereby declared and the same be paid to the eligible members of the Company as per the provisions of the Companies Act, 2013.

Place: Hyderabad

Date: 06.09.2024

// on behalf of the Board//
For FORTUNE PAINTS PRIVATE LIMITED

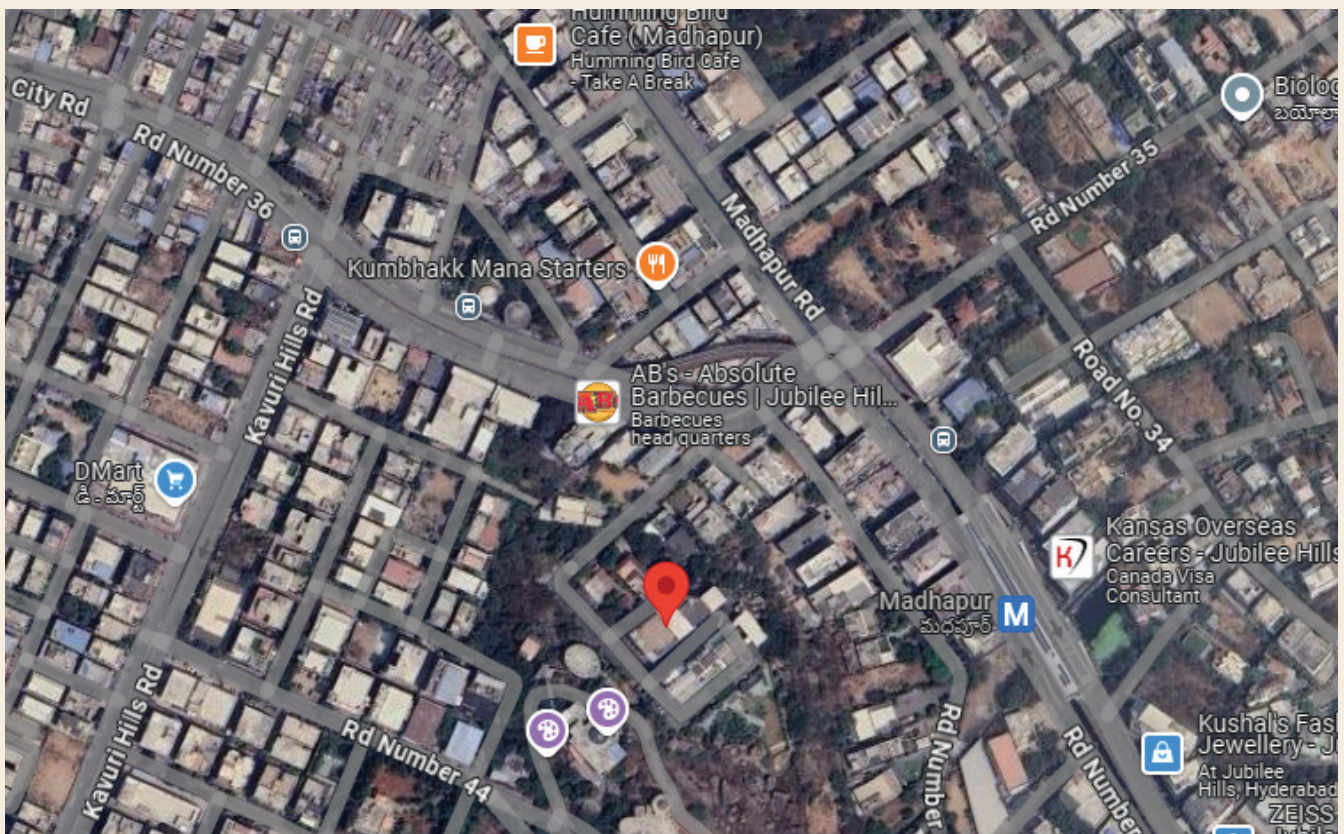
Sd/-

SRINIVASA REDDY AKURI
DIRECTOR [DIN: 01746988]

NOTES:

1. A member is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself. The proxy, so appointed need not be a member of the company.
2. In order to be effective, the proxy forms duly completed and signed should reach the registered office the company at least 48 hours before the commencement of the meeting.
3. The register of members and transfer books in respect of Equity shares of the Company will remain closed from 25th September 2024 to 30th September 2024 (both days inclusive)
4. The dividend if declared, will be payable to those shareholders of the Company whose name appears as member on the end of working hours on 30th September 2024

ROUTE MAP



DIRECTORS REPORT

To,

The Members,
FORTUNE PAINTS PRIVATE LIMITED,
Hyderabad.

Your Directors are pleased to present the Annual Report and the Audited Financial Statements of the Company for the year ended March 31st, 2024.

1. STATE OF COMPANY'S AFFAIR

The table given below gives the financial highlights of the Company for the year ended March 31st, 2024 as compared to the previous Financial Year.

(Amount in Rs)		
Particulars	Current Year 2023-24	Previous Year 2022-23
Revenue from Operations	1,36,76,88,421	74,76,17,858
Other Income	17,17,131	31,42,595
Total Income	1,36,94,05,552	75,07,60,453
Total Expenses	1,18,90,46,967	68,63,59,533
Profit Before Tax	18,03,58,585	6,44,00,920
Tax:		
Current Tax	4,59,55,451	1,73,92,864
Previous Year Adjustment	-	1,65,774
Deferred Tax Liability/(Asset)	27,43,141	27,67,870
Profit/loss for the period	13,16,59,993	4,40,74,413
EPS	119.26	47.91

During the year under review the Company has earned the total income of **Rs. 1,36,94,05,552** when compared to last year income of **Rs. 75,07,60,453/-** and posted a net Profit of **Rs. 13,16,59,993** when compared to net profit of **Rs. 4,40,74,413** in the last year.

2. Transfer to Reserves & Surplus:

The details of amount transferred to reserves are given in note No. 2 of the Notes forming part of the financial statements.

3. Web Link Of Annual Return, If Any:

The Company is having website i.e. www.technopaints.in and annual return of Company has been published on such website. Link of the same is given below: <https://technopaints.in/annual-reports/>

4. Dividend:

The Board of the Company has recommended dividend of Rs.0.50/- per share for each fully paid Equity shares of Rs.10/- each for the year ended 31st March 2024.

The Board of Directors of your Company has recommended a final Dividend for the Financial Year 2023-24 at the rate of 5% (Five per cent), i.e., Rs.0.50/- (Fifty paisa) per Equity Share of Face Value of 10/- (Rupees Ten Only) each, subject to approval of the Shareholders at the ensuing Annual General Meeting.

The Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on 30th September 2024.

The Shareholders of your Company are requested to note that the Income Tax Act, 1961, as amended by the Finance Act, 2022, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of the Shareholders. The Company shall, therefore, be required to deduct Tax at Source (TDS) at the time of making payment of the Final Dividend.

The Final Dividend declared and paid for the Financial Year 2023-24 by the Company is in compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder and in accordance with the Company's Dividend Distribution Policy.

5. Change in the nature of business, if any:

There is no change in the nature of the business of the Company during the year.

6. CHANGE IN DIRECTORSHIP:

There has been no change in the constitution of the Board during the financial year under review i.e. the structure of the Board remains the same. Post-closing of financial year company has appointed **Mr. Anil Kondoth and Mr. CVLN Murthy** as directors of the company.

7. Review of Business Operations and Future Prospects:

Your directors wish to present the details of business operations done during the year under review:

New products added in the year 2023-24:

- Thinners
- PU Enamel
- Epoxy Enamel
- Wood Coatings
- Metal Primers
- Special Finishes
- Strainers

8. Material Changes and Commitments if any affecting the Financial Position of the company:

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

9. Details of Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the Going Concern Status and Company's Operations in future:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

10. Details of Holding/Subsidiary/Joint Ventures/Associate Companies:

Your company does not have any Subsidiary/Joint Ventures/Associate Companies incorporated during the year.

11. Performance and Financial Position of each of the Subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statement:

As the same is not applicable to the company as there is no Subsidiary/Joint Ventures/Associate Companies incorporated during the year.

12. Deposits:

Your Company has not accepted any deposits falling within the meaning of Sec.73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

13. Statutory Auditors:

As per the provisions of Section 139, 141 of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as "The Act"), the Company at its 15th Annual General Meeting ("AGM") held on **30th September 2023** approved the appointment of M/s. M/s. VASG & ASSOCIATES, Chartered Accountants, Hyderabad, [Firm Regd No: 0060705] as Statutory Auditor for a period of **5 years** commencing from the conclusion of 15th AGM till the conclusion of the 20th AGM to be held in the year 2027-28.

14. Number of Meetings of the Board of Directors:

During the year 2023-24, the Board of Directors has met 12 times and the details are as follows:

S. No	Date of Meeting	Board Strength	No. of Directors Present
1	11.04.2023	2	2
2	15.06.2023	2	2
3	21.07.2023	2	2
4	01.09.2023	2	2
5	20.09.2023	2	2
6	28.09.2023	2	2
7	30.09.2023	2	2
8	09.12.2023	2	2
9	01.03.2024	2	2
10	11.03.2024	2	2
11	23.03.2024	2	2
12	30.03.2024	2	2

15. Corporate Social Responsibility (CSR):

The Company is required to constitute a Corporate Social Responsibility Committee as it fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is required to formulate policy on corporate social responsibility. Company is yet to constitute the CSR Committee and CSR policy.

16. Declaration by an Independent Director(s) and Re-Appointment, if any:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

17. Audit Committee:

The Provisions of Section 178 of the Companies Act 2013 does not apply to our company.

18. Details of Establishment of Vigil Mechanism for Directors and Employees:

The Provisions of Section 177 of the Companies Act 2013 does not apply to our company.

19. Nomination and Remuneration Committees:

The Provisions of Section 178 of the Companies Act 2013 does not apply to our company.

20. Managerial Remuneration:

The Company, being a Private Limited Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

The Provisions of Section 204 of the Companies Act 2013 does not apply to our company.

22. Corporate Governance Certificate:

The Provisions of Corporate Governance does not apply to our company.

The Board declared that the company is in compliance of section 134 (3) (n) of the companies act 2013 and the company has proper risk management policy and systems.

The Board has developed a Risk Management Policy to minimize the risks and threats from the outside, Operational Risks, and other risks which can affect the company operations and existence. The Board declares that there is no risk which can affect the company operations and Existence.

24. Particulars of Loans, Guarantees or Investments:

Company has not given any Loan, Guarantees and has not made any Investments covered under the provisions of Section 186 of the Companies Act, 2013.

25. Related Party Transactions:

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the **Form AOC-2 as "Annexure-I"**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

26. Internal Control:

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly.

The internal control is supplemented by an extensive program of internal audits, review by management and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Additionally the Audit committee is reviewing all Audit Reports with significant control, all issues raised by internal and external auditing regularly, reports on the business development, all the past and the future plans are given to the Board of Directors, Internal Auditor's reports are regularly circulated to all the senior management to comply with the findings.

Normal forcible risks of the Company's Assets are adequately covered by comprehensive insurances.

27. Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo:

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

(A) Conservation of Energy:

- (i) The steps taken or impact on conservation of energy: NIL
- (ii) The steps taken by the company for utilising alternate sources of energy: NIL
- (iii) The capital investment on energy conservation equipments: NIL

(B) Technology Absorption:

- (i) The efforts made towards technology absorption: NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - : NIL
- (iv) The expenditure incurred on Research and Development: NIL

(C) Foreign Exchange Earnings and Outgoing:

Total Earning in foreign Currency – NIL

Total outgo in Foreign Currency - NIL

28. Directors' Responsibility Statement:

Your Directors hereby confirm that: In the preparation of the annual accounts for the financial year 2023-24, the applicable accounting standards have been followed along with proper explanation relating to material departures; The Directors have 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; The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of The Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; The directors have prepared the annual accounts on a going concern basis; and The Directors have laid down internal financial controls to be followed by the Company, and these financial controls are adequate and are operating effectively, and The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

29. Maintenance of Cost Records :

Maintenance of cost records, as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

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

The Company has in place an Anti-sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

No. of complaints received: - NIL
No. of complaints disposed off: - NIL

31. Insurance :

The Properties and assets of your Company are adequately insured.

32. Acknowledgments :

Your Directors take this opportunity in expressing their gratitude to the Government of India, the State Government. The Board is also thankful to all its Bankers, Contractors, Customers and Shareholders for their unstinted support to the Company.

Place: Hyderabad

Date: 06.09.2024

**// on behalf of the Board//
For FORTUNE PAINTS PRIVATE LIMITED**

Sd/-

**SRINIVASA REDDY AKURI
DIRECTOR [DIN: 01746988]**

Sd/-

**AKURI SANDHYA
DIRECTOR [DIN: 01982867]**

DISTINGUISHED WORKS



***KDR
Kanpur, UP***



***Urban Rise
Ameenpur, Hyderabad***



***Saanvi Pride Home Villas
Kompally, Hyderabad***



***Candeur 40
Hyderabad***

DISTINGUISHED WORKS



***Prestige High Fields, Prestige Group
Puppalguda, Hyderabad***



***APR Hynora
Gagillapur, Hyderabad***



***Ramky One Harmony
Pragathi Nagar, Hyderabad***



***Frontline Seven
Kokapet, Hyderabad***





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Telangana 500084