

30th May 2022

The Manager
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Dear Sirs,

Re : **Scrip Code No.530845**

Sub: **Outcome of the Board Meeting in accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015**

The Board of Directors at its Meeting held on 30th May 2022 has approved and have taken on record the Audited Financial Results of the Company for year ended 31st March 2022 as recommended by Audit Committee.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, please find enclosed the following:

1. Audited Financial Results of the Company for year ended 31st March 2022.
2. Auditors Report on Audited Financial Results


With reference to Regulation 33(3)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors' of the Company Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai have issued Audit Reports with unmodified opinion on the Audited Financial Results of the Company for year ended on 31st March 2022.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015, the Board of Directors have recommended the dividend of Rs. 2/- (Rupees two only) per equity share of the face value of 10/- (Rupees ten only) for the financial year 2021-22, subject to approval of the members at the ensuing Annual General Meeting (AGM). The date of AGM and book closure for the purpose of payment of dividend will be announced in due course.

The Board Meeting started at 11.40 a.m. and concluded at 12.41 p.m.

Kindly acknowledge the receipt.

Thanking you,
Yours faithfully,
For **SUNSHIELD CHEMICALS LIMITED**


Amit Kumashi
Company Secretary



SUNSHIELD CHEMICALS LIMITED

Regd. Office: 1501-A, Universal Majestic, P.L. Lokhande Marg, behind RBK International School, Chembur-West, Mumbai-400 043

Corporate Identity Number : L99999MH1986PLC041612

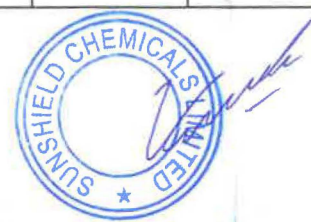
Phone No.25550126

E Mail : investorservices@sunshieldchemicals.com Website : www.sunshieldchemicals.com

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 March 2022

Rs. In Lakhs (Except earnings per share)

Sr. No.	Particulars	Three months ended	Previous three months ended	Corresponding three months ended	For the year ended	For the year ended
		31 Mar 2022	31 Dec 2021	31 Mar 2021	31 Mar 2022	31 Mar 2021
		Unaudited Refer Note 2	Unaudited	Unaudited Refer Note 2	Audited	Audited
I.	Revenue from operations	6,674	5,799	5,170	24,400	19,865
II.	Other income	44	10	14	71	26
III.	Total Income (I + II)	6,718	5,809	5,184	24,471	19,891
IV.	Expenses					
	(a) Cost of materials consumed	4,951	4,230	3,512	17,267	12,475
	(b) Changes in inventories of finished goods and work-in-progress	(143)	(222)	(198)	(328)	171
	(c) Employee benefits expense	212	214	198	922	756
	(d) Finance costs	138	112	142	478	737
	(e) Depreciation	151	143	142	581	580
	(f) Other expenses	961	772	919	3,415	3,510
	Total expenses	6,270	5,249	4,716	22,335	18,229
V.	Profit before exceptional item and tax (III - IV)	448	560	468	2,136	1,662
VI.	Exceptional item (Refer Note 6)	-	-	-	1,782	-
VII.	Profit before tax (V + VI)	448	560	468	3,918	1,662
VIII.	Tax expense:					
	Current tax	(86)	54	94	683	288
	Deferred tax	255	127	44	487	(44)
IX.	Profit for the period/year (VII - VIII)	279	379	330	2,748	1,418
X.	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	Remeasurements of post-employment benefit obligation	(8)	4	30	7	18
	Income tax related to items that will not be reclassified to profit or loss	2	(1)	(8)	(2)	(5)
XI.	Total Comprehensive Income for the period/year (IX + X)	273	382	352	2,753	1,431
XII.	Equity Paid-up Share Capital (face value of Rs.10/- each)	735	735	735	735	735
XIII.	Other Equity excluding revaluation reserve (as per last audited balance sheet)				4,632	1,879
XIV.	Earnings per equity share (in Rs.) (* not annualized)					
	Basic & Diluted - Rs.	3.8*	5.15*	4.49*	37.37	19.29



Statement of Assets and Liabilities

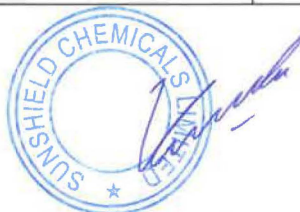
		Rs. in Lakhs	
	Particulars	As at	As at
		31 March 2022	31 March 2021
		Audited	Audited
I	ASSETS		
	1 Non current Assets		
	(a) Property, plant and equipment	7,108	6,627
	(b) Capital work in progress	737	128
	(c) Financial assets		
	i. Other financial assets	33	33
	ii Loans	3	4
	(d) Deferred tax asset (net)	-	1
	(e) Other non current assets	462	384
	Total non current assets	8,343	7,177
	2 Current Assets		
	(a) Inventories	2,940	2,609
	(b) Financial Assets		
	i. Trade receivables	4,134	2,868
	ii. Cash and cash equivalents	447	297
	iii. Bank balance other than (ii) above	137	60
	iv. Loans	4	6
	(c) Other current assets	1,344	791
	Total current assets	9,006	6,632
	TOTAL ASSETS	17,349	13,809
II	EQUITY AND LIABILITIES		
	1 Equity		
	(a) Equity share capital	735	735
	(b) Other equity	4,632	1,879
	Total Equity	5,367	2,614
	2 Non-Current Liabilities		
	(a) Financial liabilities		
	i. Borrowings	3,500	5,000
	(b) Provisions	70	67
	(c) Deferred tax liabilities (net)	488	-
	Total non current liabilities	4,058	5,067
	3 Current liabilities		
	(a) Financial liabilities		
	i. Borrowings	4,354	3,780
	ii. Trade payables		
	Total outstanding dues of Micro Enterprises and Small Enterprises	167	135
	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	3,151	1,939
	iii. Other financial liabilities	125	115
	(b) Provisions	47	84
	(c) Other current liabilities	80	75
	Total current liabilities	7,924	6,128
	TOTAL LIABILITIES	11,982	11,195
	TOTAL EQUITY AND LIABILITIES	17,349	13,809



Statement of cash flows

Rs In Lakhs

Particulars	31 March 2022	31 March 2021
(A) Cash flow from operating activities		
Profit before tax and after exceptional item (Refer Note No 6)	3,918	1,662
Adjustments :		
Depreciation Expense	581	580
Liabilities / provisions no longer required written back	(39)	(13)
Loss on property, plant and equipment sold or written off	-	97
Finance cost	478	737
Provision for doubtful trade/credit impaired receivables (net of recoveries)	-	7
Unrealized foreign exchange gain (net)	(31)	(14)
Operating profit before changes in working capital	4,907	3,056
Adjustments for (increase) / decrease in working capital		
Trade receivables	(1,193)	(39)
Inventories	(331)	263
Other assets	(565)	546
Trade payables	1,240	(143)
Other liabilities	12	(26)
Provisions	11	26
Cash generated from operations	4,081	3,683
Income Tax paid (Refer Note No 6)	(784)	(224)
Net cash flows from operating activities (A)	3,297	3,459
(B) Cash flow from investing activities		
Payments for property, plant and equipment, Capital work-in-progress	(1,634)	(384)
Proceeds from disposal of property, plant and equipment	-	75
Investment in fixed deposits with bank (Under Lien)	(77)	(60)
Net cash used in investing activities (B)	(1,711)	(369)
(C) Cash flow from financing activities		
Interest paid	(510)	(743)
Borrowing Taken	11,754	1,500
Repayment of Borrowings	(12,100)	(1,500)
Net cash flows (used in) financing activities (C)	(856)	(743)
Net Increase in cash and cash equivalents (A)+(B)+(C)	730	2,347
Cash and cash equivalents at the beginning of the year	(283)	(2,630)
Cash and cash equivalents at the end of the year	447	(283)
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet	447	297
Bank overdrafts	-	(580)
Cash and Cash equivalents as per statement of cash flows	447	(283)



Notes

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30 May 2022.
- 2 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial years. These have been subjected to limited review by the auditors.
- 3 The statement has been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.
- 4 The Company's management, pursuant to Ind AS 108 - Operating Segments, has concluded that the Company has only one reportable segment which is Speciality Chemicals. Accordingly, no separate disclosures of segment information have been made.
- 5 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of inventories, receivables and other assets. In assessing the recoverability of the assets, the Company has considered internal and external sources of information, available as at the date of approval of these financial results, including subsequent recoveries, credit risk profile, macroeconomic forecasts, latest selling prices of products, orders on hand, margins etc. Based on the above assessment, the Company is of the view that the carrying amounts of the assets will be realised. The impact of COVID-19 on the Company's financial results may be different from that estimated as at the date of approval of these financial results, and the Company will continue to closely monitor the developments.
- 6 During the quarter ended June-21, on account of product rationalisation activities of the Company, certain products manufactured by it and it's related Technology, Specifications, Brand Names and Customer Contracts ("Specified Assets") were transferred to Solvay Specialities India Private Limited for a consideration of Rs. 1,782 Lakhs. These specified assets are internally generated over a period of time and hence, as per Ind AS, there is no cost attributable to these specified assets. The entire consideration also being the gain on such transfer was shown as an exceptional item. Further the tax liability of Rs. 488 Lakhs on this gain has been considered under 'Tax expenses' under the sub heading current tax.
- 7 The Board of Directors of the Company have recommended Final Dividend of Rs. 2/- per share for the financial year ended 31 March 2022 to be paid on fully paid Equity Shares amounting to Rs. 147.06 Lakh. The Final dividend is subject to the approval of shareholder at Annual general Meeting and has not been included as liability in these financial statements.
- 8 The Figures of Previous Periods have been regrouped wherever necessary.



For SUNSHIELD CHEMICALS LIMITED

Virendrasingh Baidwal
Managing Director

Date 30 May 2022
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF

SUNSHIELD CHEMICALS LIMITED

Opinion and Conclusion

We have (a) audited the Financial Results for the year ended March 31, 2022 and (b) reviewed the Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2022" of Sunshield Chemicals Limited ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2022:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Financial Results for the quarter ended March 31, 2022

With respect to the Financial Results for the quarter ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte
Haskins & Sells LLP**

Basis for Opinion on the Audited Financial Results for the year ended March 31, 2022

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2022 have been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.



**Deloitte
Haskins & Sells LLP**

Auditor's Responsibilities

(a) Audit of the Financial Results for the year ended March 31, 2022

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2022 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 Results.

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 Annual Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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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Deloitte
Haskins & Sells LLP

- Evaluate the overall presentation, structure and content of the Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results 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 Annual Financial Results.

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.

(b) Review of the Financial Results for the quarter ended March 31, 2022

We conducted our review of the Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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**Deloitte
Haskins & Sells LLP**

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Rakesh Sharma

Partner

(Membership No: 102042)

(UDIN:22102042AJVRXD5777)

Place: Mumbai

Date: May 30, 2022

