Ref. No.: SIL/CHD/2022-23/06092022
Dated : 06.09.2022

BSE Limited (BSE) Corporate Relation Department Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400001 **Scrip Code: 526951**	The Manager Listing Department **National Stock Exchange of India Limited (NSE)** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai -400051 **Symbol: STYLAMIND**

Sub: Annual Report for the Financial Year 2021-22

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith Annual Report of Stylam Industries Limited for the Financial Year 2021-22

The Annual Report is being made available on our website at www.stylam.com.

You are requested to take the same on your record

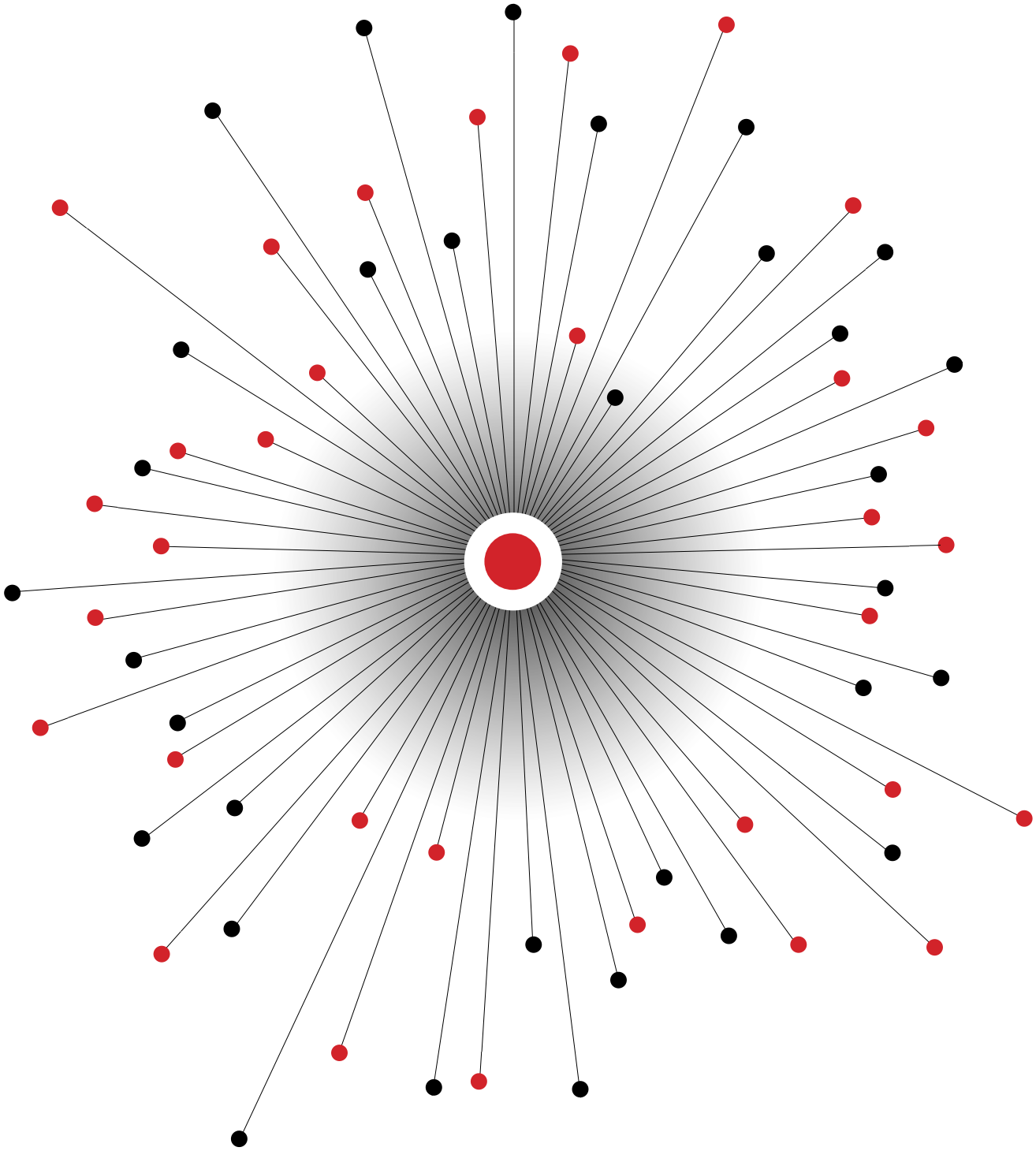
For Stylam Industries Limited

Sanjeev Kumar Sehgal
Digitally signed by Sanjeev Kumar Sehgal
Date: 2022.09.06 11:02:27 +05'30'

Sanjeev Kumar Sehgal
Company Secretary & Compliance officer
Encl: As above

CELEBRATING 31 YEARS

Stylam Industries Limited
Annual Report **2021-22**



Enduring **Growth**
Sustaining **Excellence**

https://stylam.com

Scan above QR code to know more about US

What's inside

Corporate overview

002 — Quality solutions that inspire
004 — Three decades of delivering excellence
008 — Powered by a vision to touch more lives
010 — Managing Director's message
012 — Thriving on rock-solid financials
016 — Adding value to life through our diverse portfolio
020 — Innovation means saying no to status quo
022 — Wide spectrum of capabilities
024 — Enhancing our visibility and recall
028 — Our ESG approach
030 — Awards and recognition
031 — Board of directors

Statutory reports

032 — Management discussion and analysis
038 — Directors' report
057 — Report on corporate governance

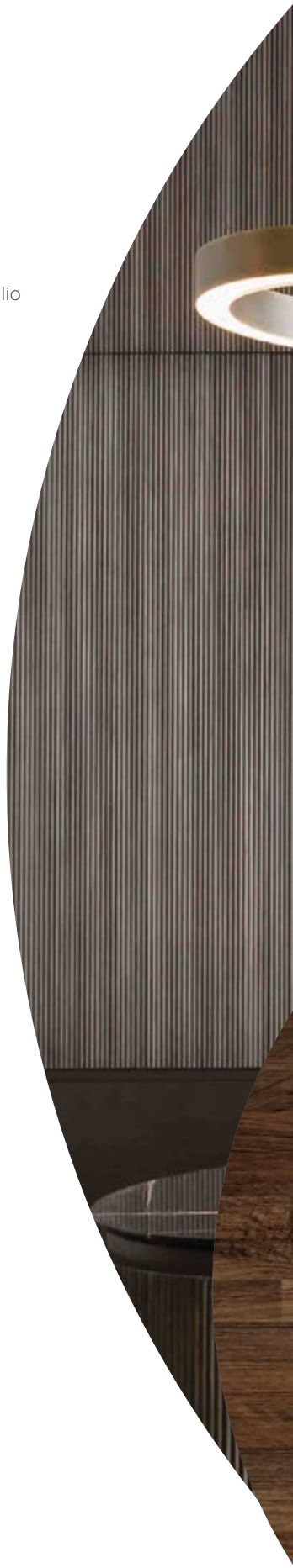
Financial statements

073 — Standalone financial statements
116 — Consolidated financial statements

Notice

152





Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects and so on, are generally identified by forward-looking words such as 'believe,' 'plan,' 'anticipate,' 'continue,' 'estimate,' 'expect,' 'may,' 'will' or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



For more than three decades since inception our purpose has been to provide innovative building material solutions worldwide. In all these years, our core markets and consumers have evolved, and so have we.

We have crafted a rich legacy of innovation, supported by our design team and robust manufacturing capabilities. Our corporate governance framework also ranks among the best in the industry worldwide.

Today, we are a prominent player in global markets in the high-quality decorative laminates and allied products industry. To retain market leadership, we constantly focus on the evolving consumer aspirations spanning geographic borders, cultures and demographics.

FY22 saw us perform with diligence and fortitude, notwithstanding several macro headwinds such as high inflationary environment, supply chain disruptions and subdued demand scenario.

We have the right manufacturing scale and expertise to grow our revenue and margins. With economies of the world largely on the mend and strong product demand, we are confident of raising the bar of our performance significantly in the coming years with focus on enduring growth and sustaining excellence.

Quality solutions that inspire



Our presence

80+
Country presence globally

Partner
network channel across India

Over

1,500+
Designs and 150+ textures and finishes

Stylam laminates
Ensures the best bonding with substrates

3
Decades in the industry.

100%
Acrylic Solid Surface manufactured through state-of-the-art technology

Our innovative technology



Asia's biggest

Infrastructure and manufacturing plant of laminates

Largest Laminate

Producing group in India with a production capacity of over 1.19 million laminates per month

Largest capacity

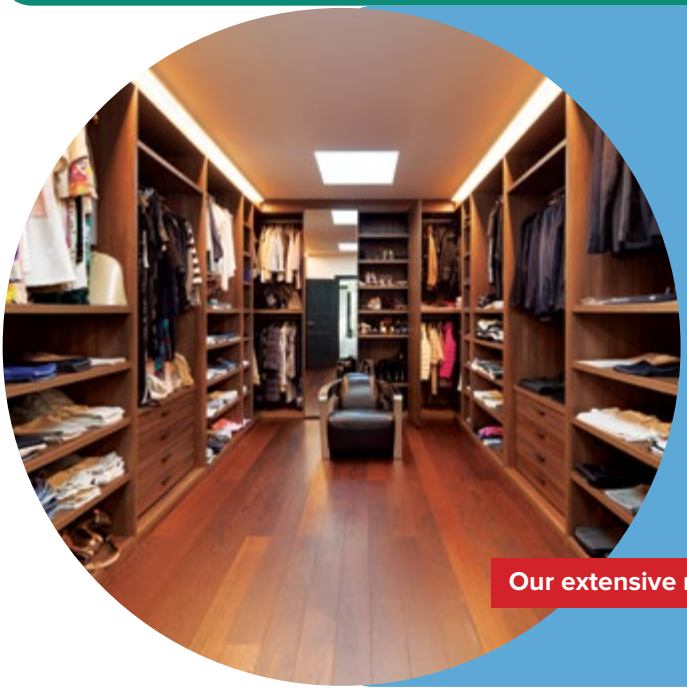
of Hydraulic Press in India having 28 daylight openings in 1220 x 2440 mm size

Largest capacity

of Hydraulic Press in India in following sizes: 1300 x 2800 mm, 1300 x 3050 mm, 1860 x 3660 mm, 1860 x 4320 mm



Our manufacturing capabilities



Our extensive range

First ever

Hot Coating process machine in India for HPL to produce top quality High Gloss and Anti Fingerprint laminates in wide ranges.

Wide range of High-Pressure Laminates, Cubicles Board, HPL Exterior Cladding, Acrylic Solid Surface. Having multiple surfaces available in High Gloss, Metallic, Anti-bacterial, Chalkboard, FR, Electrostatic, Magnetic, Mirror, Chemical Retardant, and so on.

Three decades of delivering excellence

We began our journey a little more than three decades ago and in all these years, we have crossed many milestones. With a production capacity of more than 14.3 million laminate sheets per year and a diverse portfolio, we are India's largest laminate producer.

Our research and development standards are best-in-class and attuned to evolving market demand and customer preferences across geographies. We rely on a robust and resilient network of distributors and a strong worldwide and local supply chain. Today, our operations span 80 countries, with the majority of our customers being in Europe, North America, Russia, the Middle East, and Africa.

Vision

To maintain and strengthen our position nationally and globally in Home Décor space with an array of new innovative products and adding value to life.

Mission

We are committed to being the market leader by constantly innovating and delivering newer products and services. We aim to set the highest possible standard in quality, value and customer satisfaction.

Core values

Our core values are based on the pillars of renewed Innovation, Integrity, Teamwork, Excellence and Sustainability.

- Design
- Performance
- Service
- Community
- Sustainability



₹ 659 crore
Revenue

₹ 104 crore
EBDITA

₹ 61 crore
PAT

₹ 420.55 crore
Sales through Exports

1,200+
Employees



We have a rich legacy to inspire and an exciting future to explore.

The reputation and recall of our product brands are growing nationally and internationally. Our strong domestic and export sales, despite macro headwinds are ample proof of that.



Powered by a vision to touch more lives

Vision 2022-2025

Expand coverage across newer exports regions, along with increasing business with existing partners

Strengthen domestic presence with a deeper reach and penetration and creation of a strong brand

Our products are adored by customers across

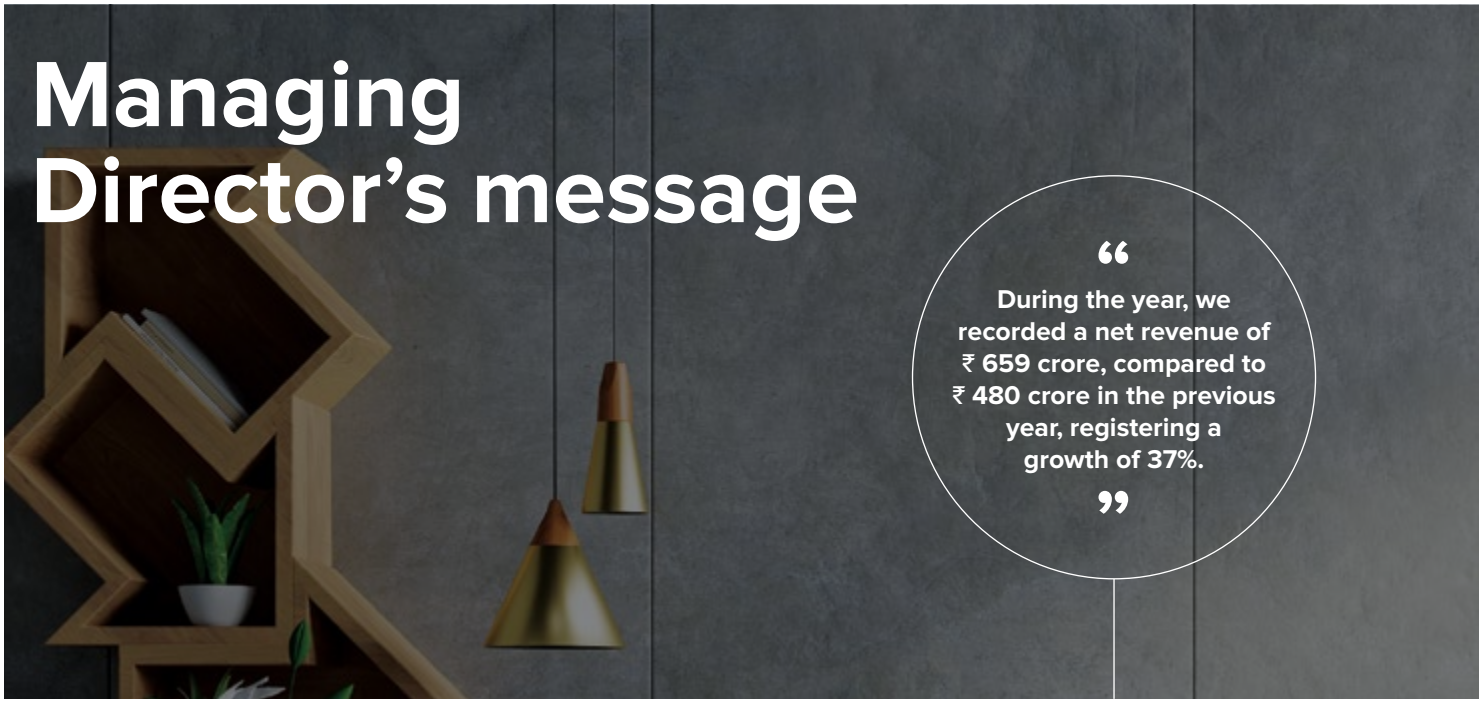
80+ countries.

Our key customers are in Europe, Far East, the Middle East, Russia, Africa, and North America, and we continue to grow at a rapid pace year on year.




26.27%
Europe
1.72%
Asia
7.26%
Far East
Grand Total
63.86%
0.77%
Australia
Domestic
36.14%
Africa
1.10%
Middle East
23.62%
Panchkula, Haryana
4.5 mn Sheets
Annual Laminates capacity
Manak Tabra, Haryana
9.8 mn Sheets
Annual Laminates capacity

Managing Director's message



> During the year, we recorded a net revenue of ₹ 659 crore, compared to ₹ 480 crore in the previous year, registering a growth of 37%.

Dear Shareholders,

It is often said that crisis reveals true character. We, at Stylam, can say with confidence that in the darkest hour of the year we have demonstrated our collective spirit to win and outshine competition. Despite repeated waves of the pandemic destabilising operations in the beginning of the year and geopolitical turmoil adding a further element of uncertainty in the closing months, we ended FY22 on positive note with growing domestic sales and exports.

Enduring growth

The strength of our business model is the outcome of years of robust strategies, hard work and consistent growth, notwithstanding challenges. To give you a historical perspective, we have grown our revenue more than 4X over the last 10 years and our PAT has surged over 15X during the same period.

What is even more interesting is that 10 years ago on a low revenue base of ₹ 140 crore, our EBIDTA margin was 9%, and today on a revenue base of ₹ 659 crore it is 15.71%. This demonstrates our operational efficiency and the foresight and flexibility with which we have performed over the years across global markets and market cycles.

Over the years, we have built a diversified revenue source, with about two-thirds of our revenue being derived from exports to 80+ countries, and the balance from our extensive presence across the Indian subcontinent. This minimises our risk exposure in a volatile and constantly evolving operating scenario.

Diversity is in our DNA. Our products are as diverse as the markets where we operate. We run Asia's largest single-location laminate manufacturing plant with a varied product portfolio, catering to a wide range of customer preferences, built with over three decades of industry experience.

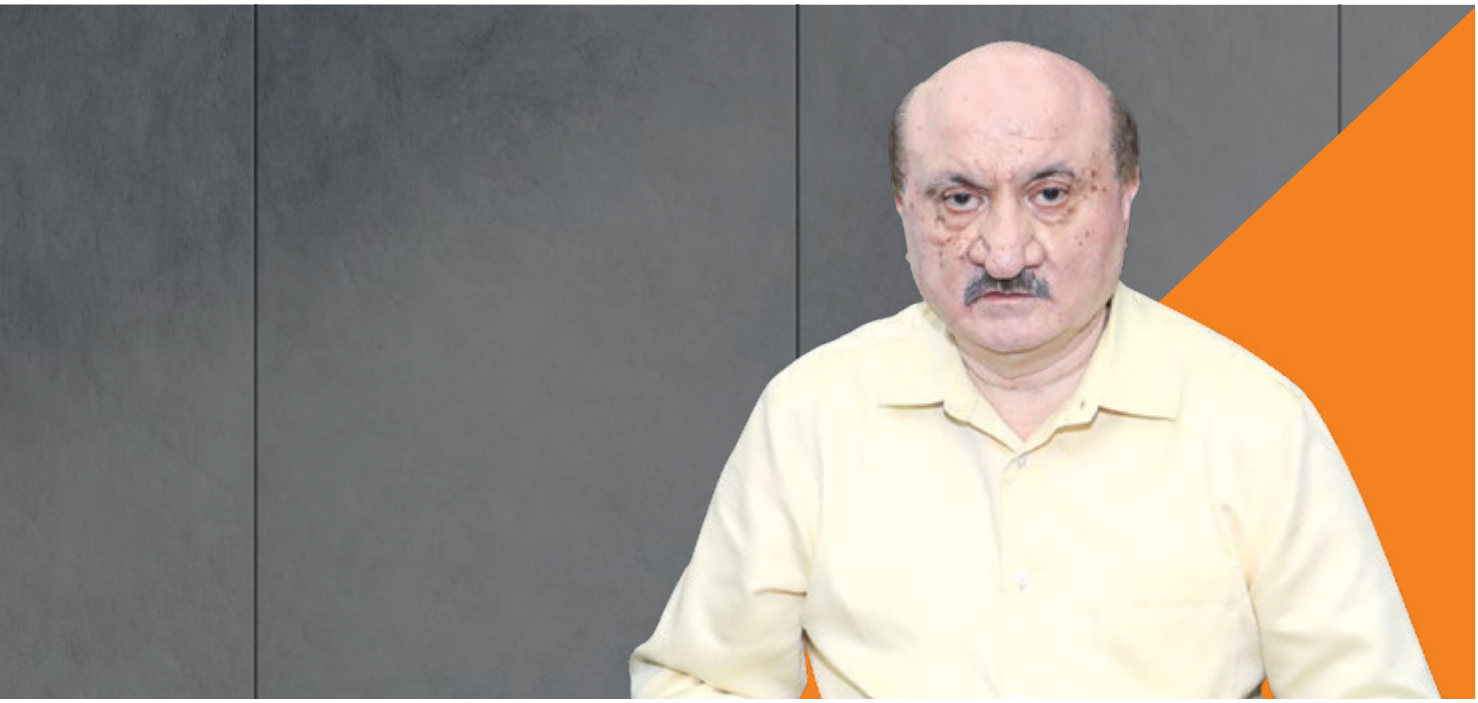
We have reached 80% capacity utilisation in the laminates division and have initiated modular expansion at the existing facilities, which will further enhance our capacity by up to 40%. A short cycle press capacity for laminating impregnated paper on Medium Density Fibre (MDF) panels has also been added as part of our diversification into a new venture in the segment.

During the year, we recorded a net revenue of ₹ 659 crore, compared to ₹ 480 crore in the previous year, registering a growth of 37%. Despite significant rise in input costs and ocean freight, we improved our EBITDA to ₹ 104 crore from ₹ 99 crore in the previous year. The prudent cost control measures helped improve the profit after tax to ₹ 61 crore during the year, compared to ₹ 55 crore in the previous year. Our financials vindicate the extent of our resilient business model in a year marked by challenges.

Since the 4th quarter of the year, raw material cost and ocean freight have started stabilising. With growing sales in domestic and export markets, we are confident of achieving far better revenues and margins in the coming years.

Sustaining excellence

We continued to strengthen our performance and margins in international markets. The US market was subdued during the year, while the Europe market performed well. Furthermore, we are participating in various conventions and exhibitions in the woodworking industry, both domestically and internationally, in order to broaden our footprint to new markets as well as our existing consumer base.



Our growing international market share is the result of our unwavering focus on building a specialised product portfolio. Products such as exterior laminates, bathroom cubicles and especially our acrylic solid surface continued to find increasing acceptance among our markets. I am pleased to report that we are among the first few companies to have a plant in India, where manufacturing operations are supported by European technology. We have pioneered Hot Coating technology that has enabled us to introduce anti-fingerprint and high gloss laminates. We have also developed the first production line to manufacture Solid Acrylic Surfaces in India, establishing us as a pioneer in this field as well.

We have built our distributor and dealer network to a very large extent in India. In addition, we have strengthened our marketing and branding efforts during the year, resulting in growing customer engagement through social media platforms. Our teams are working with influencers and we are getting good traction in the domestic market.

We have expanded our pan-India footprint by designing a product range that has become a benchmark in the laminate and adhesive industry. In the domestic market, our distributors and C&F agents, along with inventory management remain our strong business enablers. Our distribution network in the Southern part of the country is strong, while we are gaining a stronger foothold in the Northern and Western India as well.

Fostering an engaging work culture

Stylam's growth is an outcome of our robust business practices and strong commitment to create value for our stakeholders. We continue to strengthen our governance framework and instil best practices across the operational framework. In addition, the commitment of our employees has enabled us to overcome the challenges of the pandemic. Our values foster a culture of trust and a strong sense of belonging among our teams.

Favourable industry dynamics

With the waning of the pandemic's impact, the real estate sector in India and overseas has bounced back significantly. India has emerged as one of the world's top five laminate exporters, with combined sector revenue at ₹ 8,000 crore, 25% of which accrues from exports in 2020-21 as per Indian Laminate Manufacturers' Association (ILMA).

The representation made by ILMA to Niti Aayog and the Department for the Promotion of Industry and Internal Trade (DPIIT) for inclusion of laminate sector in Production Linked Incentive (PLI) Scheme is a big step in the right direction. Providing benefits to the laminate sector will not only strengthen its reputation and pricing power in global markets. As global customers are resorting to China-plus one strategy, India is aiming to achieve a sizable share of the world's furniture manufacturing and exports over the next 4-5 years.

Way forward

We are on course to accomplish our Vision 2025 goals. Our proposed capacity expansion plans are on track, with commercialisation expected by early 2023. The enhanced capacities and further improvement in capacity utilisations will help drive revenue and margins significantly. We have seen exponential growth over the last decade, despite industry cycles, economic volatilities and other ebbs and flows of business. We are now entering the next leg of our journey to amplify value for all stakeholders.

I sincerely believe that the best years of Stylam are still ahead of us.

Mr. Jagdish Rai Gupta
Managing Director

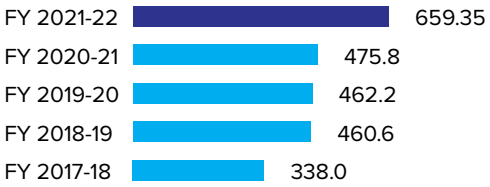


Thriving on rock-solid financials

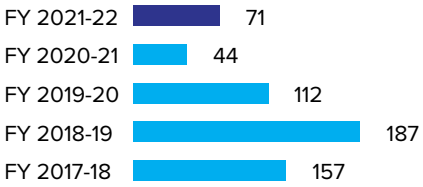
Vision 2022-2025

To be a net debt free Company

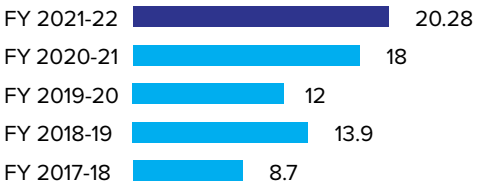
Revenue
(₹ Crore)



Net debt
(₹ Crore)



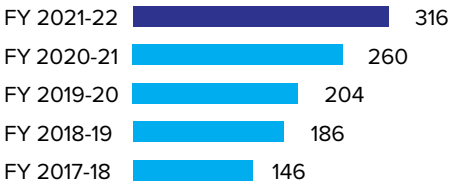
Return on capital employed
(%)



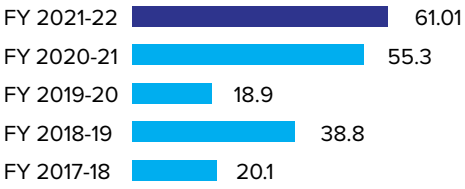
EBITDA margin
(%)



Net worth
(₹ Crore)

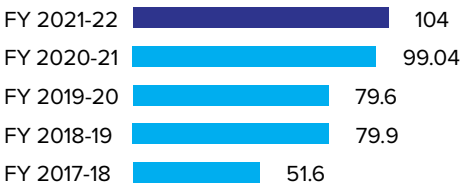


Profit after tax*
(₹ Crore)

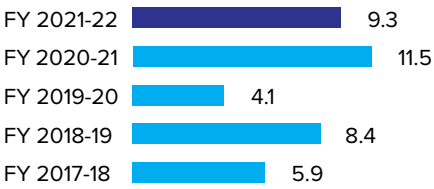


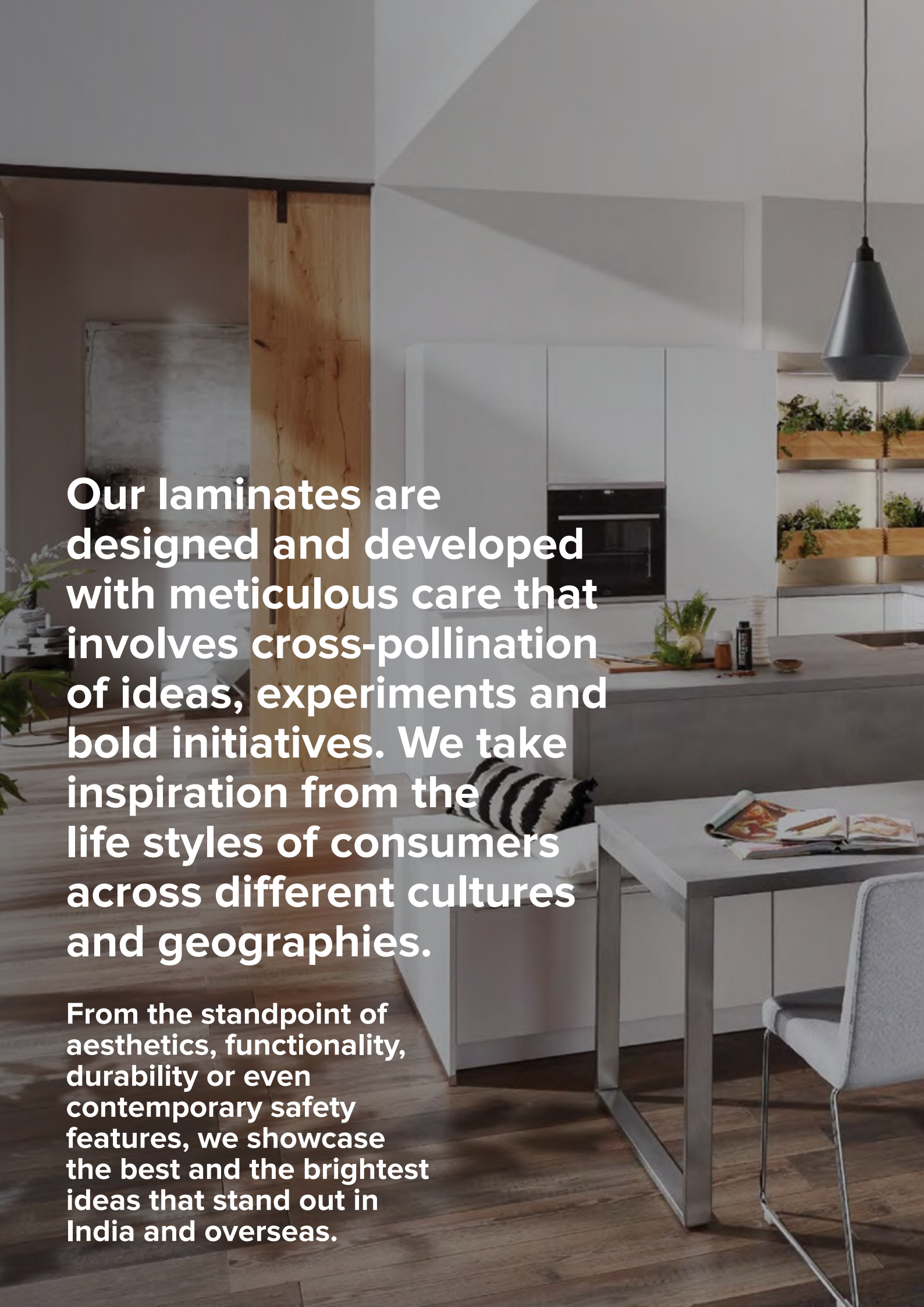
*PAT- Reported

EBITDA
(₹ Crore)



Profit after tax margin
(%)





Our laminates are designed and developed with meticulous care that involves cross-pollination of ideas, experiments and bold initiatives. We take inspiration from the life styles of consumers across different cultures and geographies.

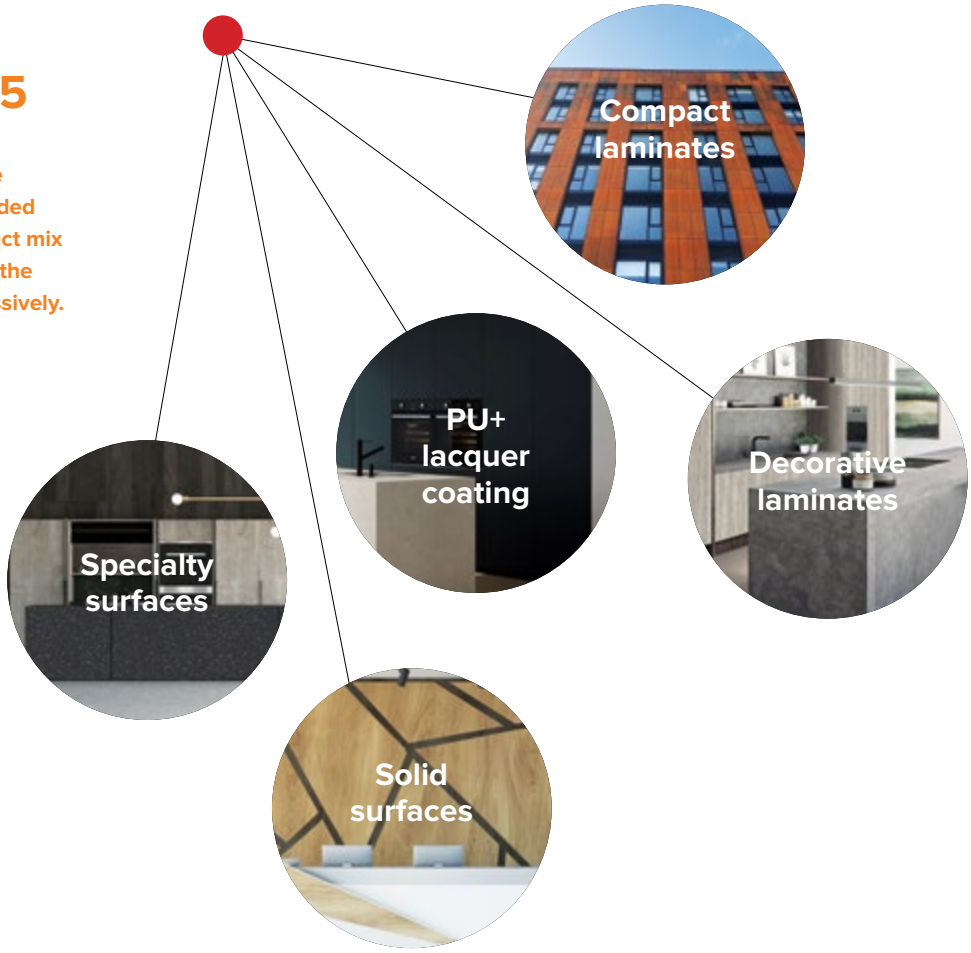
From the standpoint of aesthetics, functionality, durability or even contemporary safety features, we showcase the best and the brightest ideas that stand out in India and overseas.



Adding value to life through our diverse portfolio

Vision 2022-2025

Improve and enhance the share of value-added products in the product mix as well as expanding the product range aggressively.





STYLAM®
LAMINATES

Our decorative laminate sheets are developed by fusing together sheets of classy brown kraft papers and decorative printed papers with heat and pressure.

Range and usage

All-purpose application that can be used to add style to wooden claddings, wall and column linings, lift linings, doors, shelves, and storage units, vanity unit tabletops, work tops, desks, and counters, office partitions, cubicles, store fittings, and home and office furniture.



Compact laminates

The inner core of our compact laminates is created by the combination of celluloid fibres and unique thermosetting resins. The resins, in combination with the specific heat and pressure cycles, produce a load-bearing strong laminate that is resistant to a wide range of chemical and atmospheric contaminants. They can be saw-cut, drilled, machined and punched to the required specifications due to their strong flexural and tensile strength.

Range and usage

All-purpose application that can be used to add style to wooden claddings, wall and column linings, lift linings, doors, shelves, and storage units, vanity unit tabletops, work tops, desks, and counters, office partitions, cubicles, store fittings, and home and office furniture.

Cuboid

Customised selection of products for areas, where functionality and durability are critical, such as restroom cubicles and lockers.

cuboid CUBICLES & LOCKERS

+Guard

Chemical-resistant laminates are utilised in chemical, analytical, microbiological, healthcare, pharmaceutical and educational laboratories.

CHEMICAL RESISTANT LAMINATES

PLUSGUARD LabMATE

Fascia

Weather resistant and engineered to preserve shape, colour, and durability in all- weather conditions, they can be utilised for exterior cladding.

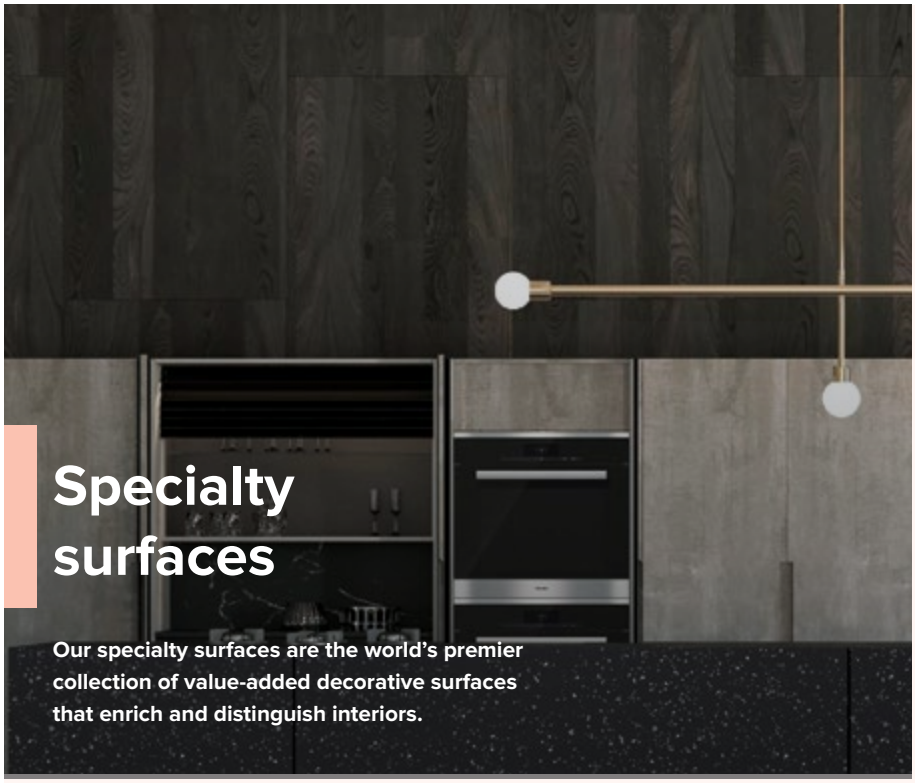
FASCIA EXTERIORCLADDING

Fire-retardant grade laminates

Fire-retardant laminates that can completely extinguish the flame source, removing the risk of hazardous fumes. Designed specifically for use in fire-prone areas such as kitchens and high-footfall areas such as airports, hotels, hospitals, schools, and commercial buildings.

Industrial laminates

Multi-purpose industrial laminates are available in all brown, black, and sandwiched design core variants. They are designed to have stable geometry under high temperatures and to deform minimally when subjected to stresses. Furthermore, they feature a high strength-to-weight ratio and qualities that do not diminish with age, making them suitable for usage in industrial settings.



Specialty surfaces

Our specialty surfaces are the world's premier collection of value-added decorative surfaces that enrich and distinguish interiors.

Range and usage



Electrostatic Dissipative (ESD) laminates

They are designed to diffuse static electricity in order to protect electronics and other static-sensitive devices from electric charges that could cause damage during production or assembly. They are also dirt and dust particle resistant. As a result, they are ideally suited for usage in workstations where static-sensitive electronic components are made, as well as hospitals and medical facilities.



Mirror laminates

Mirror laminates provide significant value to interiors, while remaining durable and a semi-rigid sheet for easy fabrication and handling. They are intended for use as kitchen countertops and cladding, bathroom vanity counters, wash counters, bathroom cladding, tabletops, window sills and frames, decorative cladding, and false ceilings.

MIRROR SHIELD LAMINATE



Magnetic laminates

Magnetic laminates, a high-technology hybrid, add enjoyable and practical components to our high-quality designs. They are a virtually unquestionable addition to any commercial project because they can be written on with chalk or special board markers and quickly affixed directly to the existing laminate using magnets. They are appropriate for use in retail, education, commercial, residential and other locations.

MAGNETIC LAMINATES



Metallic laminates

Metallic laminates are created with high-quality metallised aluminium foil sourced from Europe. They have bright and reflective surface elements that give the environment a modern and sleek appearance. They are also available in high metallic laminates and are used in a variety of industries including hospitality, interior design, gaming and entertainment, and retail signage display furniture. They are also suitable for kitchens, home furnishings, tabletops and worktops, edge bands, skiting boards, doors, interior wall cladding, mirror tiles, and white boards.



Synchro laminates

Synchro laminates are designed to work in tandem with the pattern on the décor paper to create an identical duplicate of the design seen. These laminates are popular among architects, designers, and homeowners that value quality and wish to add a unique touch to their interiors. They can be used in high-end commercial settings as well as work surfaces, cabinets, flooring, panels, countertops, and interior walls in homes.

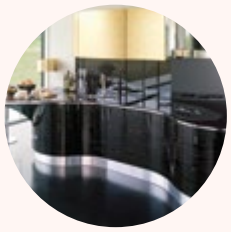
SYNCHRO LAMINATES



Chalk/Marker laminates

They deliver surface durability and can be used with dry and wet erase markers. Their intrinsic properties make them ideal for office meeting rooms, patient boards, memo boards, athletic facilities, and cafeteria menu boards.

CHALK BOARDS & MARKER BOARDS



Post forming laminates

They are exclusively designed for usage on surfaces where the laminate is required to roll in a simple radius around the edges of a substrate. They improve the ornamental feature of any standard laminate's edges by leaving no seams around corners. This makes them ideal for shutters, countertops, cabinet doors, storage cabinet doors, and shelving systems that have uneven corners.

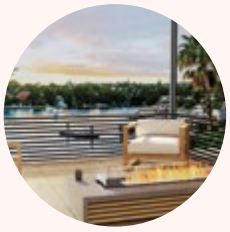
POST FORMING LAMINATES



Digital laminates

With customisable printed laminates encompassing themes ranging from nature and sports to cuisine and romance, digital laminates give architects and designers the much desired artistic leeway. They are versatile and provide a unique aesthetic appeal to interior décor walls, divider walls, multi-purpose furniture stands, children's rooms, exhibition images and doors.

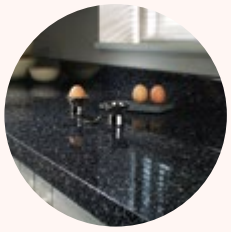
DiGidelight DIGITAL LAMINATES



Unicore laminates

Unicore laminates are a one-of-a-kind combination of identical colours and core-layered decorative surfaces. They can be employed as a decorative element in the home as well as in the hospitality industry.

UNICORE LAMINATES



Flicker laminates

With a sparkle that transcends serenity, flicker laminates are available in two colours of silver and copper. They are used in kitchens, baths, decorative units, clubs, and showrooms, as well as the events industry.

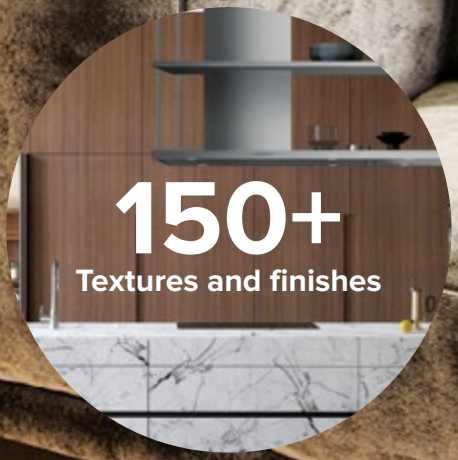
Innova

means saying no to status quo

For us, at Stylam, innovation means challenging the status quo and constantly thinking afresh to delight the patrons of our product brands nationally and internationally.

The laminates sector is a dynamic one that continually sets new trends. As an industry leader, we realise the need for constantly improving and developing designs that outshines competition. To stay ahead in the fast-paced world of laminates, we deploy cutting-edge technology and revolutionary processes to craft designs that captivate.





tion







Hot coating technology

We are a pioneer in Hot Coating technology from KLEIBERIT and BARBERAN in Germany and Spain. This state-of-the-art machine, the first of its kind in India, uses cutting-edge proprietary technology from Germany to generate immaculate finished quality laminates. Our 60-metre lacquer line plant employs KLEIBERIT's Hot Coating adhesives imported from Germany, as well as sophisticated spray pump technology, to precisely apply the most sought-after High Gloss & Anti-Fingerprint (Super Matt) finish on laminates and exterior cladding.

Anti-fingerprint laminates

We offer an anti-fingerprint surface with an ultra-soft touch and a deep matt finish to absorb light for aesthetically pleasing interior spaces. For projects that make a statement, we deliver diverse patterns with a smooth feel eased by a matt surface and anti-fingerprint features. We manufacture it with cutting-edge German KLEIBERIT Hot Coating Technology and state-of-the-art BARBERAN equipment, resulting in thermal healing capability and anti-microbial surface protection. We also assure that the laminates will not deteriorate or dissolve over time.

High gloss laminates

We always strive to provide inventive, innovative furnishing options to develop adaptable spaces for households and corporations. We have pioneered laminates with scratch-resistant high gloss surfaces using our ground-breaking KLEIBERIT Hot Coating technology. We ensure that the gloss's brilliance will endure for years without showing any signs of wearing. We deliver a wide range of innovative patterns that are in synergy with trends in the market with designs and hues that go well with the most contemporary furniture.

Our PU+ Lacquer coating technology imparts radiance to the surface that lasts for years. It is available in a variety of vibrant colours that enhance the appeal of interiors. Laminates are moisture resistant and UV resistant while being easy to clean and maintain.

Wide spectrum of capabilities

Vision 2022-2025

Increase capacity utilisation on the back of completed expansion (capacities in place to double revenues)

Setting up the plywood manufacturing facility - Stylam Panels Limited incorporated

What distinguishes Stylam in the national and international markets is its ambition to set new standards in each of its facilities.

Our innovative product line and use of cutting-edge manufacturing processes have helped us become a global brand. We have a section-wise split based on the different departments of our organisation at our Manak Tabra and Panchkula plant facilities, which assists in boosting the work rate and productivity. Fully automated machinery from reputable European (Italy | Germany | UK | Spain) and Indian vendors have been installed in our units to produce high-quality products.

Our vast stockpiling unit is designed with innovation at its core to maintain optimal capacity conditions while maintaining the product's quality. The quality unit guarantees that all quality guidelines factors are taken into account and followed. We are actively developing a range of world-class laminates for both residential and commercial applications.



Infrastructure

We have a world-class infrastructure that enables us to manufacture large quantities of diverse surface solutions for the building materials industry. Our plant is one of the most dynamic laminates manufacturing units in the country, owing to its latest machinery and equipment. Imported moulds of various finishes from France and Germany, as well as an Italian IMEAS Machine for back sanding, are just a few of the installations that help to enhance our manufacturing units.

We operate one of Asia's largest single-location laminate production operations, spanning 44 acres and capable of producing 14.3 million sheets per year. We are a global pioneer in the 'Hot Coating Process' of PU+ Lacquer coating on thin laminates. We are also a Solid Acrylic Surfaces pioneer in India, having established the first production line to manufacture these products in India.

Capability

We are capable of manufacturing laminates in a wide array of sizes depending on the applications including sheets, panels, and boards. We operate our facility using a superior operating approach to achieve the wide range of capacities.

The sheet thickness spans from 0.5 mm to 30 mm and is available in a variety of finishes including gloss, matt, suede, texture, and more. We currently have over 1,200+ unique laminates designs in various textures, and we are constantly adding to the count. We manufacture Anti-fingerPrint and High Gloss laminate sheets in thicknesses of 1 mm and higher, while PreLam Boards in the aforementioned finishes can be manufactured in a range of 18 - 25 mm.

1,500+
unique Laminates designs

Largest laminate manufacturing plant in Asia

Capacity

Our manufacturing capacity enables us to supply products to our customers across the globe. We have a laminate production capacity of approximately 20 million sheets per year. We have a single press with the highest capacity of 28 daylights and a press with the largest size of 1860x4320 mm.

Production capacity

14.3 million
sheets of laminates annually

Production capacity of Hot Coating Press

7.2 lakhs
sheets per year

Production capacity Acrylic Solid Surface

~1 lakh
panels per year

Quality

Our range of products undergo some of the most stringent quality checks within the industry, before the product becomes a part of residential or commercial space. We base our inspection criteria on our product's ability to withstand heat, scratches, and stains. We have an ISI-certified laboratory with specialised Quality Assurance machines from Europe (Italy, Germany, the United Kingdom, and Spain) and India.

We have a highly qualified and committed Research and Development team that is continually working on innovation and improvement, culminating in the development of high-quality products. Furthermore, we have experts from all across the world to supplement our knowledge.

Quality assurance

To ensure quality, we source our raw materials only from trusted partners and check the entire batch of the raw material prior to entering the manufacturing unit. We carry out production under extreme supervision and any batch with any shortcoming is replaced with the new one. We have a monitoring team in place to oversee the manufacturing process.

The finished goods are manually examined for quality according to a number of criteria, and the end sheets are subjected to a technical inspection to make sure everything is in order. Along with this, the storage department runs their own check. We ensure that the packaging is done meticulously so that the laminates are prepared for shipping and there is no concern for damage. Only the highest quality products are delivered to the customers' doors owing to our competent after-sales services department.

Enhancing our visibility and recall

Kuch nahi dikhega

We launched this campaign to promote our TouchMe Anti-Fingerprint Laminate product. The ad campaign highlights the properties of the product by showcasing the fact that no matter how many hands touch its surface or is exposed to scratches, there won't be any trace of it. Our campaign was one of the most visible promotion during the IPL 2020 and helped increase our customer outreach through the hashtag #KuchNahiDikhega, which trended on twitter and helped create a buzz about the product.

click on the below url to watch.

https://youtu.be/H2aLJzjbvel




STYLAM®
LAMINATES
#KuchNahiDikhega


ESG
ENVIRONMENTAL, SOCIAL & GOVERNANCE



Our multi-year commitments in the areas of environment, social, and governance help us win across geographies with our brands as a force for good, powered by refreshing ideas and innovation. Our ESG framework remains our hallmark of integrity.

Our ESG Approach

As a responsible corporate entity, we strive to grow in a sustainable manner by taking into cognisance the expectations and concerns of all stakeholders. Our ESG approach is a dynamic process that is periodically upgraded and refined in view of the shifting circumstances of the business and stakeholders' aspirations.





Environment

We emphasise strategic policies that are cognisant of the environment and responsibility towards its stewardship. We continually seek new ideas and solutions to reduce our environmental footprint through conscientious efforts.

Our products are ecologically friendly, and we make additional efforts to ensure that they meet health and safety regulations. The NSF certification validates our dedication to consumer and environmental safety.


Otabu

Certificate of Registration

STYLAM INDUSTRIES LIMITED

ISO 14001:2015
Environment Management System

MANUFACTURE AND SUPPLY OF HIGH PRESSURE & LOW PRESSURE LAMINATES AND ACRYLIC SOLID SURFACES

Certificate No:- 1115E71419

EGAC

IAF

Our commitment to environmental standards

Our manufacturing processes demonstrate our dedication to sustainability, and we continue to take measures to make a difference. Stylam complies with the standards of the International Organisation for Standardisation (ISO).

We are working towards lowering our environmental footprint by implementing an effective Environmental Management System (EMS). ISO 14001:2015 guarantees an environmental management system that we employ to improve our environmental performance. In addition, IGBC assures that Stylam takes a holistic approach to creating environment-friendly buildings, architectural design, water efficiency, effective waste management, energy efficiency, sustainable buildings with an emphasis on occupant comfort and general well-being.





Social

Stylam's success is attributable to its employees, who work tirelessly to make the organisation what it is today. We believe in the intrinsic potential of our teams and invest in empowering them. We assist non-profits both locally and nationally. As a responsible corporation, we believe it is our responsibility to assist the more vulnerable members of society through our supported CSR projects.



1.14 Crore
CSR spend in FY 2021-22

Aiding the speech and hearing impaired

We have been collaborating closely with the Welfare Centre for People with speech and hearing impairment in Rai Purani, Haryana. By providing the appropriate resources, we aim to aid people in overcoming their speech and hearing difficulties.

We contribute CSR funds to following

1. Infrastructure development in local goverment school maniktabra village
2. Cotributed to healthcare by providing ambulence
3. Setting up old age homes day care centres for senior citizens
4. Eradicating hunger poverty and malnutrition
5. Contribution to promote nationally recognized sports amateur judo assoiciation of india
6. Contribution to society for care of blind for promoting special education
7. Taking steps to positively impact lives of senior citizens in old age homes



Promoting education

In the education sector, we have been collaborating with the Government Primary School and Government High School in Village Manak Tabra, Haryana. We believe that a positive environment in and around the school fosters a better learning environment. To support our beliefs, we have been supplying schools with furniture, paint, cooling fans and playground swings. In this manner, children not only benefit from a pleasant environment, but also enjoy the process of learning.



Village adoption and development

We adopted Village Abheypur for development purposes under the village adoption scheme. This effort aims to revitalise India's rural economy and reduce rural-urban migration. Our plan is to continue adopting and developing villages.



Governance

We generate long-term value for our stakeholders by adhering to the highest standards of corporate governance. The Board of Directors ensures that the Company complies with all the relevant laws and regulations through proper guidance and due diligence.

8
Directors

20-25 years
Experience of the Board

Our Board upholds ethical business practices in order to foster trust among stakeholders. We believe it is our duty as leaders in the business to establish standards for corporate governance, and as a result, we implement the best industry practices.

Awards and recognition

For the past three decades, we have made relentless efforts to realise our dream. Every day, we strive to get better, and being recognised for our efforts inspires us to raise the bar by delivering exceptional performance.

Our ISO 9001:2015 certification stands as a testament to our integrity, quality, and reliability.

Honoured by the Renewable Energy Department for commendable work in adopting energy conservation measures under the L.T. Industry Category

Recognised as Export House by the Government of India, for meeting all the quality, safety and green standard requirements while operating as a responsible corporate citizen

Recognised by Financial Times and Statista as one of the FT 1,000 High Growth Companies, Asia-Pacific, 2018.

Honoured with the Power Brands Rising Star Award, 2016.

We received the CE Marking Award for our laminates' design and efficiency.

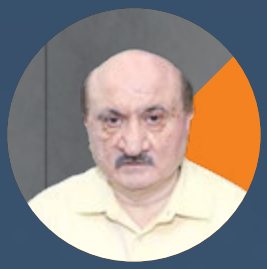
Our recent certifications

According to the Foreign Trade Policy provisions, our status has been improved to 'Three Star Export House' from the previous 'Two Star Export House.'

We received NSF International certification and we are now authorised to bear the NSF mark.

We are certified under the AEO programme (Authorised Economic Operator) by the Indian Customs

Board of Directors



Jagdish Gupta
Managing Director

Mr Jagdish Gupta, the co-founder of Stylam, has been at the forefront of the Company's growth, constantly developing new business strategies across geographies. He has been instrumental in making Stylam an industry leader and in introducing new initiatives while incorporating the best corporate governance practices and promoting the highest level of integrity and probity.

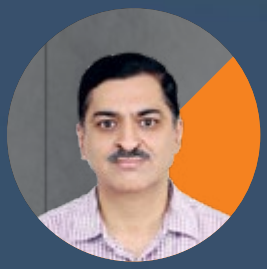
He provides overall guidance, direction and strategy to the Company while also looking after its international markets.



Manit Gupta
Executive Whole-time Director

Mr Manit Gupta is a chemical engineer and holds an MBA degree.

He was appointed as the Director in 2015. He heads the international marketing division and looks after other commercial management aspects of the Company.



Sachin Bhatla
Executive Whole-time Director (Technical)

Mr Sachin Bhatla is an engineer by qualification, with a rich experience across various technical roles and operations.

Associated with Stylam for more than 16 years, he was promoted to the designation of Director – Technical in 2018. He looks after the technical advancement of Stylam. He provides overall guidance, direction and strategy to the Company while also looking after its international markets.



Manav Gupta
Executive Whole-time Director

Mr Manav Gupta is computer engineer and holds an MBA degree.

He was appointed as the whole time Director in 2019. He heads domestic marketing and sales at Stylam and looks after general administration and raw material sourcing. He provides overall guidance, direction and strategy to the Company while also looking after its international markets.

Management Discussion and Analysis



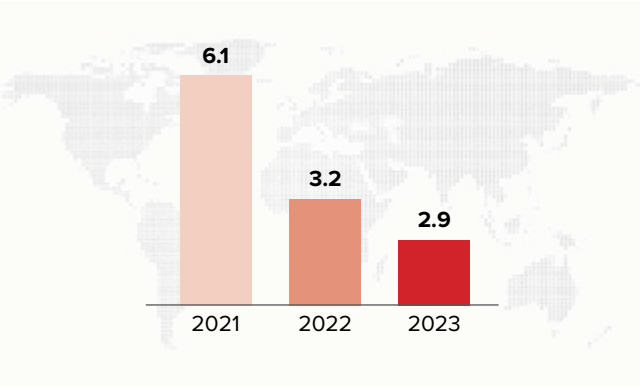
Global economy

The global economy bounced back in 2021 with a GDP growth of 6.1%, the highest since the 1970s. As restrictions continued to be lifted after successful vaccination drives around the world, consumer spending increased, goods trade surpassed pre-pandemic levels and a steady uptick in investment was witnessed around the world. It gradually made way for healthy economic recovery. However, due to the lingering impacts of the pandemic, the recovery was somewhat slowed in Q3 and Q4 of 2021. Moreover, the emergence of the Omicron variant in the fourth quarter led to the reimposition of restrictions and it aggravated supply chain issues to a certain extent. Further, the Russia-Ukraine war at the beginning of 2022 marred the economic rebound as economies felt the unexpected impact of war.

The consequential sanctions on Russia since the onset of the war and its global impact on commodity markets, supply chains, inflation, and financial conditions also affected global growth estimates. Additionally, lockdowns in China and the deepening of a real estate crisis have impacted growth prospects. As a result, the GDP is now expected to slowdown to 3.2% in 2022.

6.1%
GDP growth during the year

Real GDP growth percentage change



Source: IMF, World Economic Outlook Update, July 2022

$1 trillion
Expected Indian real estate market sales by 2030

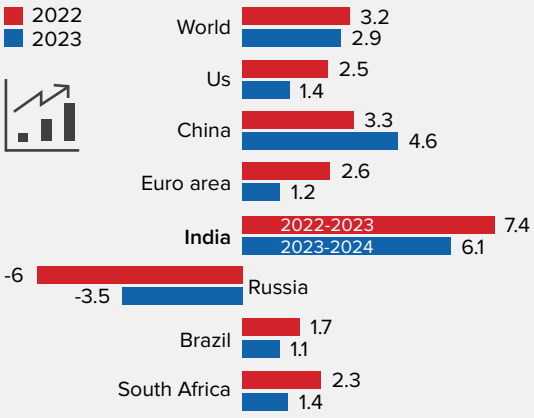
7.4%
Indian economy growth rate

Indian economy

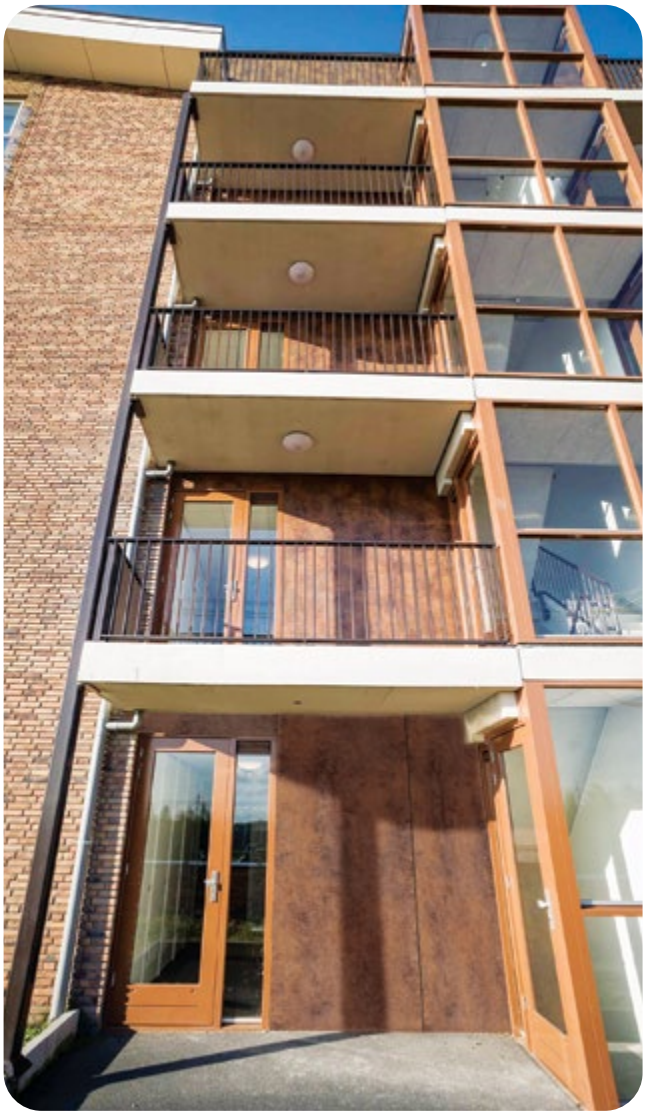
At the beginning of the fiscal 2021-22, the Indian economy was hit by the deadly second wave of the pandemic that dealt a severe blow to its healthcare infrastructure. However, its economic impact was muted in comparison to the first wave, mainly on account of the successful vaccination drive around the country and the implementation of supportive fiscal and monetary policies. While the economy reported healthy growth of 6.2%, growing at 1.3% over 2019-20, it lost momentum in Q3 and Q4 due to supply chain shocks, high input costs, shortage of coal and power and high crude prices. However, despite global supply chain disruptions and uncertainties about the possible resurgence of COVID-19 infections across many parts of the world, domestic macroeconomic conditions diverged from the global configuration and the Indian economy achieved a real GDP growth of 8.7% in FY2021-22, the fastest growth rate among major economies.

As per the IMF, the Indian economy is expected to report growth of 7.4% in FY2022-23, slower than the previous forecast of 8.2%. This can be largely attributed to the impact of the Russia-Ukraine war that further aggravated inflationary pressures and compelled the RBI to raise interest rates.

Growth (in%)



Source: IMF



Industry overview

Indian real estate sector

The Indian real estate market witnessed some recovery after the first wave of the pandemic. However, the second wave curtailed some of the optimism. With successful inoculation drives around the country and growing consumer confidence, market sentiments rebounded. The real estate sector benefitted from supportive government policies, customer-friendly tax regimes and low interest rates on loans. Moreover, the demand for housing continued to grow as people still consider real estate as a stable investment opportunity.

Outlook

Growing demand for real estate, lower home loan rates and optimism around the real estate sector is expected to buoy the Indian market in the near future. With growing income, the government's emphasis on affordable housing and a favourable

policy environment, the positive momentum is expected to be carried forward. Alongside, the government continues to undertake measures for increasing liquidity for real estate projects that were stalled due to various reasons. According to the NITI Aayog, the Indian real estate market is expected to report $1 trillion sales by 2030 and represent 13% of the country's GDP by 2025.

Growth drivers

Rising disposable income- Growing income levels in cities have increased affordability for real estate and the rising demand for housing continues to be a favourable growth driver for the real estate industry.

Urbanisation- The urban population in India is expected to reach 525 million by 2025, up from an estimated 463 million in 2020. It is also expected to cater to the need for quality housing and infrastructure.

Home loan rates- Attractive home loan rates and tax relief on interest continue to stimulate the demand for affordable housing. It is also acting as an attractive proposition for first-time homebuyers.

Favourable government policies- Government initiatives such as Pradhan Mantri Awas Yojana, Housing for All as well as the growing demand for quality housing in Tier II and III cities are fuelling the growth of the sector.

Global furniture industry

The Global Furniture Market is estimated to be USD 420 Bn in 2022 and is projected to reach USD 505.13 Bn by 2027, growing at a CAGR of 3.76%[1]. In the previous year, the furniture market witnessed restrained growth due to supply chain disruptions caused by trade restrictions and reduced consumption. However, the future looks promising as new residential spaces continue to flourish. Moreover, people have taken interest in interior decoration and are choosing high quality furnishings for living spaces. The development of smart cities and a significant spike in the construction sector is also projected to create substantial demand for furniture and home furnishing solutions in the years ahead. Further, online shopping platforms have enabled manufacturers to take their products to a larger number of customers, thereby resulting in a substantial increase in the customer base.

Indian furniture industry

The Indian furniture industry is anticipated to surpass USD 27 Bn[2] by 2022 owing to the soaring demand for home furniture, rising population and rapid urbanisation. It continues to boost investments for home renovations as consumers are consistently choosing aesthetically pleasing furniture and home furnishing solutions. Additionally, rising disposable income and better living standards are encouraging people to invest in household décor solutions more than ever before. Besides, the growing trend of work-from-home has also led to the rising demand for multifunctional furniture for setting up home offices. Besides, the demand for lightweight, versatile, and portable furniture with maximum storage facilities from hotels and resorts continue to augment market growth.

Global laminates industry

The global decorative laminates market size was valued at USD7.0 Bn in 2021. It is projected to reach USD 10.0 Bn by 2031, growing at a CAGR of 3.4% from 2022 to 2031[3]. Decorative laminate provides a number of advantages over other surface finishing products. For example, they are moisture-proof, abrasion- & impact-resistant, and require little to no maintenance. These attributes make them a cost-effective option over a longer period.

The demand for residential infrastructure has greatly increased due to the rise in global population and the growth of nuclear households. This has fuelled the use of decorative laminates on floors, walls, doors as well as windows. In addition, the laminates are being widely preferred by hotels, resorts, offices and other commercial properties due to its aesthetic properties as well as its durability. Decorative laminates are also being used for home remodelling projects, especially in high income countries. Additionally, low installation and maintenance costs have driven up the demand for decorative laminates in comparison to wooden flooring.

Indian laminates industry

India's market for decorative laminates is primarily driven by improved living standards and rising consumer spending per capita on home furnishings. The popularity of ready-to-assemble (RTA) cabinetry, flooring, and furniture has also influenced buyers to choose modern home furnishings. Furthermore, the need for decorative laminates in gymnasiums, convention centres, indoor sports clubs, and auditoriums have increased phenomenally. In the near term, factors like rising population and rapid urbanisation is expected to propel construction of corporate offices, retail spaces, educational facilities, government buildings, hotels, lodging spaces, medical and healthcare units, industrial spaces, and commercial utilities. This, in turn will positively influence the demand for laminates.

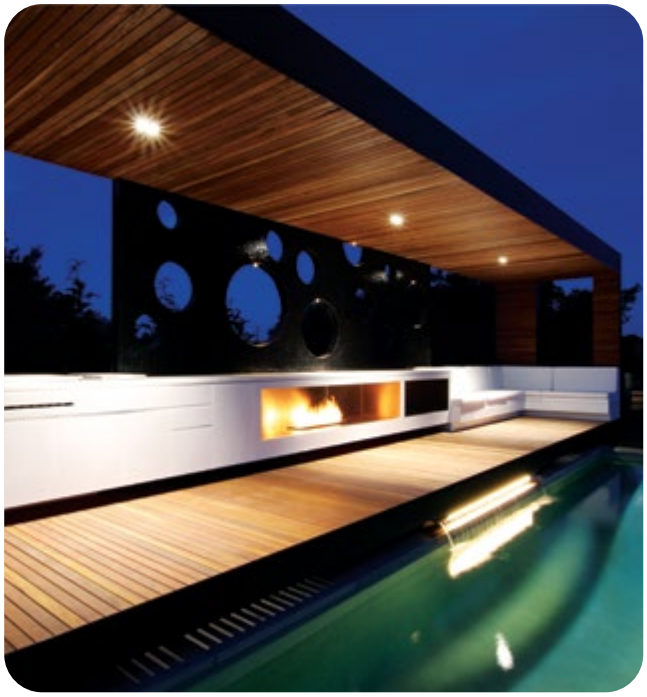
Global acrylic solid surface industry

Acrylic solid surface is described as a man-made material composed of alumina trihydrate (ATH), acrylic, epoxy or polyester resins and pigments. It is generally used in seamless countertop

[1] https://www.globenewswire.com/en/news-release/2022/03/03/2396013/28124/en/India-32-75-Bn-Furniture-Markets-to-2027-Increasing-Urbanization-and-Growing-Demand-for-Eco-friendly-Furniture-Products-are-Expected-to-Create-Attractive-Growth-Opportunities.html

[2] https://www.techsciresearch.com/news/2386-india-furniture-market-to-surpass-27-billion-by-2022.html

[3] https://www.alliedmarketresearch.com/decorative-laminates-market#:~:text=The%20global%20decorative%20laminates%20market,3.4%25%20from%202022%20to%202031



installations and can be heated and bent in three-dimensional shapes through a process known as thermoforming. Acrylic solid surfaces are used for a wide range of applications, for residential and commercial purposes. It is used in kitchen countertops, sinks, bathrooms, furniture fittings, wall cladding etc. It is also used in commercial spaces such as offices, retail outlets, malls, hotels and bars, hospitals and clinics.

Acrylic solid surfaces are durable and affordable, offering a great alternative for natural stone surfaces like granite and quartz-marble countertops.

An increase in the number of hotels and restaurants that majorly use acrylic solid surfaces for countertops, furniture, wall cladings, exterior facades, etc. is a key factor for boosting the growth of the global acrylic solid surface market. Besides, the fascination of the HoReCa industry for aesthetically appealing interiors as well as exteriors continues to increase the demand for acrylic solid surfaces.

Growing urbanisation, infrastructure development, and technological advancements are some of the other factors that are anticipated to contribute to the growth of the global acrylic solid surface market.

Company overview

Opportunities

- Rising disposable income- In CY2021, disposable income increased to Rs 2,38,573,760 million from 1,99,689,740[4] million. It is encouraging consumers to spend more on furniture and home décor and thereby creating opportunity for the decorative laminates
- Favourable government initiatives- Favourable government initiatives like the development of Smart cities and Pradhan Mantri Awas Yojana are fuelling the growth of the real estate market, which in turn acts as a positive impetus for the Indian laminates industry and presents an opportunity for the Company, given that it is an important player inn the industry
- Changing consumer preferences- The demand for aesthetically pleasing living spaces continue to bring about a significant shift in consumer preferences. The change augurs well for the furniture and home furnishing industry.
- Encouragement for Make in India projects- The government's continuous encouragement for 'Make in India' projects have resulted in import substitution and has increased the demand for home grown products. This has fared well for the domestic home furnishing industry.

Challenges

- The Company's exports may be impacted due to a slowdown in the global economy.
- Raw material risks arising from supply chain constraints and the surge in oil prices can potentially hurt the near-term growth prospects of the Company.
- Being a pioneer in the manufacturing of solid acrylic surfaces in India, the Company may face some reluctance from customers in replacing products that were so far being used by them.

Risk and mitigation

The Company functions under a well-defined organization structure. Flow of information is well defined to avoid any conflict or communication gap between two or more Departments. Second level positions are created in each Department to continue the work without any interruption in case of non-availability of functional heads. Proper policies are followed in relation to maintenance of inventories of raw materials, consumables, key spares and tools to ensure their availability for planned production programmes. Effective steps are being taken to reduce cost of production on a continuing basis taking various changing scenarios in the market.

[4] https://tradingeconomics.com/india/disposable-personal-income

Performance at a glance of last 10 years- Standalone

PERFORMANCE OF THE YEAR	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Revenue	140.2	184.9	213.8	249.4	294.3	338.0	460.6	462.2	479.5	659.35
% growth	35%	32%	16%	17%	18%	15%	36%	0%	3%	38%
EBITDA	12.7	20.5	22.4	30.1	46.8	51.6	79.9	79.6	99.04	103.6
EBITDA Margin	9%	11%	10%	12%	16%	15%	17%	17%	21%	15.71
Other income	1.2	2.0	0.7	0.7	0.1	0.0	1.6	1.0	1.1	8.0
Depreciation & Amortisation	3.1	3.3	4.2	4.7	5.7	10.8	18.2	21.0	23.1	23.3
EBIT	10.8	19.2	18.8	26.2	41.2	40.8	63.3	59.6	77.0	88.3
EBIT Margin	8%	10%	9%	10%	14%	12%	14%	13%	16%	13%
Finance Cost	4.7	6.7	4.9	6.5	10.0	7.7	11.4	10.9	6.0	7.83
PBT	6.2	12.5	13.9	19.7	31.2	33.1	51.9	48.7	71.0	80.48
PBT Margin	4%	7%	6%	8%	11%	10%	11%	11%	15%	12%
Extra-ordinary items- Expense										
PAT- Reported	4.1	9.4	9.4	12.2	19.6	20.1	38.8	18.9	55.3	61.01
PAT Margin- Reported	3%	5%	4%	5%	7%	6%	8%	4%	12%	9.3%
PAT- Adjusted	4.1	9.4	9.4	12.2	19.6	20.1	38.8	34.1	55.3	61.01
PAT Margin- adjusted	3%	5%	4%	5%	7%	6%	8%	7%	12%	9%
PInterest Coverage Ratio	2.3	2.9	3.8	4.0	4.1	5.3	5.5	5.5	12.8	11.3

Financial PERFORMANCE	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Share Capital	7.3	7.3	7.3	7.3	7.3	8.5	8.5	8.5	8.5	8.5
Other Equity	20.5	27.3	36.7	49.0	69.2	138.1	177.0	195.8	251.2	307.98
Shareholder's Fund	27.8	34.7	44.0	56.3	76.5	146.6	185.5	204.3	259.7	316.45
Loan Funds	66.2	73.3	81.7	117.0	184.0	162.0	189.0	118.5	59.2	79.5
Trade Payables	7.9	14.3	13.1	21.0	18.4	34.2	27.4	35.5	51.5	58
Other Liabilities	11.5	9.0	10.6	16.7	24.2	31.8	36.2	37.1	37.0	35.3
Total Liabilities	**113.5**	**131.3**	**149.4**	**211.0**	**303.1**	**374.6**	**438.1**	**395.3**	**407.4**	**489.26**
Gross Block	53.9	77.0	79.2	91.3	120.1	223.5	252.0	283.1	296.6	310.0
Net Block	30.7	50.7	48.7	56.3	79.7	173.3	184.5	195.0	187.8	178.7
CWIP	18.4	20.4	30.7	55.4	108.7	0.9	12.7	11.2	0.0	0.0
Property held for sale						49.0	49.0			
Inventory	31.1	24.6	25.5	43.2	53.9	60.9	66.2	66.7	71.9	132.9
Debtors	20.5	26.3	33.6	40.2	46.9	57.2	78.9	87.4	98.8	118.7
Cash and Bank Balances	1.2	3.6	1.9	1.5	1.4	4.3	2.2	6.1	15.1	7.6
Other Assets	11.5	5.7	9.1	14.4	12.6	28.9	44.6	28.9	33.7	51.2
Total Assets	**113.5**	**131.3**	**149.4**	**211.0**	**303.1**	**374.6**	**438.1**	**395.3**	**407.4**	**489.26**

Key ratios

Return Ratios	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
ROE	15.8%	29.9%	23.8%	24.2%	29.6%	18.0%	23.4%	17.5%	23.8%	21.17
ROCE- Pre Tax	13.5%	19.5%	16.5%	17.7%	19.1%	14.5%	18.7%	17.3%	24.8%	26.0%
ROCE -Post Tax	8.8%	14.2%	10.9%	10.8%	12.0%	8.7%	13.9%	12.0%	18.0%	20.28%
Gearing Ratio	1.7	1.9	1.9	2.0	2.2	1.8	1.6	1.5	1.2	1.2
Net Debt/Equity	2.3	2.0	1.8	2.1	2.4	1.1	1.0	0.5	0.2	0.2
FA Turnover Ratio	2.7	2.8	2.7	2.9	2.8	2.0	1.9	1.7	1.6	2.2
Inventory Days	73	55	43	50	60	62	50	53	53	61
Debtor Days	47	46	51	54	54	56	54	66	71	60
Creditors Days	21	22	23	25	24	28	24	25	33	51
Cash Conversion Cycle	99	79	70	79	90	90	80	93	91	70



Internal control systems

The Company has established internal control systems in line with its size, operations and complexity. These systems cover all the key areas of the business that are verified and tested at regular intervals by certified auditors as well as internal auditors. The internal control system ensures measurability and verifiability, reliability of accounting management efficiency and management information. The system also ensures compliance with all applicable laws and regulations, protection of the Company's assets and identification of critical risk areas to address them effectively.

Directors' Report

Your Directors are pleased to share the Business Performance for the Audited Financial Statements for the ended March 31, 2022.

FINANCIAL PERFORMANCE SUMMARY

₹ in crores

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	659.35	479.53	659.35	479.53
Earnings before Interest, Taxes & Depreciation	103.65	98.98	103.59	99.04
Less: a) Finance Cost	7.83	6.02	7.83	6.02
b) Depreciation	23.26	23.15	23.26	23.15
Add: Other Income	8.06	1.10	7.97	1.10
Profit before exceptional items and tax	80.57	70.92	80.48	70.97
Less: Exceptional Items*	-	-	-	-
Profit before tax	80.57	70.92	80.48	70.97
Less: Tax Expense	19.47	15.67	19.46	15.67
Profit for the Period	61.11	55.25	61.02	55.30
Share of Profit/(Loss) of associate company	(22.10)	(0.14)	-	-
Add: Other Comprehensive Income/(Expense) (Net of Taxes)	(0.0090)	0.11	(.0090)	0.11
Total Comprehensive Income	60.88	55.22	61.01	55.41
Opening balance in Retained Earnings	250.97	195.75	251.20	195.79
Closing balance in Retained Earnings	307.62	250.97	307.98	251.20

Note if any

The financial year again started with an unprecedented lockdown in the different part of the country due to pandemic which negatively impacted the economic activities across the globe. Post relaxation of lockdown economic activities gradually started picking up from mid of June 2021. company backed by manufacturing strength, robust supply chain management and strong distribution network made a strong come back. The recovery was led by consumer segments of the business followed by pick up in industrial segments.

Since second half of the year, input costs and ocean freight have been on the rise. The Company is managing the same with constant monitoring and swift decisions in line with the market dynamics. However EBIDTA margins has dropped YoY (15.71% in FY22 vs 20.65% in FY 21) despite of tremendous growth in the sales. However, as Company generated healthy cash-flows, a significant part of the borrowings was repaid within same fiscal year.

Our Approach

In the beginning of FY22 when the situation warranted, entire company's focus was on all round improvement of efficiency. As domestic operations Starts improving, the company focused both on Domestic operations & the international operations.

The operations were taken to full scale, factories were ramped up to full capacities, supply chain strengths ensured continued availability of stocks at all levels.

Operations

As we entered 2022, the outlook was uncertain & no specific expectations for growth were set, however as the year progressed, the company surpassed the 2021 base year revenue. Company has achieved revenue of ₹659.35 crore as against ₹479.53 crore recorded in the previous year. Exports, including export incentives, contribute 63.78% of total revenue.

During the year, operating margins improved significantly to ₹103.65 crore from ₹98.98 crore in the previous year.

Outlook

The global Laminates market has been garnering remarkable momentum in the recent years. Low-ticket product categories are well positioned for a recessionary environment and the steadily escalating demand due to improvement in purchasing power is projected to bode well for the global market. Also, Global laminate boards' market in coming years is anticipated to rise owing to rising demand for boards with durability and resistance.

Besides, building material products are benefiting from resilience in new home construction and residential repair and remodel activity. In domestic market demand trends continued though regional lockdowns are creating challenges. Demand revival is led by Tier-II and Tier-III cities as Tier II and III towns offers reasonable land prices along with emergence of many industries (including sunrise sectors and start-ups), better road-and-air connectivity, spacious homes and need of people wanting to stay close to their hometowns, which is expected to fuel the next leg of growth of building materials companies. Further, general

shift of preference from unorganized sector to organized sector due poor availability of products by the un-organized sector, will support the growth of the organized sector.

Product Extension and Expansion

The company has planned for product extension under greenfield project by entering in Plywood and allied wood products under the flagship of wholly owned subsidiary (WOS) Stylam Panels Limited

In order to preserve precious liquidity all non-critical Capital Expenditure for the year were truncated, however, all essential and critical expansion plans were fully supported.

Credit Rating

During the year under consideration, CARE has carried out a credit rating assessment of the Company for both short term and long term exposures and has improved the rating from Care 'A-' to Care 'A" Stable and 'Care'A2 to Care 'A2'+ for long term facilities and short term facilities respectively.

The Rating of the company is as under:

Facilities	Rating
Long term facilities	Care 'A' Stable
Short term facilities	Care 'A2+

Subsidiary and Associate and its performance

Asia Pacific Region holds the largest share in the global market of laminates and allied building materials and on the basis of rational forecasts Southeast Asia region is predicted to be the fastest growing region due to a bounce in construction activities, thus, Company with a view to explore more potential markets, had incorporated a Wholly owned subsidiary (WOS) named Stylam Asia-Pacific Pte. Limited in Singapore on the 16th September 2019 but said subsidiary company could not commenced its business operations even in the current financial year and it has been decided to close the company. Entire investment in the books of accounts has been written off in the books of accounts.

The company has also purchased 34% shares of Alca Vstyle Sdn Bhd.(Alca) Incorporated in Malaysia. These shares were purchased from existing shareholders. Alca is engaged in the business of trading of commercial and industrial furniture & fixtures.

The statement in form AOC-1 containing the salient features of the financial statements of subsidiary/ associate company/joint venture pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is attached as "**Annexure-I**" to this Report

The company had incorporated wholly owned subsidiary (WOS) Stylam Panels Ltd in India to explore the opportunity by way of greenfield project in Plywood and allied wood based products. However this project has been deferred for few months.

Dividend

Board of Directors at their meeting held on July 15th, 2021, has approved payment of Interim Dividend of INR 2.50/- per equity share of face value of INR 5/- each for the financial year 2022.

Reserve

After all appropriations and adjustments, the closing balance of the retained earnings for FY 2022, stood at ₹307.62 crore.

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company prepared in accordance with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and Indian Accounting Standard 110 have been provided in the Annual Report.

Material Changes and Commitments

There have been no other material changes viz:

- Settlement of tax liabilities;
- Operation of patent rights;
- Depression in market value of investments;
- Institution of cases by or against the Company;
- Destruction of any assets or disposal of a substantial part of undertaking;
- Changes in capital structure; and
- Material changes concerning purchase of raw material and sale of the product.

that occurred during the concerned financial year or subsequent to closure of the financial year under consideration till the date of the report

The company has applied for striking off its wholly owned subsidiary Stylam Asia Pacific pte. Ltd,

The Company has appointed C&F agent in Calcutta, Delhi and Punjab to boost the sales of acrylic product.

Change in nature of business, if any

There was no change in the nature of business of the Company during the financial year ended 31st March, 2022.

Maintenance of Cost Records

Pursuant to sub-section (1) of Section 148 of the Companies Act, 2013, the maintenance of Cost Records as specified by the Central Government is not required by the Company and accordingly such records are not made and maintained by the Company.

Accreditation

Company received the following accreditation

- Company has been accredited T-2 recognition under Authorized Economic Operator (AEO) programme, under the aegis of World Customs Organization.
- Company has obtained certification from NSF International, USA, for High Pressure Decorative Laminates and Solid Acrylic Surface Products. NSF is the US based leading global provider of public health and safety-based risk management solutions.

Deposits

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Business Excellence and Quality Initiatives

The Company continues to be guided by the philosophy of business excellence to achieve sustainable growth. Customer-focused culture towards building long-term customers relationships is the key agenda of the Management.

The Company following the principles of total quality management, continues to be certified under ISO 9001: 2015 certifications for the complete range of laminates manufactured.

Occupational, Health, Safety and Environment

The Company has effectively deployed policies on Safety, Occupational Health & Environment at all locations and constantly focuses on improving the effectiveness of system processes.

Brand Visibility

During the year under review, the Company has conducted various programs viz Architects' meet, Distributors meet, Dealers meet to build a connection with its customers and dealers so to promote brand visibility and generate demand

Human Resources

The Company recognizes that the purpose of Human Resources is to be a catalyst and change agent. Over the years, there has been a paradigm shift in the approach adopted by Employee Relations through different initiatives in various capacities. The Company invested in formal and informal training coupled with on the-job training. We drive sustainable growth and have been instrumental in bringing in thought leadership in building strong employee relations. The Company is focused on building a high performance culture with a growth mindset. Developing and strengthening capabilities for all employees remained Company's an ongoing priority. The Company maintains momentum on building speed and simplification in ways of working.

Directors and Key Managerial Personnel

Change in Directors

Mr. Manit Gupta has been appointed as whole time director of the company subject to the approval of shareholder in the upcoming annual General Meeting of the company.

Retirement by Rotation and subsequent re-appointment

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment(s) therefore the time being in force) and the Articles of Association of the Company, Mr. Manav Gupta (DIN: 03091842) was appointed as director liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The Board recommends the appointment of Mr.Manav Gupta as whole time director of the company.

The details of Directors being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking your approval to the re-appointment of Directors are also included in the Notice.

Declaration by Independent Directors

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and the applicable provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 so as to qualify themselves to act as Independent Director under the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the relevant rules.

Appointment of Chief Financial officer

In accordance with the provision pursuant to section 2(24) & Section 203 read with rule made there under and other applicable provisions of the Companies Act, 2013 (Including any statutory modification(s) or re-enactment thereof) for the time being in force Mr. Kishan Nagpal, has been appointed as Chief Financial Officer designated as C.F.O with effect from 24th November 2021 in place of Mr. Sanjeev Vaid who resigned as CFO of the company on 23.10.2021.

Appointment of Company Secretary and Compliance Officer

In accordance with the provisions of Section 203 of the Companies Act, 2013, the company has appointed Mr. Sanjeev Kumar Sehgal as Company Secretary and Compliance Officer of the Company, with effect from 28th January 2022 in place

of Ms. Karan Mehra who resigned as Company Secretary and Compliance Officer of the company on 06th September 2021, for pursuing external opportunities.

Board Meetings

During the year under review, the Board of Directors of the company met 10 (ten) times, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of constitution of the Board and its Committees are given in the Corporate Governance Report which forms part of this Annual Report.

Board Evaluation

Performance evaluation of the individual Directors as well as the Board is done on the basis of the Nomination and Remuneration, Evaluation policy that has been framed by the Nomination and Remuneration Committee.

The Board of Directors are responsible for

- defining goals and framing strategies for achieving those goals;
- framing roles of board, committees, key managerial persons and employees;
- setting internal financial control systems;
- analyzing risks and effective risk measure to mitigate those risks;
- implementing corporate governance practices;
- responding to the problems or crisis that emerge;
- communication with employees and others;
- updating with latest developments in regulatory environments and the market in which the Company operates;
- contribution of the Board for ensuring that the Company adheres to the statutory and regulatory compliances as applicable to the Company;
- discharging of governance and fiduciary duties;
- handling critical and dissenting suggestions; etc.

The parameters for performance of evaluation of Board are

- attendance at the Board meetings;
- Participation and contribution in Board meetings and committee meetings;
- domain knowledge, vision, strategy;
- information regarding external environment;
- raising of concerns;
- Contribution towards the formulation and implementation of strategy for achieving the goals of the Company;
- Conduct and Integrity;
- Updating of skills and knowledge;
- Compliance with Code of Business Ethics and Code of Conduct of the Company; etc.

The Directors expressed their satisfaction with the evaluation process.

Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations.

All the members of the Audit Committee are financially literate and have experience in the financial management.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter-alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information;
- reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;
- reviewing management discussion and analysis of financial condition and results of operations;
- reviewing Related Party Transaction Policy of the Company;
- reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems.

The terms of reference of the Audit Committee and other details have been provided in the Corporate Governance Report.

Enterprises Risk Management Framework

The Board has formed a Risk Management Committee ('RMC') to frame, implement and monitor the risk management plan for the Company and ensure its effectiveness and to develop a policy for actions associated to mitigate the risks as well as identify new and emergent risks.

The RMC seeks to minimize the adverse impact of risks on business objectives and capitalise on opportunities. The RMC is chaired by an Independent Director. The Audit Committee has an additional oversight in the areas of financial controls.

The Company has a well-defined risk management framework

in place to ensure appropriate identification, measurement, mitigation and monitoring of business risks and challenges across the Company. The Company's success as an organization largely depends on its ability to identify opportunities and leverage them while mitigating the risks that arise while conducting its business. Further, the Board is apprised of any procedure that may threaten the long term plans of the Company.

Company's sustainable focus remain on leveraging next generation technology, supports an enterprise-wide view of risks and compliance, enabling a more holistic approach towards informed decision making. Risks are assessed and managed at various levels with a top-down and bottom-up approach covering the enterprise, the Strategic business units, the geographies and the functions.

All business heads are responsible to ensure compliance with the policies and procedures laid down by the Management. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues. The Management, Statutory and Internal Auditors undertake rigorous testing of the control environment of the Company.

Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee is in alignment with provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 19 of the Listing Regulations.

The Committee, inter alia, identifies persons who are qualified to become directors and who may be appointed in senior management.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter-alia, includes:

- recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- determine remuneration of all the Executive Directors and Key Managerial Personnel, i.e. salary, benefits, bonuses etc.;
- carry out evaluation of each Director's performance and performance of the Board as a whole;
- recommend to the Board, all remunerations, in whatever form, payable to Senior Management.

The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report.

Stakeholders' Relationship Committee

The composition of the Nomination and Remuneration Committee is in alignment with provisions of Section 178(5) of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 20 of the Listing Regulations. The Committee, inter alia, reviews the grievance of the security holders of the Company and redressed thereof. The brief terms of reference of the Committee and the details of the Committee meetings are provided in the Corporate Governance Report

Corporate Social Responsibility

Corporate Social Responsibility (CSR) encompasses much more than social outreach programmes.

In accordance with the requirements of Section 135 of Companies Act, 2013, Company has constituted a Corporate Social Responsibility Committee.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto as "**Annexure – II**"

The Company has contributed ₹ 114.88 lakh towards various CSR activities during the year and increased/scaled up its CSR intervention in the areas prescribed in the Company's CSR policy.

As a socially responsible Company, the Company is committed to increase its CSR impact and spend over the coming years, with its aim of playing a larger role in India's sustainable development by embedding wider economic, social and environmental objectives. The Company has identified projects where contribution will be meaningful for the economic uplift of the society. Preference was given to allocate and spend higher amount on activities pertaining to local area and areas around the Company's factories. However, being in early years of implementation of CSR, the Company has faced practical problems as regards to co-ordination and consensus amongst the beneficiaries, local villagers, gram panchayats and other related agencies to carry out the identified projects.

Statement in respect of adequacy of Internal Financial Controls with reference to the Financial Statements

The Directors had laid down Internal Financial Controls procedures to be followed by the Company which ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business. The internal control framework is commensurate with the size and operations of the business and is in line with requirements of the Act.

The Audit Committee of the Board, from time to time, evaluated the adequacy and effectiveness of internal financial control of the Company.

- The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue. The Company has workflows to ensure adherence to the delegation of authority
- The Company periodically tracks all amendments to Accounting Standards and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same. All resultant changes to the policy and impact on financials are disclosed after due validation with the Audit Committee

- Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

- Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

- The Company gets its Standalone financial statements limited reviewed/ audited every quarter by its Statutory Auditors. International subsidiary provide information required for consolidation of accounts in the format prescribed by the Company. The accounts of the subsidiary and joint venture company are audited and certified by their respective Statutory Auditors for consolidation.

- To have better internal financial control company has implemented integrated SAP System at all the business verticals.

Vigil Mechanism/ Whistle Blower Policy

The Whistleblower Policy has been approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations.

The Policy also provides protection to the employees and business associates who report unethical practices and irregularities.

The policy is available on Company's website.

Risk Management Policy

The Company operates in a volatile, uncertain, complex and ambiguous business environment. The environment brings mix of opportunities and uncertainties impacting the Company's objectives. Risk Management, which aims at managing the impact of these uncertainties, is an integral part of the Company's strategy setting process. The Company regularly identifies these uncertainties and after assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact the Company's long-term goals.

Mitigation plans to significant risks are well integrated with functional and business plans and are reviewed on a regular basis by the senior leadership.

Policy on Prevention of Sexual Harassment at Workplace

The Company's Policy on Prevention of Sexual Harassment at Workplace is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Prevention of Sexual Harassment of Women at Workplace Act) and Rules framed thereunder.

During the year under review, no case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Remuneration of Directors and Key Managerial Personnel

The remuneration paid to Directors is in accordance with Nomination and Remuneration Policy formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Listing Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of Director and Key Managerial Personnel is set out in **Annexure V**

Nomination and Remuneration Policy

The company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Remuneration Policy is approved by the Board of Directors and is uploaded on the website of the Company.

Related Party Transactions

All related party transactions that were entered during the financial year were in the ordinary course of business and on arm's length basis. There were no materially significant related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All related party transactions are placed before the Audit Committee for approval and prior omnibus approval is also obtained from the Audit Committee for the related party transactions which are of repetitive nature and can be foreseen.

The policy on materiality of related party transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company. The required form AOC-2 has been appended as "**Annexure III**" to this report.

Further the disclosures related to related party transactions are also detailed in Note No. 29 of Notes to Accounts of Financial Statements for the year ended 31st March, 2022.

Director's Responsibility Statement

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors state that:

a. in preparation of annual financial statements for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. the Directors have selected such accounting policies and applied them consistently and made judgements 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 or loss of the Company for that period;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors have prepared the annual accounts on a going concern basis;

e. the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and

f. the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Insurance

The Company's properties, including building, plant, machineries etc. and stocks are adequately insured against risks.

Listing

The equity shares continue to be listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE). The Company has paid annual listing fee for the financial year 2022-23.

Loans, Guarantees or Investments

Pursuant to Section 186 of the Companies Act, 2013, Company has not directly or indirectly

a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials if any,

b) given any guarantee or provide security in connection with a loan to any other body corporate or person and

c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate, exceeding sixty percent, of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

Auditors and Auditors' Report

Statutory Auditors

The shareholders of the company at the 27th Annual General Meeting (AGM) held on 28th September 2018, have approved appointment of M/s Mittal Goel & Associates, Chartered Accountants (Firm Registration No. 017577N), as the Statutory Auditors of the of the Company pursuant to Section 139 of Companies Act, 2013 from the date of conclusion of 27th AGM till the conclusion of 31st AGM to be held in 2022. The Board of director of the company recommended the re-appointment of M/s Mittal Goel and Associates for next five year

Statutory Auditors' Report

The observations of Statutory Auditor in its reports on standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

Details in respect of frauds reported by auditors

There were no instances of fraud reported by the auditors.

Cost Auditors

The company was not required to appoint Cost Auditor for the financial year ended 31st March 2022.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Sanjiv K Goel, Practicing Company Secretary, to undertake Secretarial Audit of the Company for the period of 5 (five) years till financial year 2025-26.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2022 is annexed herewith as "**Annexure-IV**".

The Secretarial Audit Report for the year ended 31st March 2022 does not contain any qualification, reservation or adverse remark.

Internal Auditors

The Company has proper and adequate system of internal controls. The Internal team has been appointed as internal auditors to conduct regular audits that are performed as per the annual Audit Plan. The Internal Audit team conducts its at factory, branches and corporate offices with the objective of evaluating and continuously improving the effectiveness of internal controls and governance processes. Additional areas, if any, identified during the year are taken up as special assignments.

The audit findings are reviewed by the Audit Committee and Board of Directors and corrective action, as deemed necessary is taken. Company has also laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

Corporate Governance

Transparency is the cornerstone of the Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit.

All the Committees of the Board of Directors meets at regular intervals as required in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Your Board of Directors has taken all necessary steps to ensure compliance with all statutory and listing requirements. The Directors and key managerial personnel of your Company have complied with the approved 'Code of Ethics for Board of Directors and Senior Executives' of the Company.

The Report on Corporate Governance as required under the Listing Agreement forms part of and is annexed herewith. The Auditors' Certificate on compliance with Corporate Governance requirements is also attached to this Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the financial year 2021-22, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as a separate statement in the Annual Report.

CEO and CFO Certification

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification as specified in Part B of Schedule II thereof is annexed to the Corporate Governance Report. The Managing Director & CEO and the Chief Financial Officer of the Company also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance with Code of Ethics for Board of Conduct for Directors and Senior Management Personnel

The Managing Director & CEO of the Company has given a declaration that all Directors and Senior Management Personnel concerned have affirmed compliance with the code of conduct with reference to the financial year ended on March 31, 2022. The declaration is annexed to the Corporate Governance Report.

Disclosure regarding compliance of applicable Secretarial Standards

The Company has complied with all the mandatorily applicable secretarial standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

Fraud Reporting u/s 143(12)

The Company has complied with all the provisions of Section 143 of the Companies act, 2013. Hence, no fraud was reported by the Auditors of the Company to the Audit Committee or the Board of directors.

Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is 'Not Applicable' as no employee is in receipt of remuneration in excess of the limits prescribed under this Section.

Detail of Significant and Material Orders Passed by Regulators or Courts of Tribunals Impacting the Going Concern Status and Company's Operation in Future

There are no significant material orders passed by the Regulators/ Courts which would impact the Going Concern status of the Company and its future Operations.

Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure VI**".

Compliance with applicable Secretarial Standards

The Company has duly complied with all applicable Secretarial Standard as issued by ICSI during the year under review.

Acknowledgement

The Board place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

The Board also wishes to place on record its appreciation for the support and cooperation the Company has been receiving from its suppliers, redistribution stockiest, retailers, and others associated with the Company as its trading partners.

The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

On behalf of the Board,

Jagdish Gupta
Managing Director

Place: Chandigarh
Date: 05-08-2022

Annexure-I

Form AOC-1

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

[Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries		**Amount in ₹**
1	Name of the subsidiary	STYLAM PANELS LIMITED
2	Date of Incorporation	6th July 2021
3	Reporting period of the subsidiary	March 31, 2022
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year	INR Rupees in ₹
5	Share Capital	10000000.00
6	Reserve & Surplus	0.00
7	Total Assets	10327629.00
8	Total Liabilities	10327629.00
9	Investments	0.00
10	Turnover	0.00
11	Profit / (Loss) before taxation (including Other Comprehensive Income)	(-) 18839.00
12	Provision for taxation	0.00
13	Profit / (Loss) after taxation (including Other Comprehensive Income)	(-) 18839.00
14	Proposed Dividend	-
15	% of shareholding	100%

* quoted at rate applicable at time of acquisition of shares

Notes:

1. Stylam Asia Pacific Pte Ltd has applied for struck off the company.
2. Entire Investment in the Stylam Asia Pacific Pte Ltd has been written off in the books of accounts.

Part "B": Associates and Joint Ventures (JV)		**Amount in ₹**
1	Name of the Associates	Alca Vstyle Sdn.Bhd., Malaysia
2	Latest audited Balance Sheet Date	29th February 2022
3	Shares of Associate/Joint Venture held by the Company on the year end	34% in paid up capital
a	Number of Shares	340,000 ordinary shares at Face value of MYR 1/- each
b	Amount of Investment in Associate/Joint Venture,	58,44,848.00
c	Extend of Holding %	34%
4	Description of how there is significant influence	No significant influence
5	Reason why the associate/joint venture is not consolidated	The company has consolidated accounts of Alca Vstyle Sd, Bhd.,which has accounted for its share of profit in the Joint venture company
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	
a	As per latest audited balance sheet i.e 29th February 2021	21434214.00
7	Profit / (Loss) for the year (including Other Comprehensive Income)	
i	Considered in Consolidation	(-) 2210024.00
ii	Not Considered in Consolidation	(-) 5341448.00

1. Names of joint ventures which are yet to commence operations - NIL
2. Names of joint ventures which have been liquidated or sold during the year – NIL

Annexure-II

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Scope of CSR Activities

In adherence to section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, approved a CSR Policy of the Company.

The CSR initiatives of the Company aim towards inclusive development of the communities around the vicinity of its plants and registered office.

Company under its CSR program had done interventions in the areas of (i) education, by providing material to academic institution providing education to underprivileged children; (ii) healthcare with monetary contribution, providing material to institutions providing primary health care services; (iii) care for senior citizens, co-partner in setting up of old age homes for senior citizens; (iv) Hunger, malnutrition and health , contribute towards eradicating extreme hunger, malnutrition, promoting healthcare and sanitation (v) promoting sports by extending financial support to sports association (vi) disaster management with aim to support during covid-19 pandemic.

- **Education**

  The backbone of social development is education. It has been accorded priority as a part of company's CSR project to provide better education facilities to resource-stressed slums, and rural schools, by strengthening the infrastructure.

  Infrastructure: company has constructed and repaired classrooms, to facilitate basic hygiene facilities in institution providing education to underprivileged children.

- **Healthcare**

  The healthcare in India is ailing at an alarming rate. Company's health initiatives started with a need to provide basic access to primary healthcare services to the community around. Company has made monetary contribution to institutions providing healthcare services.

- **Care for Senior Citizens**

  As per the last Census of 2011, the population of elderly people in India is around 104 Mn (roughly 8.6 per cent of total population) out of which 73 Mn reside in rural places while remaining 31 Mn are in urban areas. The Central Government has initiated several welfare policy measures for benefit of elderly people. However, ground reality as per various studies shows that much more needs to be done in terms of tangible benefits to elderly people. Situation of many elderly people remains grim both in terms of their physical / financial needs as well as mental health. Company under its CSR policy initiated to support the senior citizens of the society. Company has contributed to the old age homes for senior citizens.

- **Hunger, malnutrition and health**

  Company believe in the importance of investing in nutrition as accelerator to inclusive opportunity for a healthy growth, and as enabler of better life. Company is committed to fight hunger and malnutrition. Company monetary contributed to the Charitable Trust. The Company has also contributed two Van to the chairitable trust. The first van is dedicated to carrying the cooked food items in the most hygienic manner and second one is ambulance van dedicated to carry the patient to the Hospital

- **Promoting Sports**

  Company realized that sports activities are essential for promotion for healthy and disciplined life among youth. Company sees Investment in sports as nation building, community development, empowerment, skill development, investment in health." In a bid to strengthen the sports ecosystem, company has monetary contributed amateur federation for sports as their CSR initiatives.

- **Disaster Management**

  To mitigate and manage the impact of COVID-19, company has plants and periphery villages were sanitized to prevent spread of infection at migrant labour colonies.

2. CSR Policy Implementation

The Company shall undertake CSR project/ programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy. The CSR Policy of the Company is uploaded on the website of the Company.

3. Composition of the CSR Committee

As on 31st March 2022, the Corporate Social Responsibility Committee comprised of 3 (Three) Members of the Board, 2 (Two) of which were Executive Director and 1 (One) of which was Independent.

- Mr. Jagdish Gupta (Executive Director, Chairperson)
- Mr. Satpal Garg (Non Executive-Independent Director, Member)
- Mr. Manit Gupta (Executive Director, Member)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not applicable for the financial year 2021-22

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Nil

6. Average net profit of the Company for last three financial years: ₹ 571927115/-

7. (a) Two percent of average Net profit of the company as per section 135(5): ₹11438542-

(b) Surplus arising out of the CSR projects or programmers or activities of the previous financial years ₹ NIl

(c) Amount required to be set off for the financial year, if any : ₹ 6226.00

(d) Total CSR obligation for the financial year (7a+7b-7c) : ₹ 1,14,32,316/-

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

Amount in ₹

Total Amount spent for the Financial Year 2021-22	Amount unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date	Name of the Fund	Amount	Date
11488173.74	Nil	Nil	Nil	Nil	Nil

Total amount spent during the Financial year 2021-22 is ₹1,14,88,173.74/- (as per detail mentioned under section(c)

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

Amount in ₹

S.No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency
Nil										

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

Amount in ₹

S. No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State	Distt				Name	CSR Regd.,–if regd
1	**Supporting education of underprivileged children**	**(ii)**								
	Contribution for the infrastructure support for a School		Yes	Haryana	Panchkula	520282/-	Nil	Direct	-	-
	Contribution to Society for Care of Blind for Promoting Special Education.		Yes	Chandigarh	Chandigarh	500000/-	Nil	Direct	-	-

Amount in ₹

S. No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State	Distt				Name	CSR Regd.,–if regd
	Contribution to Panah Welfare Fund for Under Privileged Childern.		Yes	Haryana	Panchkula	100000/-	Nil	Direct	-	-
2	**Promoting Healthcare**							Direct		
	Provide material and monetary contribution to Jan Sewa Charitable Trust for setting up of testing laboratory		Yes	Delhi	Delhi	271157/-	Nil	Direct	-	-
	Provided Ambulance to Dharam hospital for carrying patient.		Yes	Chandigarh	Chandi Garh	865000/-	Nil	Direct	-	-
	Provided Ambulance to Mata Mansa Devi Sewak Dal for Funeral services.		Yes	Haryana	Panchkula	865000/-	NIL	Direct	-	-
	Provided Material to Centre for person with speech and hearing impairment services.		Yes	Haryana	Panchkula	458691/-	NIL	Direct	-	-
	Provided Ambulance van to Life Line for Carrying Patient		Yes	Chandigarh	Chandigarh	946420/-	Nil	Direct	-	-
3	**Setting up old age homes, day care centers and such other facilities for senior citizens**	**(iii)**								
	Supply of material and labor charges for Old age home		Yes	Chandigarh	Chandigarh	1939032/-	NIL	DIRECT		-
4.	**Eradicating hunger, poverty and malnutrition**	**(i)**								
	Monetary contributed for a van purchased by Charitable Trust for carrying cooked foods.		Yes	Haryana	Panchkula	629240/-	Nil	DIRECT	-	-

Amount in ₹

S. No	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State	Distt				Name	CSR Regd.,–if regd
	Provide material and Monetary contribution to Mata Mansa Devi Sewak Dal for Develoment.		Yes	Haryana	Panchkula	2725000/-	Nil	DIRECT	-	-
	Contribution to Uttkarsh Global Foundation for Providing foods to poor.		No	Maharastra	Mumbai	1282500/-	Nil	Direct	-	-
5.	**Contributing to promote nationally recognized sports**	**(vii)**								
	Contribution to Amateur Judo Association of India		Yes	Chandigarh	Chandigarh	220000	NIL	Direct	-	-
6.	**Covid care support**	**(xii)**								
	Sanitized periphery villages and distribution of face masks etc.		Yes	Haryana	Panchkula	165850/-	NIL	Direct	-	-
	Total									

(c) Excess amount to set-off, if any

S, no.	Particulars	Amount in ₹
1	Two percent of average net profit of the company as per section 135(5)	1,14,38,542.29
2	Total amount spent for the Financial Year	1,14,88,173.74
3	Excess amount spent for the financial year [(2)-(1)]	49,631.45
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
5	CSR amount remain unspent in the preceding financial year*	0.00
6	Amount available for set off in succeeding financial years [(3)-(4)-(5)]	49631.45

9. (a) Detail of unspent CSR amount of the preceding three financial years

Amount in ₹

S. No	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135(6)	Amount spent in the reporting financial year	Amount transferred to any fund specified under Schedule VI of Section 135 (6) if any,			Amount remaining to spent in the succeeding financial year
				Name of the fund	Amount	Date of transfer	
Nil							

(b) Details of CSR amount spent against ongoing projects for the preceding three financial years:

Amount in ₹

S.No	Project ID	Name of the project	Financial year in which project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project Completed / Ongoing
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset
28-02-2022	1494240.00	MATA MANSA DEVI SEWAK DAL PANCHKULA.	AMBULANCE AND FOOD VAN AT MATA MANSA DEVI TEMPLE, PANCHKULA (HRY.)
23-03-2022	865000.00	DHARAM HOSPITAL, 2040, SECTOR15-C CHANDIGARH	AMBULANCE AT DHARAM HOSPITAL CHANDIGARH
28-02-2022	946420.00	LIFE LINE CHANDIGARH	AMBULANCE AT LIFE LINE CHANDIGARH

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

12. Responsibility Statement

The CSR Committee hereby affirms that:

The Company has duly formulated a CSR Policy Framework which includes formulation of a CSR Theme, CSR budget and roles and responsibilities of the Committee as well as the various internal committees formed for implementation of the CSR policy;

The Company has constituted a mechanism to monitor and report on the progress of the CSR programs;

The activities undertaken by the Company as well as the implementation and monitoring mechanisms are in compliance with its CSR objectives and CSR policy.

On behalf of the CSR Committee

sd/-
Jagdish Gupta
Chairman

Annexure-III

Form AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

2. Details of material contracts or arrangement or transactions at arm's length basis are given below:

S.No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Alca Vstyle Sdn. Bhd., Malaysia	Arrangement for sale of products	From 22nd November 2019, the date of acquisition of shares and subsequent years	From 22nd November date of acquisition of shares, sale for ₹ 5,36,42,606/- on mutually agreed terms.	12.08.2019	N.A
2	Stylam Asia Pacific Pte Ltd, Singapore	Arrangement for Expenses	For the financial year 2019-20 and subsequent years	During financial year 2019-20 paid ₹397,402/- towards incorporation expenses.	12.08.2019	N.A
3	Stylam Panels Limited	Arrangement for Investment in Equity Shares	For the financial year 2021-22	During Financial Year 2021-22 paid 10000000	16.06.2021	NIL

Annexure-IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – March 31, 2022

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

To
The Members,
Stylam Industries Limited
S.C.O. 14, Sector 7 C,
Chandigarh -160019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Stylam Industries Limited** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

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

1. I, have examined the books, papers minute books, forms and returns filed and other records maintained by Stylam Industries Limited for the financial year ended on March 31, 2022 according to the provisions of:

   (i) The companies Act, 2013 (the Act) and the rules made there under;

   (ii) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;

   (iii) The Depositories Act, 1996 and the Regulations and Bye Laws framed there under;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

      (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 - **Not applicable as there was no reportable event during the financial year under review**;

      (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014- **Not applicable as there was no reportable event during the financial year under review**;

      (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-

      Not applicable as there was no reportable event during the financial year under review;

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

      (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 –

      Not applicable as there was no reportable event during the financial year under review;

      (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 –

      Not applicable as there was no reportable event during the financial year under review;

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

2. I have relied on the representation made by the company and its officers for systems and mechanism put in place by the company for compliances under the applicable Act, Laws and Regulations to the Company.

3. I have also examined compliance with applicable clauses of the followings:

   (i) Secretarial Standards issued by The Institute of Company Secretaries of India, effective from July 01, 2015.

   (ii) The erstwhile Listing Agreement entered into by the company with Bombay Stock Exchange Limited and

   The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 notified w.e.f. December 01, 2015.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(ii) Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(iii) All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, suits, rules, regulations and guidelines.

I have not found any material event during the year under review which has major bearing on the Company's affairs in pursuance of any of the laws, rules, regulations or guidelines covered by this audit.

Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No. : 2107
CP NO. : 1248
UDIN No. F002107D000748347

Place: Chandigarh
Date: 05.08 2022

Annexure-V

Information as per Clause (m) of Sub-Section (3) of Section 134 of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 and forming part of the Directors' Report for the year ended March 31 2022.

A. Conservation of energy

The Company accords great importance to conservation of energy. The Company has taken several steps towards this end through: -

- Close monitoring of consumption of electricity;
- Optimization of motor and pumps;
- Implementation of LED lights for both plants;
- Optimization of conservation of electricity by equipment modification/replacement/retrofitting;
- Achieving power factor standards nearing unity.

Energy Audit and audit for Steam has not been conducted during the year under review. But has planned for the next year. So, Energy Audit of the plant will be conducted in the coming year to look further scope of Energy Conservation. In similar way, audit of Steam and Condensate system will be conducted.

Total energy consumption and energy consumption per unit of production as per Form A (Rule 2) is not provided as the Company is not covered under the list of specified industries.

B. Technology Absorption

a) Research and Development (R&D)

The R&D activities of the Company are categorized under the following area of focus:

- Developing new products & designs for emerging applications;
- Improvement in manufacturing process;
- Upgradation of existing products with value added features to create product differentiation to retain market share;
- New technology CNC machine installed in cubical section for development of new dimensional products;
- Effective production scheduling;
- Establishing product credibility through international certification;
- Reduction in input pilferage;
- Continuous benchmarking of products against national/international competition.

The Company is putting in efforts to enhance the consumer experience and showcase its indigenous developments. Key features of new products were demonstrated to architects, dealers and other customers both overseas and domestic.

Company is thinking to engage independent implementing agency for lean manufacturing in both the plants

b) Benefits derived as a result of the above R&D

- Penetration into newer market;
- Enhanced reliability of the product;
- New product developments;
- Cost reduction;
- Import substitution;
- Foreign exchange earnings.

c) Future Plan of Action

- To continue with the R&D for new products and better processes
- To improve the quality of existing products

d) Technology absorption adaption and innovation

a) Steps adopted

- Setting –up strict quality norms so as to ensure the goods dispatched from factory is as per the requirement of the customer and is free from all defects;
- Participated in the exhibition at national and international level;
- Analyzing feedback from users to improve products and services.

b) Benefits of the steps adopted

- Improvement in product quality;
- Promotion of Company's brand value;
- Expanded product range;
- Entered into new geography.

c) Particulars of Imported Technology in the last 5 years: Nil the Company keeps itself updated on the latest technology available.

C. Foreign Exchange Earnings and Outgo

The Company participates in the exhibition organized at the international levels and continued its initiatives to increase exports by developing new products and expanding to new markets. The thrust for exploring new market for export will continue in future.

Total Foreign Currency Earning and Outgo

₹ in crore

Earning on account of	2021-22	2020-21
FOB value of Export	363.12	293.94
Other Income	-	-
Total	**363.12**	**293.94**
Outgo on account of		
Raw Material	119.12	118.47
Components & Spare Parts	0.62	0.78
Capital Goods	1.94	0.47
Other Expenditures	0.00	9.58
Total	**121.68**	**129.30**

Report on Corporate Governance – 2021-22

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

1. Company's Philosophy

The company is committed to the highest standards of corporate governance, and setting industry-leading benchmarks. To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is company's road to consistent, competitive, profitable and responsible growth and creating long-term value for its Members, its people and its business partners. The above principles have been the guiding force for whatever the company does and shall continue to be so in the years to come.

Company's goal is to promote and protect the long-term interest of all stakeholders, and to that end, its philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

The Board of Directors are responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors plays a crucial role in overseeing how the Management serves the short and long-term interests of Members and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

Corporate Governance and Ethics

As a Company we have always worked on the side of ethics and have shunned expediency in any form. We believe that if something is important enough to be done, it is important that we do it ethically. We supplement our traditionally held values of ethical behavior and moral conduct with explicit rules and regulations that guide our efforts in financial, propriety, customer care and business excellence.

2. Board of Directors

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

Composition

The Board has an appropriate mix of Executive and Non – Executive Directors to maintain its independence. The Board periodically evaluates the need for change in its composition and size. The Board, inter alia, focuses on strategic planning, risk management, compliance, and corporate governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors. As on date of this Report, the Board consists of four executive directors and four independent directors.

The constitution of the Board is given below:

Name of Director	Category	No. of other Directorships in Public Limited Companies	Membership of Other Board Committees
Jagdish Gupta**	Executive/ Managing Director	1	-
Manit Gupta	Executive/ Whole-time Director	1	-
Sachin Bhatla	Executive/ Whole-time Director (technical)	0	-
Manav Gupta	Executive/ Whole-time Director	1	-
Satpal Garg**	Non-Executive/ Independent	0	-
Renu Sood*	Non-Executive/ Independent	0	-
Vinod Kumar	Non-Executive/ Independent	0	-
Sachin Kumar Bhartiya	Nominee	2	-

A. Chart/matrix setting out the Skills/Expertise/Competence of the Board of Directors

The matrix setting out the skills / expertise/competence of the Board of Directors is given below

S.No.	Experience / Expertise / Attribute	Comments	Status of availability with the Board
1	Leadership	Ability to envision the future and prescribe a strategic goal for the Company. Help company to identify possible road maps. Inspire and motivate the strategy and approach.	Yes

S.No.	Experience / Expertise / Attribute	Comments	Status of availability with the Board
2	Knowledge/ Understanding of the Business of the Company	Should possess domain knowledge in businesses in which the Company participates. Role model in good governance and ethical conduct of business. The ability to leverage the developments in the appropriate for betterment of Company's business. To use the systems which enable the Company to effectively identify, asses and manage risks. Trade practices	Yes
3	Strategy Planning and implementation	To understand goals of the company Ability to plan and implement the strategies effectively & efficiently Equip to analyze necessary changes required due to existence of dynamic environment	Yes
4	Technical skills	Understanding the financial statements, financial controls Practices of the Company across its business line Marketing or other specific skills required for the effective performance of the Company	Yes
5	Attitude and Behavior	Should be Performance oriented Should be Independent Displaying of integrity and ethical standards Active contribution/ participation in discussions	Yes
6	Governance	Commitment in setting corporate governance practices Understanding to support compliance systems and governance policies. Knowledge of legal and regulatory aspects	Yes
7	Other Skills	To have decision making skills To have Leadership skills Ability, experience and knowledge on their respective fields/ core areas	Yes

The above list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) for it to function effectively, are available with the Board.

B. Board Meetings and Attendance

During the financial year the Board of Directors met 10 (ten) times during the financial year, on the following dates:

27-05-2021	24-11-2021
16-06-2021	21-12-2021
28-07-2021	10-01-2022
06-09-2021	28-01-2022
22-10-2021	21-03-2022

The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings.

The attendance at the Board Meetings and the last Annual General Meeting were as under:

Name of Directors	No. of Board Meetings		Annual General Meeting
	Held	Attended	
Jagdish Gupta	10	10	Yes
Manit Gupta	10	10	Yes
Manav Gupta	10	10	Yes
Sachin Bhatla	10	5	Yes
Sachin Kumar Bhartiya	10	3	Yes
Satpal Garg	10	9	Yes
Vinod Kumar	10	3	No
Renu Sood	10	6	No

C. Independent Directors confirmation by the Board

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

As on March 31, 2022, none of the Independent Directors was holding any shares of the Company.

D. Information supplied to the Board of Directors:

During the financial year 2021-22, all necessary information, as required under the applicable provisions of the Act, 2013, Part A of Schedule II of the SEBI Listing Regulations and SS-1 ("Secretarial Standard on Meetings of the Board of Directors") and other applicable laws, rules and regulations were placed and discussed at the Meetings of the Board of Directors.

3. Committees of the Board

There are four Committees of the Board namely, the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The terms of reference of the Board Committees are in compliance with the provisions of the Companies Act, 2013, SEBI LODR Regulations and are also reviewed by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of each Board Committee are convened by the Company Secretary in consultation with the respective Committee Chairperson. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below

Audit Committee

Composition

The Audit Committee comprises of optimum combination of executive and non-executive directors. There are 3 members, out of which 2 are Independent and 1 Promoter Director as on 31st March, 2022 The terms of reference of the Committee are same as are described in Regulation 18 of Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Attendance of Members at meetings was as under:

Name	Category	Position
Satpal Garg	Non-Executive/ Independent	Chairman
Jagdish Gupta	Executive/ Member	Member
Renu Sood*	Non-Executive/ Independent	Member

* CFO is permanent invitee to the Audit Committee.
Company Secretary acts as Secretary to the committee.

Meeting and attendance during the year

During the year, 5 (five) Audit Committee meetings were held on 18-05-2021, 27-05-2021, 14-07-2021, 22-10-2021, 28-01-2022

The Attendance of Members at meetings was as under:

Name	No. of Meetings held during the period	No. of Meetings Attended
Satpal Garg	5	5
Jagdish Gupta	5	5
Renu Sood*	5	5

Terms of reference:

The role / terms of reference of the Audit Committee interalia includes the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing with the management quarterly, half yearly, nine- months and annual financial statements, standalone as well as consolidated, before submission to the Board for approval;
- Reviewing the Management Discussion and Analysis of the financial condition and results of operations;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- Recommending the appointment, remuneration, terms of appointment and scope of Statutory Auditors of the Company and approval for payment towards any other service;
- Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing, with the management, the annual financial statements and the audit report before submission to the board for approval, with particular reference to:
  a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of subsection (5) of Section 134 of the Companies Act, 2013;
  b. Changes, if any, in accounting policies and practices and reasons for the same;
  c. Major accounting entries involving estimates based on the exercise of judgment by management;
  d. Significant adjustments made in the financial statements arising out of audit findings;
  e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;

g. Qualifications in the draft audit report.

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Reviewing the adequacy of internal audit function and discussing with the internal auditors on the significant findings and further course adopted;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, if any;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with internal auditors about any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), if any, and creditors;
- Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Review the management discussion and analysis of financial condition and results of operations;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls

The role / terms of reference of the Audit Committee are in conformity with the SEBI Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Managing Director and Whole-time Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

Terms of reference:

The terms of reference of the Nomination and Remuneration Committee inter alia includes the following:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
- Recommend to the Board appointment and removal of such persons;
- Formulate criteria for determining qualifications, positive attributes and independence of a director;
- Devise a policy on Board diversity;
- Formulation of criteria for evaluation of directors, Board and the Board Committees;
- Carry out evaluation of the Board and directors;
- Recommend to the Board a policy, relating to remuneration for the Directors and Key Managerial Personnel (KMP);
- Recommend to the Board, all remuneration, in whatever form, payable to senior management

Composition

The Nomination and Remuneration Committee comprises of 3 (three) Non-Executive Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of Nomination and Remuneration Committee as on 31st March, 2022, is given below:

Name	Category	Designation
Vinod Kumar	Non-Executive/ Independent	Chairperson
Satpal Garg	Non-Executive/ Independent	Member
Renu Sood	Non-Executive/ Independent	Member

Meeting and attendance during the year

During the year, 4 (Four) Nomination & Remuneration Committee meetings were held on 17-05-2021, 28-07-2021, 24-11-2021 and 28-01-2022

The Attendance of Members at meetings was as under:

Name	No. of Meetings held during the period	No. of Meetings Attended
Satpal Garg	4	4
Vinod Kumar	4	4
Renu Sood	4	4

Performance Evaluation

In terms of the requirement of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

Board and Individual Director

The parameters for performance evaluation of Board includes composition of Board, process for appointment to the Board, succession planning, handling critical and dissenting suggestions, attention to Company's long term strategy, evaluation of the governance levels of the Company, quality of discussions at the meeting, etc.

The parameters of the performance evaluation process for Directors, inter alia, includes, effective participation in meetings of the Board, understanding of the roles and responsibilities, domain knowledge, attendance of Director(s), etc.

Independent Directors were evaluated by the entire Board with respect to fulfillment of independence criteria as specified in the Listing Regulations and Companies Act, 2013 and their Independence from the Management. Additional criteria for evaluation of Chairman of the Board includes ability to co-ordinate Board discussions, steering the meeting effectively, seeking views and dealing with dissent, etc.

(i) Disclosures with respect to Remuneration

Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended on March 31, 2022 are as follows and the same is within the ceiling prescribed under the applicable provisions of the Companies Act, 2013

Amount in ₹

Name	Designation	Salary	Commission	Provident Fund	Perquisites and other allowances
Mr. Jagdish Gupta	Managing Director	16800000	-	-	-
Mr. Manit Gupta	Director	7200000	-	-	-
Mr. Manav Gupta	Whole Time Director	7200000	-	-	-
Mr. Sachin Bhatla	Director-Technical	2166000	-	-	-

Non-Executive Directors

There are no pecuniary relationships or transactions between the non-executive directors (including independent directors) and the Company. During the year, the company had not paid any amount to Non-Executive Directors.

(ii) Service contracts, notice period, severance fees

The terms of appointment of whole time directors are governed by resolution of Board of directors/ Shareholders and applicable rules of the Company. None of the directors are entitled to severance fees.

(iii) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

Company has not granted any stock option to its any of Directors.

Stakeholders Relationship Committee

The terms of reference and the ambit of powers of Stakeholders Relationship/ Grievance Redressal Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of shareholder correspondences, queries, grievances etc. are endeavored to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

Terms of reference:

The terms of reference of the Stakeholders Relationship Committee, as approved by the Board and amended from time to time, includes the following:

- Resolving the grievances of the security holders of the company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the'' quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company

Composition

The Stakeholders Relationship/ Grievance Redressal Committee comprises of 3 (Three) members of which, 2 (Two) are Non-Executive and Independent Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship/ Grievance Redressal Committee. The Composition of Stakeholders Relationship/ Grievance Redressal Committee as on 31st March, 2022, is given below

Name	Category	Designation
Satpal Garg	Non- Executive and Independent Director	Chairman
Jagdish Gupta	Executive and Promoter Director	Member
Renu Sood	Non- Executive and Independent Director	Member

Name and designation of compliance officer

Mr. Sanjeev Sehgal, Company Secretary is the Compliance officer of the company.

Number of shareholders' complaints received during the year

The complaints are generally replied to within 15 days from the date of lodgment with the Company. During the year no grievance was reported.

Number not solved to the satisfaction of shareholders

Not applicable

Number of pending complaints

As at 31st March, 2022, no complaint was pending unresolved.

Meeting and attendance during the year

During the year 3 (Three) meetings were held on 16-04-2021, 22-10-2021, 28-10-2021

The Attendance of Members at meetings was as under:

Name	No. of Meetings held during the period	No. of Meetings Attended
Satpal Garg	3	3
Jagdish Gupta	3	3
Renu Sood*	3	3

Corporate Social Responsibility Committee

Corporate Social Responsibility (CSR) Committee of the Company is constituted as per Section 135 of the Act, 2013. CSR Committee, inter alia, had formulated and recommended to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act, 2013. The CSR Committee recommends the amount of expenditure to be incurred on the CSR activities and monitor the CSR activities undertaken by the Company from time to time.

Terms of reference:

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

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

Composition

The Corporate Social Responsibility Committee comprises of 3 (three) members of which 2 (Two) are Executive Director, the Chairman being Non Executive and Independent. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility Committee. The Composition of Corporate Social Responsibility Committee as on 31st March, 2022, is given below:

Name	Category	Position
Satpal Garg	Non- Executive and Independent Director	Member/ Chairman
Jagdish Gupta	Executive and Promoter Director	Member
Manit Gupta	Executive Director	Member

4. General Body Meeting

Particulars of last three Annual General Meetings:

Amount in ₹

AGM	Year Ended	Venue	Date	Time	No. of Special Resolution Passed
28th	31.03.19	Chandigarh Club, Sector-1, Chandigarh	30-09-2019	10:00 AM	5
29th	31.03.20	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	29-09-2020	3:00 PM	Nil
30th	31.03.21	Sip and Dine Hotel Sector -7 –C Chandigarh	30.09.2021	10.00 AM	Nil

The following Special Resolutions were passed by the members during the past 3 Annual General Meetings:

Postal Ballot

No resolution requiring postal ballot was placed before the last Annual General Meeting. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

5. Means of Communication:

(a) Quarterly Results

The Company publishes limited reviewed un-audited standalone & consolidated financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results both standalone & consolidated for the complete financial year.

(b) Newspaper wherein results normally published

The quarterly, half-yearly and annual financial results are published in Economic Times in English and Jansatta Hindi Chandigarh editions

(c) Website, where displayed

The financial results are also placed on the company's website www.stylam.com in the investors' sections.

(d) Presentations made to institutional investors or to the analysts

The Company holds analysts calls in each quarter, to apprise and make public the information relating to the Company's working and future outlook.

6. Subsidiaries

Details of the Subsidiaries and/or Joint Venture of the Company and their business activities are provided in the Directors' Report forming part of the Annual Report of the Company. The Company has formulated a policy for determining 'material' subsidiaries pursuant to the provisions of the Listing Regulations as amended from time to time. The Policy was revised in line with the amendments made to the Listing Regulations.

7. General Share-holder Information

I. The 31st Annual General Meeting is proposed to be held for the Financial Year: April 01, 2021 to March 31, 2022.

II. Annual General Meeting for the Financial Year 2021-22

Date : 30-09-2022

Time : 10:00 A.M.

Financial Calendar : The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year

Book Closure Date : Saturday 24th September 2022 to Friday, 30th September 2022 (both days inclusive)

III. Tentative Financial Calendar for 2022-2023

The financial year of the Company is for a period of 12 months from 1st April 2022 to 31st March, 2023.

First Quarterly results	July, 2022
Second Quarterly/Half Yearly results	October, 2022
Third Quarter results	February, 2023
Annual Results	May, 2023
Annual General Meeting	September, 2023

IV. Listing of Equity Shares on Stock Exchanges and Stock Code/Symbol:

a) Scrip Code: NSE-STYLAMIND, BSE- 526951

b) Stock Exchange: National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE)

c) ISIN Code: INE239C01020

V. Stock Market price data for the year on BSE

Monthly high & low prices and volumes of the equity shares of the Company at the BSE Limited (Sensex) during financial year 2022-23 are as under:

Month	Open	High	Low	Close	No. of Shares
Apr 21	721.05	750	721.05	745.35	5600
May 21	914.50	977.90	901	962.20	21950
Jun 21	897.95	898.95	873	876.90	7002
Jul 21	1120	1198.85	1109	1188.80	59880
Aug 21	1136.80	1157.35	1100.15	1107.50	1870
Sep 21	1074.35	1082.20	1045	1071.90	18730
Oct 21	988.05	1050.05	975.05	1037.45	11050
Nov 21	1027.45	1033.80	1000.25	1008.45	2400
Dec 21	1073.65	1090.35	1042	1050.30	1070
Jan 22	1063.85	1063.85	975	986.30	1850
Feb 22	897.35	930.25	874.40	916.25	3700
Mar 22	901.00	1074.95	900.00	1036.10	550910

Source: www.bseindia.com & www.nseindia.com

Stock Market Price data for the year on (NSE) during financial year 2021-22 are as under:

Month	Open	High	Low	Close	No. of Shares
Aug 21	1157.95	1159	1099.25	1104.75	6255
Sep 21	1094.50	1094.50	1045.00	1070.40	5489
Oct 21	999.00	1049.80	955.50	1019.41	29685
Nov 21	1019.80	1034.05	998.00	1005.70	3773
Dec 21	1113.00	1113.00	1051.00	1058.00	1575
Jan 22	1034.00	1034.00	975.00	984.60	6409
Feb 22	902.95	932.35	879.95	919.45	1706
Mar 22	1065.00	1065.00	943.55	1021.05	46085

NOTE: STOCK LISTED ON NSE IN THE MONTH OF AUGUST 2021

VI. In case the securities are suspended from trading, the directors report shall explain the reason thereof

Not Applicable.

VII. Registrar to an issue and share transfer agent

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH 2,
LSC, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110 058
Telephone: 011-41410592,93, 011-49411000
Fax: 011-41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

VIII. Share transfer system

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form.

As per Regulation 40 of the Listing Regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository.

In compliance of the provisions of Listing Regulations, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him/ her.

In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

IX. Distribution of Shareholding as on 31.03.2022

Range	No. of Shares	% age
1 – 500	451194	2.66
501-1000	331713	1.96
1001- 2000	248508	1.47
2001- 3000	118746	0.70
3001- 4000	102664	0.60
4001- 5000	79347	0.47
5001 – 10000	306337	1.81
10001 & above	15309551	90.33
TOTAL	**16948060**	**100.00**

X. Shareholding pattern of the Company as on 31.03.2022

	Category	No. of Shares Held	%age of Shareholding
A	**Promoters**	9255568	54.61
B	**Public Shareholding**		
1	**Institutions**		
(i)	Mutual Funds	749221	4.42
(ii)	Alternate Investment Funds	700000	4.13
(iii)	Foreign Portfolio Investor	883403	5.21
(iv)	Insurance Companies	122101	0.72
2	**Non-Institutions**	0	0.00
(i)	Individuals	3397254	20.04
(ii)	HUF	87503	0.52
(iii)	Foreign Companies	940000	5.54
(iv)	NRIs	354961	2.09
(v)	FPI	24000	0.14
(vi)	Clearing Members	25405	0.15
(vii)	Bodies Corporate	408644	2.41
C	**Total Public Shareholding (1+2)**	7692492	45.39
	TOTAL (A+C)	**16948060**	**100.00**

XI. Dematerialization of Shares and Liquidity

We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository system is INE239C01020.

As on March 31, 2022, 97.45% of the Company's total shares representing 16516340 No. of shares are held in dematerialized form and 2.55 % representing 431720 No. of shares are in physical form.

Category	Number		% of total equity
	Shareholders	Shares	
Demat Mode			
NSDL	2627	15648854	92.33
CDSL	5025	867486	5.11
Total	**7652**	**16516340**	**97.45**
Physical Mode	445	431720	2.55
Grand Total	**8097**	**16948060**	**100**

XII. Plant Locations

- Plot No 192-193 Industrial Area Phase – I, Panchkula – 134108 (Haryana)
- Manaktabra, Tehsil Raipur Rani, Distt. Panchkula (Haryana)

XIII. Address for Correspondence

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

Address of correspondence with Company

Stylam Industries Limited
Registered Office : SCO 14, Sector 7-C,
Madhya Marg
Chandigarh -160019
Telephone No.: 0172-5021555
Email:info@stylam.com

Address of correspondence with the Registrar and Transfer Agents

Link Intime India Private Limited
Noble Heights, 1st Floor,
Plot No. NH 2, LSC,
C-1 Block, Near Savitri Market,
Janakpuri,
New Delhi-110058
Telephone: 011-41410592,93, 011-49411000
Fax: 011-41410591
Email: delhi@linkintime.co.in

XIV. Investors' Grievances:

The Registrars and Transfer Agents under supervision of the Company look after investors' grievances. At each Meeting of Investors' Grievance Committee all matters pertaining to investors including their grievances and redressal are reported.

Details of Complaints Received and redressed during 1st April 2021 to 31st March 2022: Nil

E-mail ID for redressal of Investor Grievances: As per Listing Regulation 46 (k) Company has a separate E-mail ID for redressal of Investor Complaints and Grievances:

The E-mail for redressal of Investor Grievances is cs@stylam.com

1. Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

During the financial year 2021-22, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

The Company has not been penalized, nor have the stock exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

(c) Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) with a view to regulate trading in securities by the Designated Persons (as defined in the said Code of Conduct) of the Company.

(d) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the audit committee

As per the requirement of the Companies Act, 2013 and Listing Regulations, the Company has framed and implemented 'Whistle Blower Policy' to establish vigil mechanism for directors and employees to report genuine concerns. This policy provides a process to disclose information, confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company or violation of the Company's Code of Conduct or ethical policy. The whistle blowers may also lodge their complaints/concern with the Chairman of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The policy offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings. The Whistle Blower Policy is available on the website of the Company.

(e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(f) Policy on dealing with related party transactions

The Company has not entered into any materially significant transactions with related parties during the financial year, which may have potential conflict with the interest of the Company at large. Suitable disclosures as required by the Ind AS 24 has been made in the notes to the Financial Statements. The details of the transactions with related parties

are placed before the Audit Committee from time to time.

The Board of Directors has formulated a policy on related party transactions and also on dealing with related party transactions pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, which has been uploaded on the Company's website.

(g) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority

On the basis of written representations/ declaration received from the directors, as on March 31, 2022, M/s Sanjiv Kumar Goel, Practicing Company Secretaries (Membership No. FCS 2107, CP No. 1248), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/ MCA or any such authority and the same also forms part of this Report.

(h) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board accepted the recommendations of its Committees, wherever made, during the year.

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

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Details of complaints received and redressed during the Financial Year 2021-22:

a. number of complaints filed during the financial year : Nil

b. number of complaints disposed of during the financial year : N.A.

c. number of complaints pending as on end of the financial year: Nil

(j) Chairman cum Managing Director and CFO Certification

The Chairman cum Managing Director and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying, inter alia, that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Annual Report.

(k) Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulations 17 to 27 and clauses (B) to (I) of Sub-Regulation (2) of Regulation 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration signed by the Chief Executive Officer stating that the Members of Board of Directors and Senior Management Personnel have affirmed Compliance with the Code of Conduct of Board of Directors and Senior Management

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. Havells' Code of Ethics is intended to provide guidance and help in recognizing and dealing with ethical issues, mechanisms to report unethical conduct and to help foster a culture of honesty and accountability.

The Board has adopted a Code of Ethics for Directors, Senior Management and other Employees of the Company.

The Code is available on the website of the Company.

(l) Compliance Certificate of the Auditors

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations and the same is annexed to this report.

(m) Others

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements.

During the year, there were no transactions of material nature with the Directors or the Management or relatives or the subsidiaries that had potential conflict with the interests of the Company

Annexure -A

Declaration by the Managing Director under Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Compliance with Code of Conduct

To
The Members,
Stylam Industries Ltd.

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended on March 31, 2022.

Place: Chandigarh
Date: 05-08-2022

Jagdish Gupta
Managing Director

Annexure -B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Stylam Industries Limited
(CIN: L20211CH1991PLC011732)
Regd. Office: S.C.O. 14, Sector 7 C,
Chandigarh -160019

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Stylam Industries Limited having CIN: L20211CH1991PLC011732 and having registered office at S.C.O. 14, Sector 7 C, Chandigarh -160019 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S, no.	Name of Director	DIN	Date of appointment
1	Jagdish Gupta	00115113	28/10/1991
2	Satpal Garg	01074514	01/10/2004
3	Manav Gupta	03091842	27/06/2019
4	Manit Gupta	00889528	07/02/2015
5	Sachin Kumar Bhartiya	02122147	16/09/2019
6	Sachin Bhatla	08182443	23/07/2018
7	Vinod Kumar	08576194	30/09/2019
8	Renu Sood	02280975	13/06/2019

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

Sanjiv Kumar Goel
Membership No.: FCS 2107
CP No.: 1248
UDIN No. F002107D000748380

Place: Chandigarh
Date: 05.08.2022

Annexure -C

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,
The Members of
Stylam Industries Limited
(CIN: L20211CH1991PLC011732)
Regd. Office: S.C.O. 14, Sector 7 C,
Chandigarh -160019

I have examined all relevant records of **Stylam Industries Limited** ("the Company") for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2022. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sanjiv Kumar Goel
Membership No.: FCS 2107
CP No.: 1248
UDIN No. : F002107D000748391

Place: Chandigarh
Date: 05.08.2022

Annexure -D

Independent Auditor's Certificate on Corporate Governance

To
The Members of
Stylam Industries Limited

We have examined the compliance of conditions of corporate governance by Stylam Industries Limited for the year ended on March 31 2022 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management.

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No. : 2107
CP NO. : 1248
UDIN No.: F002107D000748391

Place: Chandigarh
Date: 05.08.2022

Annexure -E

Certification by Managing Director and Chief Financial Officer pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Stylam Industries Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Stylam Industries Limited ('the Company'), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2022 and to the best of our knowledge and belief, we state that:

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

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

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.

3. For the purposes of financial reporting we accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee and further state that there were no deficiencies in the design or operation of such internal controls.

4. We further state that:

   (a) significant changes if any in internal control over financial reporting during the year;

   (b) significant changes if any in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and;

   (c) instances of significant fraud of which we have become aware and the involvement therein if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	sd/-	sd/-
Place: Chandigarh	**Jagdish Gupta**	**Kishan Nagpal**
Date: 05-08-2022	Managing Director	CFO

Independent Auditor's Report

To
The Members of
Stylam Industries Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Stylam Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements")..

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Revenue Recognition The Company recognizes revenue at the point of time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Company considers the effects of variable consideration and consideration receivable from the customer. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.	• We performed process walk through to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements. • We checked the contracts of customers along with revenue recognition policy applied by the Company to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements. • In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions.

The Key Audit Matter	How the matter was addressed in our audit
Fair value Measurement In FY 2019, company has capitalized receivable from one of its customer in Singapore. This capitalization was done on the basis of scheme approved by High Court in Singapore. Owing to practical issues the shares so allotted to the company are assigned in favour of person resident of Singapore. The shares are listed in Singapore Stock Exchange (SGX)	• We have performed analytical audit measures correctness of capitalization transaction in the bookkeeping records. • We have also assessed the appropriateness of the notes to the financial statements concerning the valuation. • As regards the valuation calculations, the trading shares is suspended by SGX, we have assessed management judgement on the valuation and fair value is derived on the basis of input available i.e last stated price of shares.

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statement

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, based on our audit, we report that :

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

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

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

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the

Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

v. The Interim dividend paid by the Company during the current year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **Mittal Goel & Associates**
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 10th May 2022
Place: Chandigarh

Annexure A to the Independent Auditor's Report

(Referred to in Paragraph 1 Under 'Report on other Legal and Regulatory Requirements' of our Report of Even Date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2022, we report the following:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed, transfer deed, conveyance deed, mutation of title papers we report that, the title deeds, of all the immovable properties of land and buildings (other than those that have been taken on lease and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant & equipment and capital work in progress), are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year

(e) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as Right of Use Assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters and no material discrepancies have been observed.

iii. (a) During the year the company has made investments of ₹1.00 Crore in its subsidiaries "M/s Stylam Panels Limited.

(b) During the year the company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity.

(c) In our opinion, the investments made and the terms and conditions of investments during the year are, prima facie, not prejudicial to the Company's interest.

(d) The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. The The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company

vii. According to the information and explanations given to us, in respect of statutory dues

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty, and Value Added Tax which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Name of the statue	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	81.94	AY 2013-14	ITAT
Income Tax Act, 1961	127.75	AY 2014-15	ITAT
Income Tax Act, 1961	3.61	AY 2015-16	DCIT (TDS)
Income Tax Act, 1961	241.46	AY 2017-18	CIT(Appeal)
Income Tax Act, 1961	1241.54	AY 2018-19	AO
Income Tax Act, 1961	3.32	AY 2019-20	CIT (Appeal)
Custom Duty	2,058	13-10-2017 to 10-01-2019	DRI

* Net of amount paid under protest

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to bankers and government. The Company did not have any outstanding dues to financial institutions and debenture holders during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, reporting under clause (xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. 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 non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the group does not have any CICs

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in in compliance with provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Mittal Goel & Associates**
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 10th May 2022
Place: Chandigarh

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Stylam Industries Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' 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 applicable to an audit of Internal Financial Controls and, 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 judgement, 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, to the best of our information and according to the explanations given to us, 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 March 31, 2022, 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 **Mittal Goel & Associates**
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 10th May 2022
Place: Chandigarh

Standalone Balance Sheet

as at March 31,2022

(₹ in Lakhs)

Particulars	Note	As at 31-03-2022	As at 31-03-2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	17,872.44	18,781.96
Capital work in progress			
Investment Property	4	–	–
Financial assets			
\Investments	5.1	249.78	149.85
\Loans and advances	5.2	149.92	139.71
\Other bank balances	5.6	–	–
Other non-current assets	7	165.57	282.99
		18,437.71	**19,354.50**
Current assets			
Inventories	**8**	**13,290.16**	**7,184.86**
Financial assets			
\Trade receivables	5.4	11,876.74	9,864.27
\Cash and cash equivalents	5.5	70.06	508.40
\Other bank balances	5.6	697.31	1,005.34
\Other financial assets	5.3	3.22	2.43
Other current assets	7	4,551.16	2,817.93
		30,488.65	**21,383.24**
TOTAL ASSETS		**48,926.36**	**40,737.74**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	847.40	847.40
Other equity		30,797.62	25,120.74
		31,645.02	**25,968.14**
Liabilities			
Non-current liabilities			
Financial liabilities			
\Borrowings	10.1	913.79	2,149.42
Provisions	11	232.01	235.07
Deferred tax liabilities (net)	6	1,082.27	1,217.43
Other non current liabilities	12	75.45	654.23
		2,303.52	**4,256.15**
Current liabilities			
Financial liabilities			
\Borrowings	10.2	5,594.19	2,110.99
\Trade payables	10.3	5,803.82	5,149.31
Other financial liabilities	10.4	1,438.87	1,660.43
Other current liabilities	12	1,865.70	1,196.17
Provisions	11	107.77	73.25
Current tax liabilities (net)	13	167.46	323.29
		14,977.82	**10,513.44**
TOTAL EQUITY AND LIABILITIES		**48,926.36**	**40,737.74**
Basis of preparation, measurement and significant accounting policies,	1&2		

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

for and on behalf of the Board of Directors of
Stylam Industries Limited

CA Sandeep Kumar Goel
Partner
Membership No. 099212

Jagdish Gupta
Managing Director

Manit Gupta
Director

PLACE : Chandigarh
DATE : May 10, 2022

Kishan Nagpal
CFO

Sanjeev Kumar Sehgal
CS & Compliance Officer

Standalone Profit and Loss Account

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	14	65,934.68	47,953.48
Other income	15	797.13	110.04
Total Income		**66,731.81**	**48,063.52**
Expenses			
Cost of raw materials consumed	16	38,979.31	25,120.33
(Increase) / decrease in inventories	17	(1,531.95)	(493.30)
Purchase of Stock in Trade		103.89	27.27
Employee benefit expenses	18	5,478.11	3,825.49
Finance costs	21	783.04	601.86
Depreciation and amortization expense	20	2,325.55	2,314.95
Other expenses	19	12,545.95	9,569.45
Total Expenses		**58,683.89**	**40,966.04**
Profit before exceptional items and tax		**8,047.92**	**7,097.48**
Exceptional Items		–	
Profit before Tax		8,047.92	7,097.48
Tax expense			
Current tax		1,990.99	1,732.90
Tax of Earlier Years		90.31	(36.26)
Deferred tax charge	6	(134.86)	(129.58)
Total tax expense		**1,946.44**	**1,567.06**
Profit for the year		6,101.48	5,530.42
Share of Profit/ (Loss) of associates and joint ventures		–	–
Other Comprehensive Income			
Other comprehensive income to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit obligations		(1.20)	14.56
Net (loss) gain on FVTOCI Investment		–	–
Deferred tax charge		0.30	(3.67)
Income tax effect		–	–
Other comprehensive income not to be reclassified to profit or loss in subsequent years (net of tax)		(0.90)	10.90
Other comprehensive income to be reclassified to profit or loss in subsequent years:			
Currency Hedging		–	–
Tax effect		–	–
Other comprehensive income to be reclassified to profit or loss in subsequent years (net of tax)		–	–
Total Comprehensive Income for the year		**6,100.57**	**5,541.32**
Earnings per equity share in INR computed on the basis of profit for the year	22		
Basic		36.00	32.70
Diluted		36.00	32.70
Basis of preparation, measurement and significant accounting plocies,	1&2		

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Kishan Nagpal
CFO

Manit Gupta
Director

Sanjeev Kumar Sehgal
CS & Compliance Officer

Standalone Statement of Cash Flow

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A Cash Flow from operating activities:		
Profit/(loss) before extraordinary & exceptional items and tax	8,047.92	7,097.48
Adjustments for:		
– Unrealized foreign exchange loss/(gain) (net)	–	49.83
Government Grant Ind As Adjustment	–	
– Finance costs	311.70	349.73
– Depreciation and amortisation expense	2,325.55	2,314.95
– Interest Income	(38.38)	(23.81)
– Loss/ (Gain) on sale of Fixed Assets (net)	4.81	(7.46)
Operating Profit before working capital changes	**10,651.60**	**9,780.72**
Movements in working capital:		
Adjusted for:		
Trade & Other Receivables	(2,012.47)	(1,369.57)
Inventories	(6,105.30)	(511.81)
Trade & Other Payables	1,035.28	1,714.13
Net cash generated from operations	**3,569.11**	**9,613.47**
Payment of direct taxes (net)	(1,913.85)	(1,719.43)
Dividend paid	(423.70)	
Net cash from operating activities (A)	**1,231.56**	**7,894.03**
B Cash Flow from investing activities:		
Payment for Tangible Assets	(1,493.35)	(666.12)
(including capital work in progress and capital advances)		
Proceeds from sale of PPE	72.50	75.32
Proceeds from sale of Investment Property	(99.93)	
Payment for investments in subsidiary and joint venture	–	(35.71)
Maturity/ (Investment) in fixed deposits	–	–
Proceeds/(Investment) from/ in other assets	(1,626.81)	22.01
Proceeds/(Investment) from/ in other activities	(583.04)	30.53
Interest received	38.38	23.81
Net cash from/ (used in) investing activities (B)	**(3,692.25)**	**(550.16)**
C Cash Flow from financing activities:		
Proceeds of long-term borrowings	–	
Repayment of long term borrowings	(1,457.19)	(2,349.45)
Proceeds/ (Repayment) from short-term borrowings	3,483.20	(3,742.49)
Borrowing costs paid		
– Interest paid	(311.70)	(349.73)
Net cash from/ (used in) financing activities (C)	**1,714.30**	**(6,441.68)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(746.37)	902.20
Cash and cash equivalents at the beginning of the period	1,513.74	611.54
Cash and cash equivalents at the closing of the period	**767.37**	**1,513.74**

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

(ii) Components of cash and cash equivalents included under cash and bank balances (note 5.6) are as under:

Standalone Statement of Cash Flow

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash in hand	0.16	0.65
Balances with scheduled banks		
– On current accounts	69.90	449.93
– Book overdraft in current accounts	–	–
– Deposits with original maturity of upto 3 months	–	69.79
– Deposits with original maturity of upto 3 months (Pledged with Bank)	650.82	810.20
– Deposits with original maturity of more than 3 months (Pledged with Bank)	11.80	183.17
– Other Balance with bank	34.69	–
Cash and cash equivalents	**767.37**	**1,513.74**

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Manit Gupta
Director

Kishan Nagpal
CFO

Sanjeev Kumar Sehgal
CS & Compliance Officer

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

1. Company information

Stylam Industries Limited ("the Company") is a public limited company incorporated in India with its registered office located at Sco-14, Sector 7-C, Madhya Marg, Chandigarh, India. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) The Company is engaged in manufacturing of laminates, solid surface panels and allied products.

The manufacturing facilities of the company are located at Panchkula, Haryana, India

2. Basis of Preparation, Measurement and Significant accounting policies

2.1 Basis of Preparation and measurement

a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency')

The financial statements of the Company for the year ended March 31, 2022 were approved for issue in accordance with the resolution of the Board of Directors on May 10, 2022

b) Basis of measurement

These Standalone Financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 Key accounting estimates and judgements

The preparation of Financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, provisions, valuation of deferred tax liabilities, contingent liabilities and fair value measurements of financial instruments as discussed below.

Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in the respective policies.

Continuous evaluation is done on the estimation. Actual results may differ from these estimates.

2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

2.4 Significant accounting policies

(a) Property, plant and equipment (PPE)

– **Property, plant and equipment**

Freehold land is carried at cost.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, adjustments arising from exchange rate variations attributable to the assets.

Costs in nature of repairs and maintenance are recognised in the Statement of Profit and Loss as and when incurred.

– **Capital work in progress**

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress.

– **Capital Advances**

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

(b) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs.

The useful life is as follows:

Sr. No.	Nature of Asset	Useful Life (Years)
1.	Buildings	30
2.	Plant & Machinery	15
3.	Other Equipment	3 to 5
4.	Vehicles	8
5.	Furniture/ Fittings	10

Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.

(c) Intangibles

Intangible assets purchased and cost incurred thereon are initially measured at cost.

– **Amortisation**

Intangible Assets are amortized on a Straight Line basis over the estimated useful economic life. The estimated useful lives of intangible assets are assessed as 10 years.

(d) De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the Statement of Profit and Loss when the item is derecognised.

(e) Non-current assets held for sale

Non-current asset, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such asset, are generally measured at the lower of their carrying amount and fair value less cost to sell.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment are no longer amortized or depreciated.

(f) Investments in Subsidiaries, and Associates

Investments in Subsidiary, and Associates are carried at cost less accumulated impairment losses, if any.

During the year entire investment in subsidiary "M/s Stylam Asia Pacific Pte Ltd " has been written off as this subsidiary company did not have any business activity since its incorporation and has decided to discontinue its business and also has applied for strike off its name .

(g) Inventory

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

For valuation of raw materials, packing materials, stock-in-trade, stores, and consumables, FIFO method is used to determine cost.

Cost of finished goods and work-in-progress includes the cost of raw materials, plus an appropriate share of variable production overheads.

(h) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

– **Initial Recognition and measurement**

All financial assets are recognised at fair value.

– **Cash and cash equivalents**

- Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. These balances with banks are unrestricted for withdrawal and usage.
- Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage

– **Recoverability of trade receivable**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the worth of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

– **Derivative financial instruments and Hedge Accounting**

The Company uses various derivative financial instruments such as forwards and options contracts to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

– **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Financial Liabilities

– **Initial recognition and measurement**

All financial liabilities are recognised at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

– **Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

– **Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expire.

(i) Impairment of non-financial assets

At each balance sheet date, the carrying amount of fixed assets is reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (recoverable amount is the higher of an asset's net selling price or value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of the assets and from their disposal are discounted to their present value using a pre discounted rate that reflects the current market assessment of time value of money and risks specific to the asset.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Reversal of impairment loss is recognised immediately as income in the Profit and Loss Account.

(j) Valuation of deferred tax liabilities

The Company reviews the carrying amount of deferred tax liabilities at the end of each reporting period.

(k) Provision and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

(l) Revenue recognition

– **Sale of products**

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer and there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from operations is disclosed net of GST.

Revenue from operations is adjusted with gain/ loss on corresponding on foreign currency transactions related to export.

– **Government Grants**

Export incentive entitlements are recognised as income when there is reasonable assurance to receive that company will comply with the conditions attached to them and it is established that incentive will be received.

Government grants relating to income are recognized in Profit & Loss Account on a systematic basis over the periods in which the Company recognizes as expenses, the related costs for which grants are intended to compensate.

– **Other Income**

Other income is accounted for on accrual basis as and when the right to receive arises.

(m) Expenditure

Expenses are accounted on accrual basis.

(n) Employee benefits

The Company's retirement benefit obligation is subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these judgements based on previous experience and third party actuarial advice.

– **Short-term employee benefits**

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

– **Defined contribution plans**

Contributions to defined contribution schemes such as provident fund, employees state insurance, labour welfare fund, are charged as an expense in Profit and loss account, based on the amount of contribution required to be made as and when services are rendered by the employees. These are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

– **Retirement benefit obligations**

Retirement benefit obligations are classified into defined benefits plans and defined contribution plans as under:

Defined Gratuity Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary.

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

– **Re-measurement**

Benefit plans in respect of retirement benefits are charged to the Other Comprehensive Income.

(o) Income Taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income. In which case, the tax is also recognised in other comprehensive income or equity.

– **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

– **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities / assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(p) Finance costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Interest free loan taken from promoters and others has been derived on basis of fair value based on market rate of interest prevailing when loan and derived to the total tenure of loan. The interest for the period is charged to the Statement of Profit and Loss.

(q) Foreign currencies transactions and translation

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the Statement of Profit and Loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at exchange rates in effect at the balance sheet date, the gain or loss arising from such translations are recognised in the statement of profit and loss.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(r) Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders of the Company.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the financial year.

(s) Business Combination

The company accounts for its business combinations in the nature of Merger, wherein all the assets and liabilities of the transferor company will become, after amalgamation, the assets and liabilities of the transferee company.

The consideration for the amalgamation receivable by those equity shareholders of the transferor company who agree to become equity shareholders of the transferee company is discharged by the transferee company wholly by the issue of equity shares in the transferee company.

The business of the transferor company is intended to be carried on, after the amalgamation, by the transferee company.

No adjustment is to be made to the book values of the assets and liabilities of the transferor company when they are incorporated in the financial statements of the transferee company except to ensure uniformity of accounting policies.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

3.1 Property, Plant and Equipment & Intangible Assets

(a) Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
Owned Assets									
Land- Freehold	2,014.73	594.53	-	2,609.26	0.00	0.00	0.00	0.00	2609.26
Building -Factory	4,730.07	-	-	4,730.07	907.78	150.56	0.00	1058.34	3671.74
Building -Others	369.11	-	-	369.11	39.69	64.53	0.00	104.22	264.90443
Plant and equipment	19,608.24	503.45	54.85	20,166.54	8371.86	1836.91	154.98	10363.75	9802.79
Office Equipments	1,143.15	12.69	-	1,155.85	649.22	5.03	0.00	654.25	501.60
Furniture & fixtures	282.52	4.85	-	287.37	163.77	20.46	0.00	184.23	103.14
Vehicles - Owned	820.80	197.40	(154.92)	863.28	341.81	75.52	-77.61	339.72	523.56
Computer & Peripherals	213.94	13.59	-	227.53	183.22	9.82	0.00	193.04	34.49
TOTAL	**29,182.57**	**1,326.51**	**-100.07**	**30,409.01**	**10,657.34**	**2,162.83**	**77.37**	**12,897.53**	**17,511.50**

(b) Capital Work in Progress

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
	-	-	-	-	-	-	-	-	-
TOTAL									

(c) Intangible Assets

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
Intangible Assets	475.72	111.97	-	587.69	219.00	7.76	-	226.76	360.93
TOTAL	**475.72**	**111.97**	**0.00**	**587.69**	**219.00**	**7.76**	**0.00**	**226.76**	**360.93**

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

5. Financial assets

5.1 Non-current investments

Un-quoted investment

(₹ in Lakhs)

Particulars	As at March. 31, 2022		As at March. 31, 2021	
	Nos of shares	Amount	Nos of shares	Amount
Investment carried at fair value				
Equity Investment				
– Un-quoted				
– Serrano Limited, Singapore*	6575711	102.37	6575711	102.37
(fair value SGD 0.031 per share)				
– Serrano Limited, Singapore**	756199	11.77	756199	11.77
(fair value SGD 0.031 per share)				
– Un-quoted, Fully paid-up				
Subsidiary				
– Stylam Asia Pacific Pte Ltd - Equity shares of US$ 1 each	100	–	100	0.07
Stylam Panels Limited	1000000	100.00		–
Investment in Equity Instruments (at Cost)				
– Un-quoted, Fully paid-up				
– Alca Vstyle Sdn. Bhd, Malaysia	340000	35.63	340000	35.63
Total investment		**249.78**		**149.85**

A. The company has formed 100 % subsidiary company "Stylam Panels Limited with an authorised Capital of ₹ 2.00 Crore

B. The company has acquired 34% stake in Associate company . This company is engaged in to trading of commercial and Industrial Furnitures and fixtures.

C. The Subsidairy of the company M/s Stylam Asia Pacific Pte. Ltd is in the process of striking off. Pursuant to which investment in the company amounting to ₹ 0.07 lacs has been written off during the year.

* The company had trade arrangement with Serrano Ltd, Singapore (Serrano). Serrano owed ₹253.30 lakh failed to pay and thereafter went into liquidation. New Investor joined Serrano and had agreed with secured and unsecured creditors to settle their dues partly under Cash Distribution Scheme and partly under Shares Distribution Scheme. The Scheme of Arrangment was filed with High Court in Singapore under Section 210 of Singapore's Companies Act

Under Shares Distribtution Scheme 6,575,711 No of shares (as on 31-03-2021 6,575,711 Nos) were allotted to the company. Theses shares are listed on Singapore Stock Exchange. As trading of shares is suspended these are considered as unquoted investment. When trading was suspended the share was valued at SGD 0.031 per share (as on 31-03-2019 SGD 0.031 per share), the same value is considered for arriving fair value of share.

** Under the Scheme 756,199 Nos of shares were allotted to Golden Chem-Tech Limited (as on 31-03-2021 756,199 Nos). Pursunat to approval of Scheme of Amalgamation by Hon'ble NCLT, Chandigarh Bench, all investments of Golden Chem-Tech Limited will be treated as investments of the company.

5.2 Loans and advances

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Unsecured and considered good				
Security deposits	149.92	139.71	–	–
	149.92	**139.71**	**–**	**–**

Security deposits are primarily in relation to public utility services and rental agreements

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

5.3 Other financial assets

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Interest accrued	–	–	3.22	2.43
	–	**–**	**3.22**	**2.43**

5.4 Trade receivables

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Unsecured, considered good				
Trade receivables	–	–	11,876.74	9,864.27
	–	**–**	**11,876.74**	**9,864.27**

Note: Refer Note No 32 for ageing of Trade Receivable.

5.5 Cash and cash equivalents

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Cash in hand	–	–	0.16	0.65
Balances with banks:				
– On current accounts	–	–	69.90	449.93
– Deposits with original maturity of upto 3 months	–	–	–	57.82
	–	**–**	**70.06**	**508.40**

5.6 Other bank balances

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
– Deposits with original maturity of upto 3 months (pledged with Bank)	–	–	650.82	11.97
– Deposits with original maturity of more than 3 months (pledge with Bank)			11.80	810.20
– Other Balance with bank	–	–	34.69	183.17
	–	**–**	**697.31**	**1,005.34**

Current earmarked bank balances represent deposits due for realisation within 3 months from the balance sheet date. These are primarily placed as margin money against issue of Letter of Credits.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

6. Movement in deferred tax balances

Deferred Income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the company's net deferred income tax are as follows :-

(₹ in Lakhs)

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	Other movements during the year	Recognised in OCI	Closing balance
Deferred tax assets					
Compensated absences & retirement benefits	77.60	(50.47)		–	27.12
Expenses allowed for tax purposes when paid	4.95	(4.95)		–	–
Derivative contracts fair valued on transition	–	–	–	–	
MAT credit entitlement/ (Utilisation)	–		–		–
Unabsorbed Depreciation	–		–		–
Adjustment due to change in Tax Rate in unabsorbed depreciation	–		–		–
Total deferred tax assets	**82.55**	**(55.42)**	**–**	**–**	**27.12**
Deferred tax liabilites					
Property, plant and equipment and intangible assets	1,286.59	(176.90)			1,109.69
Others	13.38	(13.38)			–
Prepaid Expesnes	–	–			–
Total deferred tax liabilities	**1,299.98**	**(190.28)**	**–**	**–**	**1,109.69**
Deferred tax assets/ (liabilities) (net)	**(1,217.43)**	**134.86**	**–**	**–**	**(1,082.57)**

7. Other Assets

Unsecured and considered good

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Capital advances	125.00	231.50		40.00
Advance to Suppliers		–	1,744.28	267.13
Staff Advances		–	16.70	5.25
Other Advances	26.05	30.14	79.09	37.34
Prepaid expenses		–	24.29	19.66
Balances with statutory/government authorities bodies	2.59	3.22		–
Export incentive receivable		–	500.34	3.73
GST Recoverable		–	1,963.01	2,164.99
Ancillary cost of arranging the borrowings		–	–	–
Unrealised exchange			98.13	154.50
Income tax Refundable		–	56.31	56.31
Advance Income tax			–	–
Income tax paid under Appeal		–	69.02	69.02
VAT Recoverable	8.78	8.78	–	–
Recoverbale from Subsidiary	3.16	9.35	–	–
	165.57	**282.99**	**4,551.16**	**2,817.93**

Advance with statutory / government bodies relate to input credit entitlements

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

8. Inventories

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Raw materials		–	9,190.16	4,602.70
Work in Progress			320.58	260.52
Stores and spares		–	223.25	–
Finished goods		–	2,794.56	1,322.67
Material In Transit	–	–	212.41	756.79
Fuel Coal & Diesel		–	161.19	31.98
Packing & Stores		–	388.01	210.20
Total	**–**	**–**	**13,290.16**	**7,184.86**

The inventories of the Company have been pledged as securities against borrowings.

9. Equity share capital

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Authorised *		
19,408,000 equity shares of ₹5/-each ((31 March 2021: 9,704,000 Equity Share of ₹10 each)	970.40	970.40
Issued, subscribed and fully paid up shares		
1,69,48,600 equity shares of ₹5/-each ((31 March 2021: 8,474300 Equity Share of ₹ 10 each)	847.40	847.40
Total issued, subscribed and fully paid-up share capital	**847.40**	**847.40**

Persuant to the approval of the sharehoders accorded on 15-04-2021, each equity share of the face value of ₹ 10 Per share were sub divided into two shares of face value of ₹ 5 per share.

(A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(₹ in Lakhs)

Particulars	March, 31,2022		March, 31,2021	
	Number	Amount	Number	Amount
At the beginning of the year	8474030	847.40	8474030	847.40
Issued during the year	8474030	–		
Approval Pending			0	–
Outstanding at the end of the year	**16948060**	**847.40**	**8474030**	**847.40**

(B) erms/ rights attached to equity shares

a) The company has single class of shares referred to as equity shares having par value of ₹ 5 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors, is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of liquidation of the company, the equity shareholders are eligible to receive the surplus assets remaining after settlement of preferential amounts in proportion to their shareholding.

(C) Details of shareholders holding more than 5% shares in the Company

Particulars	March, 31,2022		March, 31,2021	
	Number	% of total shares	Number	% of total shares
Equity shares of INR 10 each fully paid				
Jagdish Gupta	3574862	21.09%	1073181	12.66%
Satish Gupta	0	0.00%	868963	10.25%
Light House Emerging India Investor Ltd	515000	3.04%	850000	10.03%
Usha Gupta	0	0.00%	714250	8.43%
Pushpa Gupta	3309004	19.52%	785539	9.27%

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Detail of last five years Share transactions:-

(₹ in Lakhs)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Share Issue as Bonus	–	–	–	–	–
Preferential allotment	–	–			850000
Split of Share	84,74,030				
Scheme of Amlagamtion			307830		
Shares forfeited	–	–	–	–	–
ESOP	–	–	–	–	–

Stylam Industries Limited Promoters Shareholding

Sr No	Promoters Name	Promoters Shareholding as on 31.03.2022 (Face Value @ 5)	Shareholding % as on 31.03.2022	Promoters Shareholding as on 31.03.2021 (Face Value @10)	Shareholding % as on 31.03.2021	Change In Percentage Shareholding from 01.04.21 to 31.03.22
1	Jagdish Rai Gupta	3574862	21.09%	1073181	12.66%	8.43%
2	Satish Gupta	Transmission of shares to Mrs. Pushpa Gupta	0%	868963	10.25%	-10.25%
3	Pushpa Gupta	3309004	19.52%	785539	9.27%	10.25%
4	Manit Gupta	824448	4.86%	412224	4.86%	No Change
5	Rattan Devi	771400	4.55%	385700	4.55%	No Change
6	Usha Gupta	Transmission of shares to Mr Jagdish Gupta	0%	714250	8.43%	-8.43%
7	Nidhi Gupta	368200	2.17%	184100	2.17%	No Change
8	Dipti Gupta	341400	2.01%	170700	2.01%	No Change
9	Saru Gupta	66254	0.39%	33127	0.39%	No Change
	Total	**9255568**	**54.61%**	**4627784**	**54.61%**	

Statement of Changes in Equity

for the year ended March. 31, 2022

(a) Equity share capital

Balance as at 01.04.2021	Changes during the year*	Balance as at 31-03-2022
847.40	–	847.40

Balance as at 01.04.2020	Changes during the year	Balance as at 31.03.2021
847.40	(0)	847.40

(b) Other equity

(₹ in Lakhs)

Particulars	Reserve & Surplus				Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Equity component of compound financial instruments	
Balance as at April 01, 2020	705.97	5,023.50	13,832.00	17.95	19,579.42
Profit for the year			5,530.42		5,530.42
Share of Profit/ (Loss) of associates and joint ventures					
Other Comprehensive Income for the year			10.90		10.90
Other Transfers			5.02	(5.02)	–
Balance as at March 31, 2021	**705.97**	**5,023.50**	**19,378.34**	**12.93**	**25,120.74**
Balance as at April 01, 2021	705.97	5,023.50	19,378.34	12.93	25,120.74
Profit for the year			6,101.48		6,101.48
Share of Profit/ (Loss) of associates and joint ventures			–		
Deferred Government Grant (Ind As adjustment)			–		–
Other Comprehensive Income for the year		–	(0.90)		(0.90)
Less. Dividend paid			(423.70)		(423.70)
other transfer			10.46	(10.46)	
Balance as at March 31, 2022	**705.97**	**5,023.50**	**25,065.67**	**2.48**	**30,797.61**

Naure and purpose of other equity

Securities premium reserve:

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

General reserve:

This represents appropriation of profit by the Company and is available for distribution of dividend.

Remeasurements of defined benefit obligation:

Remeasurements of defined benefit obligation comprises of gains and losses on acturial valuation on Post-employment benefits.

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Kishan Nagpal
CFO

Manit Gupta
Director

Sanjeev Kumar Sehgal
CS & Compliance Officer

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Financial Liabilities

10.1 Long-term borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Secured - At Amortised Cost				
From Banks				
Foreign Currency Loans				
Foreign Currency Loans -(1)	251.36	381.44	153.60	136.48
Foreign Currency Loans -(2)	298.49	745.35	444.07	444.95
Foreign Currency Loans -(3)	363.94	729.31	363.94	364.65
Rupee Loans				
Rupee Loan	–	293.32	204.14	372.53
Vehicle Loans -(g)		–	–	13.13
Unsecured - At Amortised Cost				
Rupee Loans				
From Directors		–	23.20	45.20
From Related Parties		–	214.40	222.40
From others		–	30.95	55.49
	913.79	**2,149.42**	**1,434.30**	**1,654.83**
The above amount includes				
Secured borrowings	913.79	2,149.42	1,165.75	1,387.23
Unsecured borrowings	–	–	268.55	267.60
Amount disclosed under the head "Other financial liabilities" (note 11.4)	–	–	(1,434.30)	(1,654.83)
Net amount	**913.79**	**2,149.42**	**–**	**–**

Terms of repayment of Non-Current and Current borrowings

1. Foreign Currency loan amounting to ₹ 404.96 lakh (31st March 2021 517.92 lakh) is repayable in 69 Monthly Instalments. The repayment of the loan commenced from August 2019.
2. Foreign Currency loan amounting to ₹ 742.57 lakh (31st March 2021: ₹ 1190.29 lakh) is repayable in 48 monthly instalments. The repayments commenced from October 2019.
3. Foreign Currency loan pertaining to External commercial Borrowing amounting to ₹ 727.88 lakh (31st March,2021: ₹ 1093.96 lakh) is repayble in 17 quarterly instalments. The repayment started from February 2020)
4. Rupee term loan amounting to ₹ 204.14 (31st March,2021: ₹ 665.85 Lakh) This loan was part of borrowing of Golden Chem-Tech Limited After merger the amount was transfereed in the books of the company.The loan is repayble in 20 quarterly instalments. As per the terms of sanction, the loan will be fully repaid by January 2023

   Terms of Security

   All the loans are secured by first pari-passu charge, on movable fixed assets of the company, present and future, except vehicles, and immovable assets situated at manufacturing location of the company of 1) Industrial Area, Panchkula and ii) Manktabra , Distt, Panchkula. The security is further extended to shed in the name of Golden Chem-Tech limited at Mankya, Ramgarh, Panchkula

   These loans are further secured by second pari-passu on entire current assets of the company, both present and future.

   The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements
5. Vehicle loans are secured against Hypothecation of respective vehicles. The same are repayable in five years from the date of respective disbursements
6. Interest free unsecured loan from promoters and related parties amounting to ₹ 237.60 lakh (31st March, 2021: 267.60 lakh) will be repaid back by the end of year 2023. This loan was intially measured at fair value using market rate of interest at the time when loan was taken.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

7. Interest free Unsecured loan from others for ₹ 30.95 lakh (31st March,2021: 55.49 lakh) will be repaid back by the end of year 2023. this loan was initially measured at fair value using market rate of interest at the time when loan was taken.

10.2 Short-term borrowings

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan		–	2,483.45	1,695.59
Indian rupee loan (unsecured)			–	–
Indian rupee loan from financial institutions (unsecured)				
Rupee Loans		–	3,110.74	415.40
	–	**–**	**5,594.19**	**2,110.99**

Nature of security of Current borrowings and other terms of repayment

a Working capital facilities availed from State Bank of India, HDFC Bank Ltd and Standard Chartered Bank are secured by a first charge ranking pari-passu inter-se banks, on all current assets of the company, both present and future, wherever the same may be or be held and have a second charge ranking pari- passu on all movable and immovable fixed assets of the Company, present and future. Working capital facilities are repayable on demand.

b Working capital are availed in Indian rupees and in foreign currency which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread.

The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

10.3 Trade payables –

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises		–	–	–
Total outstanding dues of creditors	–	–	5,680.65	4,913.39
Total outstanding dues of creditors from MSME	–	–	123.17	235.92
Refer Note No 33 for ageing of Trade Payable.	**–**	**–**	**5,803.82**	**5,149.31**

Amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises (MSME) Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The total outstanding ₹123.17 lakh as at the end of the year is Principal amount due to MSME.

10.4 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Acceptances				
Financial liabilities at fair value	–	–	–	–
Derivative not designated as hedges	–	–	–	–
Foreign exchange forward contracts	–	–	–	–
	–	**–**	**–**	–
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (note 10.1)	–	–	1,434.30	1,654.83

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Security deposits received	–	–		–
Liability towards Capital vendors	–	–	–	–
Interest accrued but not due on borrowings		–	4.57	5.60
	–	–	1,438.87	1,660.43

11. Provisions

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Provision for employee benefits				
Provision for gratuity (note 26)	159.06	135.43	15.29	12.79
Provision for compensated absences	72.95	99.64	18.27	7.30
Provision for Bonus		–	74.21	53.17
	232.01	235.07	107.77	73.25
Other provisions				
Provision towards vendors	–	–	–	–
	–	–	–	–
Total Provisions	232.01	235.07	107.77	73.25

As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance up to 45 leaves on post retirement and rest will be encashed on yearly basis. The Company presents provision for leave salaries as current and non-current based on actuarial valuation.

12. Other liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Advance from customers	–	–	854.93	359.29
Statutory dues payable		–	126.31	86.10
Security Deposit received	20.60	9.60	25.00	
Expenses Payable		–	859.46	750.77
Deferred Revenue Liability (Govt. Grant)	54.85	644.63	–	–
Total Other liabilities	75.45	654.23	1,865.70	1,196.17

Deferred Revenue Liability (Govt Grants)

i Deferred Revenue Liability (Govt Grants) relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

ii During the year ₹644.63 lakh (2020-21: ₹13.21 lakh) was released from deferred income to the statement of profit and loss on fulfillment of export obligations.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

13. Current tax liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Liabilities for income tax (net of taxes paid)	–	–	167.46	323.29
Total tax liabilities	**–**	**–**	**167.46**	**323.29**

14. Revenue from operations

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Sale of products (including excise duty)		
Export	42,055.28	33,215.39
Domestic	23,879.40	14,738.09
	65,934.68	**47,953.48**

15. Other income

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Profit on sale of Fixed assets	–	14.12
Insurance claims received	55.35	57.11
Government grants	644.63	13.21
Rental Income	57.60	–
Misc. Income	1.17	1.79
Interest income on Bank deposits	38.33	16.35
interest other	0.05	7.46
	797.13	**110.04**

16. Cost of raw material consumed

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Inventory at the beginning of the year	4,602.70	4,823.71
Add: Purchases	41,642.53	23,894.17
Freight Inward	1,924.24	1,005.16
Less: Inventory at the end of the year	(9,190.16)	(4,602.70)
	38,979.31	**25,120.33**

17. (Increase)/Decrease in inventories

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Inventory at the beginning of the year		
– Work-in-progress	260.52	86.87
– Finished goods	1,322.67	1,003.01
Inventories at the end of the year		
– Work-in-progress	(320.58)	(260.52)
– Finished goods	(2,794.56)	(1,322.67)
Net (increase)/decrease in inventories	**(1,531.95)**	**(493.30)**

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

18. Employee benefit expense

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Salaries, wages and bonus	5,043.61	3,462.09
Contribution to provident fund & Other funds	195.55	163.71
Gratuity expense	42.02	48.89
Compensated absences	23.92	26.45
Staff welfare expenses	173.01	124.34
	5,478.11	**3,825.49**

19. Other expenses

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Manufacturing Expenses		
Store & Spares	767.55	818.07
Packing Stores	1,330.30	1,153.86
Electric Power, Fuel & Water	3,715.91	2,362.77
Repairs and maintenance		
–\Buildings	50.80	232.86
–\Plant & Machinery	465.94	400.69
	6,330.50	**4,968.25**
Selling & Distribution Expenses		
Business promotion expenses	504.83	658.92
Distribution Expenses - Export	3,961.44	2,643.55
Distribution Expenses - Domestic	629.37	478.27
Certification Expenses	32.26	24.21
	5,127.89	**3,804.95**
Establishment Expenses		
Professional and consultancy fees	144.49	55.31
Rent	76.10	61.10
Rates and taxes	27.32	52.74
Insurance	103.24	70.09
Travelling and conveyance expenses	257.63	82.95
Other Repairs	105.04	210.79
Payment to Auditors	2.50	5.75
Loss on sale of Fixed Assets	4.81	6.65
Charity and Donation	0.13	0.82
Corporate Social Responsibility	114.88	117.72
Miscellaneous expenses	251.43	132.33
	1,087.55	**796.25**
	12,545.95	**9,569.45**

20. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Depreciation of property, plant and equipment (note 3.1)	2,325.55	2,314.95
Amortisation of intangible assets	–	–
Depreciation on Investment property (Note 4)	–	–
	2,325.55	**2,314.95**

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

21. Finance costs

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Interest cost	289.38	325.91
Loan facility fees	22.32	23.83
Other Borrowing cost	118.23	112.24
Exchange difference	353.10	139.88
	783.04	**601.86**

22. Earnings per share (EPS)

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Profit after tax as per Statement of Profit and Loss (used for both calculation of basic EPS)	6,101.48	5,541.32
Profit after tax as per Statement of Profit and Loss (used for both calculation of diluted EPS)	6,101.48	5,541.32
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	16948060	16948060
Basic - Par value of INR 5 per share (in INR)	36.00	32.70
Diluted - Par value of INR 5 per share (in INR)	36.00	32.70

23. CONTINGENT LIABILITIES AND COMMITMENTS

I Contingent liabilities

(a) Claims against Company, disputed by the Company, not acknowledged as debt

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Income Tax	1,699.61	1,696.00
Custom Duty	2,058.72	2,058.72

(b) Guarantees

Furnished by Banks on behalf of the Company

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
Custom Ludhiana & Delhi	2.10	–
Tamil Nadu Small Industrial Corporation	0.00	1.85

(c) Other Money for which the Company is contingently liable

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Liability in respect of Bill discounted with Banks	107.50	–

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

2 Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Others	–	–

(b) Other commitments

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Export obligation under Advance License Scheme on duty free import of specific raw materials	33,066.02	15,756.22
Export obligation under EPCG License Scheme on duty free import of Capital Goods	329.12	8,835.67

Hedging instruments

The Company uses various derivative instruments such as foreign exchange forward contracts to hedge its exposures to movement in foreign exchange rates. These instruments are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered into by the Company:

(₹ in Lakhs)

Category	Currency	Cross Currency	Amount (in lakh)		Buy/Sell
Forward Contracts					
As at 31 March 2022	USD	INR	USD	97.50	Sell
	Euro	USD	Euro	20.00	Sell
As at 31 March 2021	USD	INR	USD	44.50	Sell
	Euro	USD	Euro	39.00	Sell

Mark to market profit (loss) amounting to ₹98.13 lakh (31 March 2021: (154.50 LAKH) in respect of forward contract was charged to the Statement of Proft & Loss Account.

Details of dues to Micro and Small Enterprises as per MSMED Act 2006

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
i) Principal amount due to micro and small enterprise	123.17	235.92
ii) Interest due on above	–	–
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	–	–
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	–	–

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

24. FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

a. credit risk
b. liquidity risk
c. market risk

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Company does not perceive any significant credit risk on trade receivables.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

The Company based on internal assessment which is driven by the historical experience/ current facts available, the management believes the strong opinion of recovery from trade receivables and where risk f defualt, if any, will be negligible and accordingly no provison for expected cash loss has been provided on trade receivables.

With regards to all other financial assets with contractual cash flows management believes these to be high quality assets with negligible credit risk. Thus, no provision for expected cash loss has been provided on these financial assets.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities.

The Company has mature liquidity risk management processes covering short-term, mid-term and long-term funding. Liquidity risk is controlled through maintaining sufficient reserves, adequate amount of committed credit facilities and loan funds.

The contractual maturities of the Company's financial liabilities are presented below:-

(₹ in Lakhs)

31 March 2022	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	7,942.28	7,028.49	913.79	7,942.28
Trade payable	5,803.82	5,762.68	41.14	5,803.82
Other financial liabilities	4.57	4.57	–	4.57

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

31 March 2021	Carrying amount	Contractual cash flows: Within one year	Contractual cash flows: More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	5,915.24	3,765.82	2,149.42	5,915.24
Trade payable	5,149.31	5,122.34	26.97	5,149.31
Other financial liabilities	5.60	5.60	–	5.60

Foreign exchange forward contracts is the difference between the booking rate and exchange rate at the balance sheet date, and not considered under financial obligation.

c. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income, assets, liabilites or expected cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD and EUR

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	USD	EUR	USD	EUR
Trade receivables	6,011.72	1,975.53	4,462.85	1,579.24
Other receivables	–	–	–	–
Trade payables	(2,934.47)	(1,284.60)	(1,763.11)	(690.88)
Borrowings	(2,077.89)	(2,485.10)	(936.54)	(3,915.85)
	999.36	**(1,794.17)**	**1,763.20**	**(3,027.49)**

Trade receivables include advance to suppliers for material and Capital advances.

Trade payables includes payable towards material and capital goods. It also includes advance from customers.

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the EUR and USD against the functional currency at 31 March 2022 would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

(₹ in Lakhs)

31 March 2021	Movement	Profit or Loss (before tax): Strengthening	Profit or Loss (before tax): Weakening
Year ended March 31,2022			
USD	1%	9.99	(9.99)
EURO	1%	(17.94)	17.94
Year ended March 31,2021			
USD	1%	17.63	(17.63)
EURO	1%	(30.27)	30.27

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Lakhs)

Particulars	31--03-2022	31--03-2021
Fixed rate borrowings	2,301.21	1,062.85
Floating rate borrowings	5,645.64	4,852.39
Total borrowings	7,946.85	5,915.24

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2022 would decrease / increase by Rs 14.11 lakh (for the year ended 31 March 2021: decrease / increase by ₹ 15.54 lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

25. Capital Management

Risk management

The Company's objectives when managing capital are to:

– safeguard its ability to continue as a going concern, so that its can continue to provide returns for its shareholders and benefits for other stakeholders, and

– maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company plan either to raise fresh debt or to repay it, to raise fresh equity or sell those assets which have little contribution in the company's overall performance, when to pay dividends etc.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Net debt	7,174.92	4,401.50
Total equity	31,645.02	25,968.15
Net debt to equity ratio	0.23	0.17

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

26 Employee benefits in respect of the Company have been calculated as under:

1 Defined Contribution Plans

The Company has certain defined contribution plan such as provident fund and employee state insurance wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Employer's contribution to provident fund	148.08	120.59
Employer's contribution to employee state insurance	29.64	28.03
Employer's contribution to welfare funds	5.10	5.16

2 Defined Benefit Plans

Grauity:

The Company has a defined benefit gratuity plan as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is p.a.6.92% (31 March 2021: 6.25% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14)Ult (31 March 2021: IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 6% p.a. (31 March 2021: 4% p.a.). The rate of attrition considered in actuarial valuation is 10% (31 March 2021: 10%)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Present value of obligation at the beginning of the year	148.21	126.43
Current Service Cost	32.76	40.99
Interest Cost	9.26	7.90
Benefits paid	(17.09)	(12.55)
Actuarial (gain)/ loss	1.20	(14.56)
Present value of obligation at the end of the year	174.34	148.21

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Current Service Cost	32.76	40.99
Interest Cost	9.26	7.90
Expenses recognised in the Statement of profit & loss Account	42.02	48.89

Amount recognised in the other comprehensive income:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Actuarial (gain)/ loss due to experience variance	1.20	(14.56)
Net (Income)/ Expenses recognised in OCI	1.20	(14.56)

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Sensitivity analysis

(₹ in Lakhs)

Assumption	31-03-2022		31-03-2021	
	Discount Rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease
Impact on defined benefit	168.89	180.15	186.32	163.57

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Other long term benefits (compensated absences):

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Present value of obligation at the beginning of the year	106.94	91.11
Current Service Cost	28.75	43.62
Interest Cost	6.68	5.69
Benefits paid	(38.94)	(10.62)
Actuarial (gain)/ loss	(12.20)	(22.86)
Present value of obligation at the end of the year	91.23	106.94

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Current Service Cost	28.75	43.62
Interest Cost	6.68	5.69
Actuarial (gain)/ loss	(12.20)	(22.86)
Expenses recognised in the Statement of profit & loss Account	23.23	26.45

Sensitivity Analysis

(₹ in Lakhs)

Assumption	31-03-2022		31-03-2021	
	Discount Rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease
Impact on defined benefit	89.52	92.99	94.80	87.86

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

27. Fair value Hierarchy

a) Financial instruments by category

(₹ in Lakhs)

Particulars	Note	Level of hierarchy	31-03-2022			31-03-2021		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Financial Assets								
Loans and advances	a		–	–	149.92	–	–	139.71
Investments	b	3	–	–	249.78	–	–	149.85
Trade and other receivables	a		–	–	11,876.74	–	–	9,864.27
Cash and cash Equivalents	a		–	–	70.06	–	–	508.40

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Note	Level of hierarchy	31-03-2022			31-03-2021		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Other bank balances	a		–	–	697.31	–	–	1,005.34
Other financial assets	a		–	–	3.21	–	–	2.43
Total Financial Assets			**–**	**–**	**13,047.02**	**–**	**–**	**11,670.00**
Financial Liabilities								
Borrowings (including current maturities)	c	3	–	–	7,942.28	–	–	5,915.24
Trade payables	a		–	–	5,803.82	–	–	5,149.31
Foreign Exchange contracts	d	2	–	–	–	–	–	
Other financial liabilities	a		–	–	4.57	–	–	5.60
Total Financial Liabilities			**–**	**–**	**13,750.67**	**–**	**–**	**11,070.15**

In addition to the above the Company has investments in its subsidiary amounting to Rs 100.00 Lakh (31 March 2021 : 0.07 Lakh) and has investment in shares of associate company to Rs 35.63 Lakh (31 March 2021 : 35.63 Lakh)., which are carried at cost.

The shares allotted to company amounting to ₹ 114.14 lakh (31 March 2021 : ₹ 114.14 Lakh) towards settlement of dues as per direction of Singapore Court's order. These shares are listed on Singapore stock exchange but trading is suspended. Hence, these are carried at fair value when shares were so allotted.

a. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b Fair value for investments has been disclosed at fair value.

c. The fair values of long term borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

d. The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard.

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Currently, the Company does not have any such financial instruments.

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lakhs)

Particulars	31-03-2022		31-03-2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and advances	149.92	149.92	139.71	139.71
Investments	249.78	249.78	149.85	149.85
Trade and other receivables	11,876.74	11,876.74	9,864.27	9,864.27
Cash and cash Equivalents	70.06	70.06	508.40	508.40
Other bank balances	697.31	697.31	1,005.34	1,005.34
Other financial assets	3.21	3.21	2.43	2.43
Total Financial Assets	**13,047.02**	**13,047.02**	**11,670.00**	**11,670.00**
Financial Liabilities				
Borrowings (including current maturities)	7,942.28	7,942.28	5,915.24	5,915.24
Trade payables	5,803.82	5,803.82	5,149.31	5,149.31
Other financial liabilities	4.57	4.57	5.60	5.60
Total Financial Liabilities	**13,750.67**	**13,750.67**	**11,070.15**	**11,070.15**

28. Business Combination

Amalgamation with Golden Chem-Tech Limited

On 21st December, 2017, the Board of Directors of Stylam Industries Limited (SIL), subject to obtaining requisite approvals from statutory authorities and shareholders, had approved a Scheme of Amalgamation between SIL and Golden Chem-Tech Limited (GCL). The scheme envisaged the amalgamation of GCL with the Company and the dissolution without winding up of GCL pursuant thereto. Both the Companies had received all necessary approvals and in accordance with the terms of the Scheme, 30th September 2017 was the appointed date and effective date. Accordingly, all assets and liabilities of GCL had become assets and liabilities of the Company with effect from that date.

On 11th March, 2020 the Company had allotted 307,830 Equity Shares of ₹10/- each to the shareholders who were holding shares of GCL as on the record date.

No adjustment had been made to the book values of the assets and liabilities of GCL when they were incorporated in the financial statements of the company except to ensure uniformity of accounting policies."

29. Related Party Disclosures

Key Management Personnel (KMP) and their relatives

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Key Managerial Personnel (KMP)

Name	Designation
Mr.Jagdish Gupta	Managing Director
Mr.Manav Gupta	Whole Time Director
Mr.Manit Gupta	Whole Time Director
Mr.Sachin Bhatla	Director- Technical
Mr.Kishan Nagpal	Chief Financial Officer
Mr.Sanjeev Vaid (Resigned on 23/10/2021)	Chief Financial Officer
Mr. Karan Mehra	CS (Resigned on 06th September 2021)
Mr. Sanjeev Kumar Sehgal	CS (Appointed on 28th January 2022)

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

Family members of Directors

Mrs.Usha Gupta	Mrs.Pushpa Gupta
Ms.Nidhi Gupta	Mrs.Saru Gupta
Ms.Dipti Gupta	Mrs.Kritika Garg
Mrs.Priyanka Kapila	

Subsidary (where control exists)

Wholly-owned subsidary

Name of Company	Country of Incorporation
Stylam Asia Pacific Pte Ltd* (Formed on 16th September 2019	Singapore
Stylam Panels Limited** (Formed on 06th July 2021)	India

* Company had formed Wholly owned subsidiary (WOS) in September 2019 for the purpose of trading of laminates and allied products. The acticity from WOS is yet to strat with.

* Company had formed Wholly owned subsidiary (WOS) in July 2021 for the purpose of Manufacturing of Plywood and allied products. The acticity from WOS is yet to strat with.

Entities where Directors/ family members of Directors having control

Name of Company	%age of shares acquired
Alca Vstyle Sdn.Bhd., Malaysia (Alca)	34%

Transactions during the year with related parties

(₹ in Lakhs)

Nature of transactions	2021-22			2020-21		
	Key Managerial Personnel/ Relative	Entities where control exists**	Wholly-owned subsidiary*	Key Managerial Personnel/ Relative	Entities where control exists	Wholly-owned subsidiary
Sale of Goods	0.13	434.69	–	0.72	536.53	
Salary Paid	467.73	–	–	338.31		
Paid for expenses	–	–	–	–		
Addition in Borrowings	–	–	–	–		
Borrowings repaid back	30.00	–	–	820.52		

(₹ in Lakhs)

Balances as at	31-03-2022	31-03-2021
Borrowings from Promoters and Related parties	237.60	267.60

30 DIVIDEND

During the year the director have recommended the payment of an Interim dividend of ₹ 2.50/- per fully paid equity share .

31. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
i) Gross amount required to be spent by the Company during the year	114.38	89.1
ii) Amount Spent During the Year	114.88	117.72
iii) Amount unspent during the year and deposited in a scheduled bank	–	–

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
iv) Amount spent during the year pertaining to previous year	–	28.55
v) Shortfall at the end of the year	N.A	N.A
vi) Reason for Shortfall	–	–
vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	–	
Total	**114.88**	**117.72**

32. Ageing of Trade Receivables

The Ageing of Trade Receivables is as below.

(₹ in Lakhs)

Ageing	<180	>180but<360	1-2 Years	2-3 Years	Above 3 years
Gross Carrying amount as on 31-03-2022	9712.45	750.49	780.30	574.50	59.00
Impairment loss recognised as above					
Gross Carrying amount as on 31-03-2021	8472.40	691.75	645.55	1.54	53.03
Impairment loss recognised as above					

33. Ageing of Trade payable

Ageing of Trade Payable is as below.

(₹ in Lakhs)

Ageing	<1 years	1-2 Years	2-3 Years	>3 Years
Gross Carrying amount as on 31-03-2022	5762.68	14.56	26.15	0.43
Impairment loss recognised as above				
Gross Carrying amount as on 31-03-2021	5122.34	26.54	0	0.43
Impairment loss recognised as above				

34. Ratio Analysis

(₹ in Lakhs)

S. No	RATIOS	Numerator	Denominator	31-03-2022	31-03-2021	% Change	Reason
1	Current Ratio	Current Assets	Current Liabilities	2.04	2.03	0.49	–
2	Inventory Turnover Ratio	Sales	Average Inventory	6.44	6.92	-6.93	–
3	Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	6.07	5.16	17.64	–
4	Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payable	6.86	5.67	20.98	–
5	Net Capital Turnover Ratio	Revenue from operations	Working Capital = (current Assets-current Liabilities)	4.25	4.41	-3.62	–
6	Net Profit Ratio	Net Profit After Tax	Revenue From Operations	0.09	0.12	-25	–
7	Return on Capital Employed	Earning before interest and taxes	Capital Employed= Total Assets-Current Liabilties	0.26	0.25	4	–

Notes to the Standalone Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

S. No	RATIOS	Numerator	Denominator	31-03-2022	31-03-2021	% Change	Reason
8	Debt Equity Ratio	Borrowings	Total Equity	0.25	0.23	8.7	–
9	Return on Equity Ratio	Net Profit After Tax	Average Total Equity	0.21	0.24	-12.5	–
10	Debt Service Coverage Ratio	Earning For Debt Service= Net Profit Before Tax +Non Cash Operating Expenses (Dep)+Finance Cost+ Loss/ Profit on sale of PPE	Debt Service = Interest+lease payment+principle Repayment of Long term Borrowings	4.87	4.32	12.73	–

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Kishan Nagpal
CFO

Manit Gupta
Director

Sanjeev Kumar Sehgal
CS & Compliance Officer

Independent Auditor's Report

To
The Members of
Stylam Industries Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Stylam Industries Limited ("the Company"), and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, Notes to the Financial Statements and other explanatory information (hereinafter referred to as "the Consolidated Financial Statement statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS")and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Revenue Recognition The Group recognizes revenue at the point of time when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In determining the transaction price for the sale, the Group considers the effects of variable consideration and consideration receivable from the customer. The nature of rebates, discounts and sales returns, if any, involve judgment in determining sales revenues and revenue cut-off. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.	• We performed process walk through to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Group to ensure its compliance with Ind-AS 115 requirements. • We checked the contracts of customers along with revenue recognition policy applied by the Group to ensure satisfaction of performance obligation upon transfer of control of products to customer at a point in time. Our checking procedure includes consideration of the accounting and presentation of the rebates and discount arrangements. • In addition to substantive analytical reviews performed to understand how the revenue has trended over the year, we performed a detailed testing on transactions around the year-end, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized to revenue focusing on unusual or irregular transactions.

The Key Audit Matter	How the matter was addressed in our audit
Fair value Measurement In FY 2019, Group has capitalized receivable from one of its customer in Singapore. This capitalization was done on the basis of scheme approved by High Court in Singapore. Owing to practical issues the shares so allotted to the Group are assigned in favour of person resident of Singapore. The shares are listed in Singapore Stock Exchange (SGX)	• We have performed analytical audit measures correctness of capitalization transaction in the bookkeeping records. • We have also assessed the appropriateness of the notes to the financial statements concerning the valuation. • As regards the valuation calculations, the trading shares is suspended by SGX, we have assessed management judgement on the valuation and fair value is derived on the basis of input available i.e last stated price of shares.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other

information is materially inconsistent with the standalone financial statements or our knowledge obtained

in the audit or otherwise appears to be materially misstated. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors Responsibility for the consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Consolidated Financial Statement

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding Company has adequate internal financial controls with reference to consolidated financial

statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements.
- We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, based on our audit, we report that :

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

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

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group;

ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2022 for which there were any material foreseeable losses.;

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India during the year.

iv. (a) The respective Managements of the Company whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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 respective Managements of the Company whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever 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 performed by us on the Company whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Interim dividend paid by the Company during the current year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. No dividend has been declared/paid by the subsidiaries during the year.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding company and its subsidiaries which are incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the holding company and its subsidiaries which are incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

(D) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Mittal Goel & Associates**
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 10th May 2022
Place: Chandigarh

Annexure A to the Independent Auditor's Report

Annexure "A" To The Independent Auditor's Report Of Even Date On The Consolidated Ind AS Financial Statements of Stylam Industries Limited

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

Opinion

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2022, We have audited the internal financial controls over financial reporting of STYLAM INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its one subsidiary company, which are the companies incorporated in India, as of that date

2. In our opinion the Holding Company and its subsidiary company which are the companies incorporated in India has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

3. The Board of Directors of the of the Holding company and its subsidiary company which are incorporated in India, are 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 (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

4. 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") issued by the ICAI 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.

5. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

6. 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

7. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. 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.

Other Matters

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to the one subsidiary, which is the Company incorporated in India, is based on the corresponding report of the auditors of such subsidiary Company incorporated in India.

For **Mittal Goel & Associates**
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 10th May 2022
Place: Chandigarh

Consolidated Standalone Balance Sheet

as at March 31,2022

(₹ in Lakhs)

Particulars	Note	As at 31-03-2022	As at 31-03-2021
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	17,872.44	18,781.96
Capital work in progress			
Investment Property	4	–	–
Financial assets			
Investments	5.1	114.14	136.24
Loans and advances	5.2	149.92	139.71
Other bank balances	5.6	–	–
Other non-current assets	7	162.41	273.64
		18,298.92	**19,331.54**
Current assets			
Inventories	**8**	**13,290.16**	**7,184.86**
Financial assets			
Trade receivables	5.4	11,876.74	9,864.27
Cash and cash equivalents	5.5	168.24	508.40
Other bank balances	5.6	697.31	1,005.35
Other financial assets	5.3	3.84	2.43
Other current assets	7	4,555.16	2,817.93
		30,591.45	**21,383.25**
TOTAL ASSETS		**48,890.37**	**40,714.79**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	847.40	847.40
Other equity		30,761.80	25,097.79
		31,609.20	**25,945.19**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10.1	913.79	2,149.42
Provisions	11	232.01	235.07
Deferred tax liabilities (net)	6	1,082.27	1,217.43
Other non current liabilities	12	75.45	654.23
		2,303.52	**4,256.15**
Current liabilities			
Financial liabilities			
Borrowings	10.2	5,594.19	2,110.99
Trade payables	10.3	5,803.82	5,149.32
Other financial liabilities	10.4	1,438.87	1,660.43
Other current liabilities	12	1,865.82	1,196.17
Provisions	11	107.77	73.25
Current tax liabilities (net)	13	167.17	323.29
		14,977.65	**10,513.45**
TOTAL EQUITY AND LIABILITIES		**48,890.37**	**40,714.79**
Basis of Preparation, measurement and significant accounting plocies,	1&2		

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Manit Gupta
Director

Kishan Nagpal
CFO

Sanjeev Kumar Sehgal
CS & Compliance Officer

Consolidated Profit and Loss Account

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations	14	65,934.68	47,953.48
Other income	15	800.07	110.04
Total Income		**66,734.75**	**48,063.52**
Expenses			
Cost of raw materials consumed	16	38,979.31	25,120.33
(Increase) / decrease in inventories	17	(1,531.95)	(493.30)
Purchase of Stock in Trade		103.89	27.27
Employee benefit expenses	18	5,478.11	3,825.49
Finance costs	21	783.04	601.86
Depreciation and amortization expense	20	2,325.55	2,314.95
Other expenses	19	12,539.64	9,574.89
Total Expenses		**58,677.58**	**40,971.48**
Profit before exceptional items and tax		**8,057.16**	**7,092.04**
Exceptional Items	–		
Profit before Tax		8,057.16	7,092.04
Tax expense			
Current tax		1,991.00	1,732.90
Tax of Earlier Years		90.31	(36.26)
Deferred tax charge	6	(134.86)	(129.58)
Total tax expense		**1,946.45**	**1,567.06**
Profit for the year		6,110.71	5,524.97
Share of Profit/ (Loss) of associates and joint ventures		(22.10)	(13.53)
Other Comprehensive Income			
Other comprehensive income to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit obligations		(1.20)	14.56
Net (loss) gain on FVTOCI Investment		–	–
Deferred tax charge		0.30	(3.67)
Income tax effect		–	–
Other comprehensive income not to be reclassified to profit or loss in subsequent years (net of tax)		(0.90)	10.90
Other comprehensive income to be reclassified to profit or loss in subsequent years:	–		
Currency Hedging		–	–
Tax effect		–	–
Other comprehensive income to be reclassified to profit or loss in subsequent years (net of tax)	–	–	
Total Comprehensive Income for the year		**6,087.71**	**5,522.34**
Earnings per equity share in INR computed on the basis of profit for the year	22		
Basic		36.06	32.60
Diluted		35.92	32.58
Basis of Preparation, measurement and significant accounting plocies,	1&2		

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Kishan Nagpal
CFO

Manit Gupta
Director

Sanjeev Kumar Sehgal
CS & Compliance Officer

Consolidated Statement of Cash Flow

for the year ended March. 31, 2022

(₹ in Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**Cash Flow from operating activities:**		
	Profit/(loss) before extraordinary & exceptional items and tax	8,057.16	7,092.03
	Adjustments for:		
	– Unrealized foreign exchange loss/(gain) (net)	–	49.83
	Government Grant Ind As Adjustment	–	
	– Finance costs	311.70	349.73
	– Depreciation and amortisation expense	2,325.55	2,314.95
	– Interest Income	(41.31)	(23.81)
	– Loss/ (Gain) on sale of Fixed Assets (net)	4.81	(7.46)
	Operating Profit before working capital changes	**10,657.91**	**9,775.27**
	Movements in working capital:		
	Adjusted for:		
	Trade & Other Receivables	(2,012.47)	(1,369.57)
	Inventories	(6,105.30)	(511.81)
	Trade & Other Payables	1,035.40	1,714.13
	Net cash generated from operations	**3,575.55**	**9,608.02**
	Payment of direct taxes (net)	(1,914.14)	(1,719.43)
	Dividend paid	(423.70)	–
	Net cash from operating activities (A)	**1,237.71**	**7,888.59**
B	**Cash Flow from investing activities:**		
	Payment for Tangible Assets	(1,493.35)	(660.67)
	(including capital work in progress and capital advances)		
	Proceeds from sale of PPE	72.50	75.32
	Proceeds from sale of Investment Property		
	Payment for investments in subsidiary and joint venture	–	(36.63)
	Maturity/ (Investment) in fixed deposits	–	–
	Proceeds/(Investment) from/ in other assets	(1,637.63)	21.94
	Proceeds/(Investment) from/ in other activities	(583.04)	30.53
	Interest received	41.31	23.81
	Net cash from/ (used in) investing activities (B)	**(3,600.21)**	**(544.71)**
C	**Cash Flow from financing activities:**		
	Proceeds of long-term borrowings	–	
	Repayment of long term borrowings	(1,457.19)	(2,349.45)
	Proceeds/ (Repayment) from short-term borrowings	3,483.20	(3,742.50)
	Borrowing costs paid		
	– Interest paid	(311.70)	(349.73)
	Net cash from/ (used in) financing activities (C)	**1,714.30**	**(6,441.68)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(648.20)	902.20
	Cash and cash equivalents at the beginning of the period	1,513.74	611.54
	Cash and cash equivalents at the closing of the period	**865.55**	**1,513.74**

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

(ii) Components of cash and cash equivalents included under cash and bank balances (note 5.6) are as under:

Standalone Statement of Cash Flow

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash in hand	0.16	0.65
Balances with scheduled banks		
– On current accounts	168.07	449.93
– Book overdraft in current accounts	–	–
– Deposits with original maturity of upto 3 months	–	69.79
– Deposits with original maturity of upto 3 months (Pledged with bank)	650.82	810.21
– Deposits with original maturity of more than 3 months (Pledged with bank)	11.80	183.17
Other Balance with Banks	34.69	–
Cash and cash equivalents	**865.55**	**1,513.74**

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Manit Gupta
Director

Kishan Nagpal
CFO

Sanjeev Kumar Sehgal
CS & Compliance Officer

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

1. Group information

Stylam Industries Limited ("the Company") is a public limited company incorporated in India with its registered office located at Sco-14, Sector 7-C, Madhya Marg, Chandigarh, India. The Company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) The Company is engaged in manufacturing of laminates, solid surface panels and allied products.

The manufacturing facilities of the company are located at Panchkula, Haryana, India.

The Company and its subsidiary (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

a) Subsidiary

Name of Company	Country of Incorporation	Principal Activities	Proportion of equity interest	
			As at 31st March 2022	As at 31st March 2021
Stylam Panels Limited *	India	Plywood Manufacturing	100%	–
Stylam Asia Pacific Pte Ltd**	Singapore	Trading	100%	100%

*Date of Incorporation is 06th July 2021

**Date of incorporation is 16th September 2019

b) Associates

Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the Company and its subsidiary in the same form and manner as that of its own.

Indian Accounting Standard (Ind AS) 28 on Investments in Associates defines Associate Group as an entity over which the investor has significant influence. It mentions that if an entity holds, directly or indirectly through intermediaries, 20 per cent or more of the voting power of the enterprise, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

The Company holds investments in the below entity which by share ownership are deemed to be an associate company:

(i) Alca Vstyle Sdn. Bhd, Malaysia, where the company has 34% equity holding. This is a company engaged in trading of all kinds of merchandise in relation to household requisites, to purchase, sell, import, export, distribute, install and deal in domestic, commercial and industrial furniture and fixtures.

2. Basis of Preparation, Measurement and Significant accounting policies

2.1 Basis of Preparation and measurement

a) Basis of preparation and consolidation

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The Consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to the periods presented in the Consolidated financial statements.

Subsidiary is an entity where the group exercise control or hold more than one-half of its total share capital. The net assets and results of the subsidiary is included in the consolidated financial statements from their respective dates of incorporation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of consolidated financial statements are consistent. The consolidated financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intragroup balances, intra-group transactions.

The Consolidated financial statements are presented in INR, the functional currency of the Group. Items included in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

The Consolidated Financial statements of the Company for the year ended 31st March, 2022 were approved for issue in accordance with the resolution of the Board of Directors on 10th May, 2022

b) Basis of measurement

These Consolidated Financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 Key accounting estimates and judgements

The preparation of Consolidated Financial statements requires management to make judgements, estimates

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

2.3 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Group classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Group classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Group has identified twelve months as its operating cycle for the purpose of current and non- current classification of assets and liabilities.

2.4 Significant accounting policies

These are set out under “Significant Accounting Policies” as given in the Company’s standalone financial statements

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

3.1 Property, Plant and Equipment & Intangible Assets

(a) Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
Owned Assets									
Land- Freehold	2,014.73	594.53	-	2,609.26	0.00	0.00	0.00	0.00	2609.26
Building -Factory	4,730.07	-	-	4,730.07	907.78	150.56	0.00	1058.34	3671.74
Building -Others	369.11	-	-	369.11	39.69	64.53	0.00	104.22	264.90443
Plant and equipment	19,608.24	503.45	54.85	20,166.54	8371.86	1836.91	154.98	10363.75	9802.79
Office Equipments	1,143.15	12.69	-	1,155.85	649.22	5.03	0.00	654.25	501.60
Furniture & fixtures	282.52	4.85	-	287.37	163.77	20.46	0.00	184.23	103.14
Vehicles - Owned	820.80	197.40	(154.92)	863.28	341.81	75.52	-77.61	339.72	523.56
Computer & Peripherals	213.94	13.59	-	227.53	183.22	9.82	0.00	193.04	34.49
TOTAL	**29,182.57**	**1,326.51**	**-100.07**	**30,409.01**	**10,657.34**	**2,162.83**	**77.37**	**12,897.53**	**17,511.50**

(b) Capital Work in Progress

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
	-	-	-	-	-	-	-	-	-
TOTAL									

(c) Intangible Assets

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	As at 1 April 2021	Additions	Deletions/ Adjustments	As at 31 March 2022	
Intangible Assets	475.72	111.97	-	587.69	219.00	7.76	-	226.76	360.93
TOTAL	**475.72**	**111.97**	**0.00**	**587.69**	**219.00**	**7.76**	**0.00**	**226.76**	**360.93**

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

5. Financial assets

5.1 Non-current investments

Un-quoted investment

(₹ in Lakhs)

Particulars	As at March. 31, 2022		As at March. 31, 2021	
	Nos of shares	Amount	Nos of shares	Amount
Investment carried at fair value				
Equity Investment				
– Un-quoted				
– Serrano Limited, Singapore*	6575711	102.37	6575711	102.37
(fair value SGD 0.031 per share)				
– Serrano Limited, Singapore**	756199	11.77	756199	11.77
(fair value SGD 0.031 per share)				
– Un-quoted, Fully paid-up				
Subsidiary				
– Stylam Asia Pacific Pte Ltd - Equity shares of US$ 1 each	100	–	100	–
Stylam Panels Limited	1000000	–	0	–
Investment in Equity Instruments (at Cost)				
– Un-quoted, Fully paid-up				
– Alca Vstyle Sdn. Bhd, Malaysia	340000	–	340000	22.10
Total investment		**114.14**		**136.24**

The company has formed 100 % subsidiary company "Stylam Panels Limited with an authorised Capital of ₹ 2.00 Crore

The company has acquired 34% stake in Associate company . This company is engaged in to trading of commercial and

Industrial Furnitures and fixtures.

The Subsidairy of the company M/s Stylam Asia Pacific Pte. Ltd is in the process of striking off. Pursuant to which investment

in the company amounting to ₹ 0.07 lacs has been written off during the year.

* The company had trade arrangement with Serrano Ltd, Singapore (Serrano). Serrano owed ₹253.30 lakh failed to pay and thereafter went into liquidation. New Investor joined Serrano and had agreed with secured and unsecured creditors to settle their dues partly under Cash Distribution Scheme and partly under Shares Distribution Scheme. The Scheme of Arrangment was filed with High Court in Singapore under Section 210 of Singapore's Companies Act

Under Shares Distribtution Scheme 6,575,711 No of shares (as on 31-03-2021 6,575,711 Nos) were allotted to the company. Theses shares are listed on Singapore Stock Exchange. As trading of shares is suspended these are considered as unquoted investment. When trading was suspended the share was valued at SGD 0.031 per share (as on 31-03-2019 SGD 0.031 per share), the same value is considered for arriving fair value of share.

** Under the Scheme 756,199 Nos of shares were allotted to Golden Chem-Tech Limited (as on 31-03-2021 756,199 Nos). Pursunat to approval of Scheme of Amalgamation by Hon'ble NCLT, Chandigarh Bench, all investments of Golden Chem-Tech Limited will be treated as investments of the company.

5.2 Loans and advances

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Unsecured and considered good				
Security deposits	149.92	139.71	–	–
	149.92	**139.71**	**–**	**–**

Security deposits are primarily in relation to public utility services and rental agreements

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

5.3 Other financial assets

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Interest accrued	–	–	3.84	2.43
	–	**–**	**3.84**	**2.43**

5.4 Trade receivables

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Unsecured, considered good				
Trade receivables	–	–	11,876.74	9,864.27
	–	**–**	**11,876.74**	**9,864.27**

Note: Please refer note no. 32 for ageing of Trade Receivable.

5.5 Cash and cash equivalents

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Cash in hand	–	–	0.16	0.65
Balances with banks:				
– On current accounts	–	–	168.07	449.93
– Deposits with original maturity of upto 3 months	–	–	–	57.82
	–	**–**	**168.23**	**508.40**

5.6 Other bank balances

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
– Deposits with original maturity of upto 3 months (pledged with Bank)	–	–	650.82	11.97
– Deposits with original maturity of more than 3 months (pledge with Bank)			11.80	810.21
– Other Balance with bank	–	–	34.69	183.17
	–	**–**	**697.31**	**1,005.35**

Current earmarked bank balances represent deposits due for realisation within 3 months from the balance sheet date. These are primarily placed as margin money against issue of Letter of Credits.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

6. Movement in deferred tax balances

Deferred Income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the company's net deferred income tax are as follows :-

(₹ in Lakhs)

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	Other movements during the year	Recognised in OCI	Closing balance
Deferred tax assets					
Compensated absences & retirement benefits	77.60	(50.47)		–	27.12
Expenses allowed for tax purposes when paid	4.95	(4.95)		–	–
Derivative contracts fair valued on transition	–	–	–	–	
MAT credit entitlement/ (Utilisation)	–		–		–
Unabsorbed Depreciation	–		–		–
Adjustment due to change in Tax Rate in unabsorbed depreciation	–		–		–
Total deferred tax assets	**82.55**	**(55.42)**	**–**	**–**	**27.12**
Deferred tax liabilites					
Property, plant and equipment and intangible assets	1,286.59	(176.90)			1,109.69
Others	13.38	(13.38)			–
Prepaid Expesnes	–	–			–
Total deferred tax liabilities	**1,299.98**	**(190.28)**	**–**	**–**	**1,109.69**
Deferred tax assets/ (liabilities) (net)	**(1,217.43)**	**134.86**	**–**	**–**	**(1,082.57)**

7. Other Assets

Unsecured and considered good

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Capital advances	125.00	231.50		40.00
Advance to Suppliers		–	1,748.28	267.13
Staff Advances		–	16.70	5.25
Other Advances	26.05	30.14	79.09	37.34
Prepaid expenses		–	24.29	19.66
Balances with statutory/government authorities bodies	2.59	3.22		–
Export incentive receivable		–	500.34	3.73
GST Recoverable		–	1,963.01	2,164.99
Ancillary cost of arranging the borrowings		–	–	–
Unrealised exchange			98.13	154.50
Income tax Refundable		–	56.31	56.31
Advance Income tax			–	–
Income tax paid under Appeal		–	69.02	69.02
VAT Recoverable	8.78	8.78	–	–
Recoverbale from Subsidiary	–	–	–	–
	162.41	**273.64**	**4,555.16**	**2,817.93**

Advance with statutory / government bodies relate to input credit entitlements

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

8. Inventories

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Raw materials		–	9,190.16	4,602.70
Work in Progress			320.58	260.52
Stores and spares		–	223.25	–
Finished goods		–	2,794.56	1,322.67
Material In Transit	–	–	212.41	756.79
Fuel Coal & Diesel		–	161.19	31.98
Packing & Stores		–	388.01	210.20
Total	**–**	**–**	**13,290.16**	**7,184.86**

The inventories of the Company have been pledged as securities against borrowings.

9. Equity share capital

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Authorised *		
19,40,8000 equity shares of ₹5/-each (31 March 2021: 9,704,000 Equity Share of ₹10 each)	970.40	970.40
Issued, subscribed and fully paid up shares		
1,69,48600 equity shares of ₹5/-each (31 March 2021: 8,474300 equity share of ₹ 10 each)	847.40	847.40
Total issued, subscribed and fully paid-up share capital	**847.40**	**847.40**

(A) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(₹ in Lakhs)

Particulars	March, 31,2022		March, 31,2021	
	Number	Amount	Number	Amount
At the beginning of the year	8474030	847.40	8474030	847.40
Issued during the year	8474030	–		
Approval Pending	–	–	–	–
Outstanding at the end of the year	**16948060**	**847.40**	**8474030**	**847.40**

(B) Terms/ rights attached to equity shares

a) The company has single class of shares referred to as equity shares having par value of ₹ 5 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors, is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of liquidation of the company, the equity shareholders are eligible to receive the surplus assets remaining after settlement of preferential amounts in proportion to their shareholding.

(C) Details of shareholders holding more than 5% shares in the Company

Particulars	March, 31,2022		March, 31,2021	
	Number	% of total shares	Number	% of total shares
Equity shares of INR 10 each fully paid				
Jagdish Gupta	3574862	21.09%	1073181	12.66%
Satish Gupta	0	0.00%	868963	10.25%
Light House Emerging India Investor Ltd	515000	3.04%	850000	10.03%
Usha Gupta	0	0.00%	714250	8.43%
Pushpa Gupta	3309004	19.52%	785539	9.27%

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Detail of last five years Share transactions:-

(₹ in Lakhs)

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Share Issue as Bonus	–	–	–	–	–
Preferential allotment	–	–			850000
Split of Shares	8474030		307830		
Scheme of Amlagamtion	–	–	–	–	–
Shares forfeited	–	–	–	–	–
ESOP					

Stylam Industries Limited Promoters Shareholding

Sr No	Promoters Name	Promoters Shareholding as on 31.03.2022 (Face Value @ 5)	Shareholding % as on 31.03.2022	Promoters Shareholding as on 31.03.2021 (Face Value @10)	Shareholding % as on 31.03.2021	Change In Percentage Shareholding from 01.04.21 to 31.03.22
1	Jagdish Rai Gupta	3574862	21.09%	1073181	12.66%	8.43%
2	Satish Gupta	Transmission of shares to Mrs. Pushpa Gupta	0%	868963	10.25%	-10.25%
3	Pushpa Gupta	3309004	19.52%	785539	9.27%	10.25%
4	Manit Gupta	824448	4.86%	412224	4.86%	No Change
5	Rattan Devi	771400	4.55%	385700	4.55%	No Change
6	Usha Gupta	Transmission of shares to Mr Jagdish Gupta	0%	714250	8.43%	-8.43%
7	Nidhi Gupta	368200	2.17%	184100	2.17%	No Change
8	Dipti Gupta	341400	2.01%	170700	2.01%	No Change
9	Saru Gupta	66254	0.39%	33127	0.39%	No Change
	Total	**9255568**	**54.61%**	**4627784**	**54.61%**	

Statement of Changes in Equity

for the year ended March. 31, 2022

(a) Equity share capital

Balance as at 01.04.2021	Changes during the year	Balance as at 31-03-22
847.40	–	847.40

Balance as at 01.04.2020	Changes during the year	Balance as at 31.03.2021
847.40	–	847.40

(b) Other equity

(₹ in Lakhs)

Particulars	Reserve & Surplus					Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Compre-hensive Income	Equity component of compound financial instruments	
Balance as at April 01, 2020	705.97	5,023.50	13,820.37	7.66	17.95	19,575.45
Profit for the year			5,524.97			5,524.97
Share of Profit/ (Loss) of associates and joint ventures			(13.53)			(13.53)
Other Comprehensive Income for the year			10.90			10.90
Other Transfers			5.02		(5.02)	–
Balance as at March 31, 2021	**705.97**	**5,023.50**	**19,347.72**	**7.66**	**12.93**	**25,097.79**
Balance as at April 01, 2021	705.97	5,023.50	19,347.72	7.66	12.93	25,097.79
Profit for the year			6,111			6,111
Share of Profit/ (Loss) of associates and joint ventures			(22.10)			(22.10)
Deferred Government Grant (Ind As adjustment)			–			–
Other Comprehensive Income for the year		–	(0.90)			(0.90)
Less. Dividend paid			(423.70)			(423.70)
other transfer			10.46		(10.46)	–
Balance as at March 31, 2022	**705.97**	**5,023.50**	**25,022.19**		**2.48**	**30,761.80**

Naure and purpose of other equity

Securities premium reserve:

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

General reserve:

This represents appropriation of profit by the Company and is available for distribution of dividend.

Remeasurements of defined benefit obligation:

Remeasurements of defined benefit obligation comprises of gains and losses on acturial valuation on Post-employment benefits.

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Kishan Nagpal
CFO

Manit Gupta
Director

Sanjeev Kumar Sehgal
CS & Compliance Officer

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Financial Liabilities

10.1 Long-term borrowings

(at amortised cost)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Secured - At Amortised Cost				
From Banks				
Foreign Currency Loans				
Foreign Currency Loans -(1)	251.36	381.44	153.60	136.48
Foreign Currency Loans -(2)	298.49	745.35	444.07	444.95
Foreign Currency Loans -(3)	363.94	729.31	363.94	364.65
Rupee Loans				
Rupee Loan	–	293.32	204.14	372.53
Vehicle Loans		–	–	13.13
Unsecured - At Amortised Cost				
Rupee Loans				
From Directors		–	23.20	45.20
From Related Parties		–	214.40	222.40
From others		–	30.95	55.49
	913.79	**2,149.42**	**1,434.30**	**1,654.83**
The above amount includes				
Secured borrowings	913.79	2,149.42	1,165.75	1,387.23
Unsecured borrowings	–	–	268.55	267.60
Amount disclosed under the head "Other financial liabilities" (note 11.4)	–	–	(1,434.30)	(1,654.83)
Net amount	**913.79**	**2,149.42**	**–**	**–**

Terms of repayment of Non-Current and Current borrowings

1. Foreign Currency loan amounting to ₹ 404.96 lakh (31st March 2021 517.92 lakh) is repayable in 69 Monthly Instalments

   The repayment of the loan commenced from August 2019.

2. Foreign Currency loan amounting to ₹ 742.57 lakh (31st March 2021: ₹ 1190.29 lakh) is repayable in 48 monthly instalments.

   The repayments commenced from October 2019.

3. Foreign Currency loan pertaining to External commercial Borrowing amounting to ₹ 727.88 lakh (31st March,2021: ₹ 1093.96 lakh) is repayble in 17 quarterly instalments. The repayment started from February 2020)

4. Rupee term loan amounting to ₹ 204.14 (31st March,2021: ₹ 665.85 Lakh) This loan was part of borrowing of Golden Chem-Tech Limited

   After merger the amount was transfereed in the books of the company.The loan is repayble in 20 quarterly instalments. As per the terms of sanction, the loan will be fully repaid by January 2023

Terms of Security

All the loans are secured by first pari-passu charge, on movable fixed assets of the company, present and future, except vehicles, and immovable assets situated at manufacturing location of the company of 1) Industrial Area, Panchkula and ii) Manktabra , Distt, Panchkula. The security is further extended to shed in the name of Golden Chem-Tech limited at Mankya, Ramgarh, Panchkula

These loans are further secured by second pari-passu on entire current assets of the company, both present and future.

The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements

Vehicle loans are secured against Hypothecation of respective vehicles. The same are repayable in five years from the date of respective disbursements

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

5. Interest free unsecured loan from promoters and related parties amounting to ₹ 237.60 lakh (31st March, 2021: 267.60 lakh) will be repaid back by the end of year 2023. This loan was intially measured at fair value using market rate of interest at the time when loan was taken.

6. Interest free Unsecured loan from others for ₹ 30.95 lakh (31st March,2021: 55.49 lakh) will be repaid back by the end of year 2023. this loan was initially measured at fair value using market rate of interest at the time when loan was taken.

10.2 Short-term borrowings

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan		–	2,483.45	1,695.59
Indian rupee loan (unsecured)			–	–
Indian rupee loan from financial institutions (unsecured)				
Rupee Loans		–	3,110.74	415.40
	–	**–**	**5,594.19**	**2,110.99**

Nature of security of Current borrowings and other terms of repayment

a Working capital facilities availed from State Bank of India, HDFC Bank Ltd and Standard Chartered Bank are secured by a first charge ranking pari-passu inter-se banks, on all current assets of the company, both present and future, wherever the same may be or be held and have a second charge ranking pari- passu on all movable and immovable fixed assets of the Company, present and future. Working capital facilities are repayable on demand.

b Working capital are availed in Indian rupees and in foreign currency which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread.

The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

10.3 Trade payables

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises.	–		–	–
Total outstanding dues of creditors	–	–	5,680.65	4,913.39
Total outstanding dues of creditors from MSME	–	–	123.17	235.92
Refer Note No. 33 for ageing of Trade Payable.	**–**	**–**	**5,803.82**	**5,149.32**

Amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises (MSME) Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The total outstanding ₹123.17 lakh as at the end of the year is Principal amount due to MSME.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

10.4 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Acceptances		–		–
Financial liabilities at fair value				
Derivative not designated as hedges	–	–	–	–
Foreign exchange forward contracts	–	–	–	
	–	–	–	
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (note 10.1)	–	–	1,434.30	1,654.83
Security deposits received*	–	–		–
Liability towards Capital vendors	–	–	–	–
Interest accrued but not due on borrowings		–	4.57	5.60
	–	–	1,438.87	1,660.43
	–	–	1,438.87	1,660.43

Financial liabilities at fair value through profit and loss

11. Provisions

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Provision for employee benefits				
Provision for gratuity (note 26)	159.06	135.43	15.29	12.79
Provision for compensated absences	72.95	99.64	18.27	7.30
Provision for Bonus		–	74.21	53.17
	232.01	235.07	107.77	73.25
Other provisions				
Provision towards vendors	–	–	–	–
	–	–	–	–
Total Provisions	232.01	235.07	107.77	73.25

As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance up to 45 leaves on post retirement and rest will be encashed on yearly basis. The Company presents provision for leave salaries as current and non-current based on actuarial valuation.

12. Other liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Advance from customers	–	–	854.93	359.29
Statutory dues payable		–	126.31	86.10
Security Deposit received	20.60	9.60	25.00	
Expenses Payable		–	859.58	750.77
Deferred Revenue Liability (Govt. Grant)	54.85	644.63	–	–
Total Other liabilities	75.45	654.23	1,865.82	1,196.17

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Deferred Revenue Liability (Govt Grants)

i Deferred Revenue Liability (Govt Grants) relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.

ii During the year ₹644.63 lakh (2020-21: ₹13.25 lakh) was released from deferred income to the statement of profit and loss on fulfillment of export obligations.

13. Current tax liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March. 31, 2022	As at March 31, 2021	As at March. 31, 2022	As at March 31, 2021
Liabilities for income tax (net of taxes paid)	–	–	167.17	323.29
Total tax liabilities	**–**	**–**	**167.17**	**323.29**

14. Revenue from operations

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Sale of products (including excise duty)		
Export	42,055.28	33,215.39
Domestic	23,879.40	14,738.09
	65,934.68	**47,953.48**
	65,934.68	**47,953.48**

15. Other income

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Profit on sale of Fixed assets	–	14.12
Insurance claims received	55.35	57.11
Government grants	644.63	13.21
Rental Income	57.60	–
Misc. Income	1.17	1.79
Interest income on Bank deposits	41.26	16.35
interest other	0.06	7.46
	800.07	**110.04**

16. Cost of raw material consumed

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Inventory at the beginning of the year	4,602.70	4,823.70
Add: Purchases	41,642.53	23,894.17
Freight Inward	1,924.23	1,005.16
Less: Inventory at the end of the year	(9,190.16)	(4,602.70)
	38,979.31	**25,120.33**

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

17. (Increase)/Decrease in inventories

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Inventory at the beginning of the year		
– Work-in-progress	260.52	86.87
– Finished goods	1,322.67	1,003.01
Inventories at the end of the year		
– Work-in-progress	(320.58)	(260.52)
– Finished goods	(2,794.56)	(1,322.67)
Net (increase)/decrease in inventories	**(1,531.95)**	**(493.30)**

18. Employee benefit expense

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Salaries, wages and bonus	5,043.61	3,462.09
Contribution to provident fund & Other funds	195.55	163.71
Gratuity expense	42.02	48.89
Compensated absences	23.92	26.45
Staff welfare expenses	173.01	124.34
	5,478.11	**3,825.49**

19. Other expenses

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Manufacturing Expenses		
Store & Spares	767.55	818.07
Packing Stores	1,330.30	1,153.86
Electric Power, Fuel & Water	3,715.91	2,362.77
Repairs and maintenance		
–\Buildings	50.80	232.86
–\Plant & Machinery	465.94	400.68
	6,330.50	**4,968.24**
Selling & Distribution Expenses		
Business promotion expenses	504.83	658.92
Distribution Expenses - Export	3,961.44	2,643.55
Distribution Expenses - Domestic	629.37	478.27
Certification Expenses	32.26	24.21
	5,127.89	**3,804.95**
Establishment Expenses		
Professional and consultancy fees	144.49	60.76
Rent	76.10	61.10
Rates and taxes	30.32	52.74
Insurance	103.24	70.09
Travelling and conveyance expenses	257.63	82.95
Other Repairs	105.04	210.79
Payment to Auditors	2.62	5.75
Loss on sale of Fixed Assets	4.81	6.65

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Charity and Donation	0.13	0.82
Corporate Social Responsibility	114.88	117.72
Miscellaneous expenses	242.00	132.33
	1,081.24	**801.70**
	12,539.64	**9,574.89**

20. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Depreciation of property, plant and equipment (note 3.1)	2,325.55	2,314.95
Amortisation of intangible assets	–	–
Depreciation on Investment property (Note 4)	–	–
	2,325.55	**2,314.95**

21. Finance costs

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Interest cost	289.38	325.91
Loan facility fees	22.32	23.83
Other Borrowing cost	118.23	112.24
Exchange difference	353.10	139.88
	783.04	**601.86**

22. Earnings per share (EPS)

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

Particulars	As at 31-03-2022	As at 31-03-2021
Profit after tax as per Statement of Profit and Loss	6,110.71	5,524.97
(used for both calculation of basic EPS)		
Profit after tax as per Statement of Profit and Loss	6,087.71	5,522.34
(used for both calculation of diluted EPS)		
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	16948060	16948060
Basic - Par value of INR 5 per share (in INR)	36.06	32.60
Diluted - Par value of INR 5 per share (in INR)	35.92	32.58

23. CONTINGENT LIABILITIES AND COMMITMENTS

I Contingent liabilities

(a) Claims against Company, disputed by the Company, not acknowledged as debt

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Income Tax	1,699.61	1,696.00
Custom Duty	2,058.72	2,058.72

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

(b) Guarantees

Furnished by Banks on behalf of the Company

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
Custom Ludhiana & Delhi	2.10	–
Tamil Nadu Small Industrial Corporation	0.00	1.85

(c) Other Money for which the Company is contingently liable

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Liability in respect of Bill discounted with Banks	107.50	–

2 Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Others	–	–

(b) Other commitments

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Export obligation under Advance License Scheme on duty free import of specific raw materials	33,066.02	15,756.22
Export obligation under EPCG License Scheme on duty free import of Capital Goods	329.12	8,835.67

Hedging instruments

The Company uses various derivative instruments such as foreign exchange forward contracts to hedge its exposures to movement in foreign exchange rates. These instruments are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered into by the Company:

(₹ in Lakhs)

Category	Currency	Cross Currency	Amount (in lakh)		Buy/Sell
Forward Contracts					
As at 31 March 2022	USD	INR	USD	97.50	Sell
	Euro	USD	Euro	20.00	Sell
As at 31 March 2021	USD	INR	USD	44.50	Sell
	Euro	USD	Euro	39.00	Sell

Mark to market profit (loss) amounting to ₹98.13 lakh (31 March 2021: (154.50 LAKH) in respect of forward contract was charged to the Statement of Proft & Loss Account.

Details of dues to Micro and Small Enterprises as per MSMED Act 2006

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
i) Principal amount due to micro and small enterprise	123.17	235.92
ii) Interest due on above	–	–

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	–	–
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	–	–
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	–	–

24. FINANCIAL RISK MANAGEMENT

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

a. credit risk

b. liquidity risk

c. market risk

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Company does not perceive any significant credit risk on trade receivables.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

The Company based on internal assessment which is driven by the historical experience/ current facts available, the management believes the strong opinion of recovery from trade receivables and where risk f defualt, if any, will be negligible and accordingly no provison for expected cash loss has been provided on trade receivables.

With regards to all other financial assets with contractual cash flows management believes these to be high quality assets with negligible credit risk. Thus, no provision for expected cash loss has been provided on these financial assets.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities.

The Company has mature liquidity risk management processes covering short-term, mid-term and long-term funding. Liquidity risk is controlled through maintaining sufficient reserves, adequate amount of committed credit facilities and loan funds.

The contractual maturities of the Company's financial liabilities are presented below:-

(₹ in Lakhs)

31 March 2022	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	7,942.28	7,028.49	913.79	7,942.28
Trade payable	5,803.82	5,762.68	41.14	5,803.82
Other financial liabilities	4.57	4.57	–	4.57

(₹ in Lakhs)

31 March 2021	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	5,915.24	3,765.82	2,149.42	5,915.24
Trade payable	5,149.31	5,122.34	26.97	5,149.31
Other financial liabilities	5.60	5.60	–	5.60

Foreign exchange forward contracts is the difference between the booking rate and exchange rate at the balance sheet date, and not considered under financial obligation.

c. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income, assets, liabilites or expected cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD and EUR

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ in Lakhs)

Particulars	31 March 2022		31 March 2021	
	USD	EUR	USD	EUR
Trade receivables	6,011.72	1,975.53	4,462.85	1,579.24
Other receivables	–	–	–	–
Trade payables	(2,934.47)	(1,284.60)	(1,763.11)	(690.88)
Borrowings	(2,077.89)	(2,485.10)	(936.54)	(3,915.85)
	999.36	**(1,794.17)**	**1,763.20**	**(3,027.49)**

Trade receivables include advance to suppliers for material and Capital advances.

Trade payables includes payable towards material and capital goods. It also includes advance from customers.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the EUR and USD against the functional currency at 31 March 2022 would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

(₹ in Lakhs)

	Movement	Profit or Loss (before tax)	
		Strengthening	Weakening
Year ended March 31,2022			
USD	1%	9.99	(9.99)
EURO	1%	(17.94)	17.94
Year ended March 31,2021			
USD	1%	17.63	(17.63)
EURO	1%	(30.27)	30.27

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Lakhs)

Particulars	31--03-2022	31--03-2021
Fixed rate borrowings	2,301.21	1,062.85
Floating rate borrowings	5,645.64	4,852.39
Total borrowings	7,946.85	5,915.24

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2022 would decrease / increase by ₹ 14.11 lakh (for the year ended 31 March 2021: decrease / increase by ₹ 15.54 lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

25. Capital Management

Risk management

The Company's objectives when managing capital are to:

– safeguard its ability to continue as a going concern, so that its can continue to provide returns for its shareholders and benefits for other stakeholders, and

– maintain an optimal capital structure to reduce the cost of capital.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company plan either to raise fresh debt or to repay it, to raise fresh equity or sell those assets which have little contribution in the company's overall performance, when to pay dividends etc.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Net debt	7,076.74	4,401.50
Total equity	31,609.19	25,968.15
Net debt to equity ratio	0.22	0.17

26 Employee benefits in respect of the Company have been calculated as under:

1 Defined Contribution Plans

The Company has certain defined contribution plan such as provident fund and employee state insurance wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Employer's contribution to provident fund	148.08	120.59
Employer's contribution to employee state insurance	29.64	28.03
Employer's contribution to welfare funds	5.10	5.16

2 Defined Benefit Plans

Grauity:

The Company has a defined benefit gratuity plan as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is p.a.6.92% (31 March 2021: 6.25% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2021: 58 years) and mortality table is as per IALM (2012-14)Ult (31 March 2021: IALM (2012-14)).

The estimates of future salary increases, considered in actuarial valuation is 6% p.a. (31 March 2021: 4% p.a.). The rate of attrition considered in actuarial valuation is 10% (31 March 2021: 10%)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Present value of obligation at the beginning of the year	148.21	126.43
Current Service Cost	32.76	40.99
Interest Cost	9.26	7.90
Benefits paid	(17.09)	(12.55)
Actuarial (gain)/ loss	1.20	(14.56)
Present value of obligation at the end of the year	174.34	148.21

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Current Service Cost	32.76	40.99
Interest Cost	9.26	7.90
Expenses recognised in the Statement of profit & loss Account	42.02	48.89

Amount recognised in the other comprehensive income:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Actuarial (gain)/ loss due to experience variance	1.20	(14.56)
Net (Income)/ Expenses recognised in OCI	1.20	(14.56)

Sensitivity analysis

(₹ in Lakhs)

Assumption	31-03-2022		31-03-2021	
	Discount Rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease
Impact on defined benefit	168.89	180.15	186.32	163.57

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Other long term benefits (compensated absences):

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Present value of obligation at the beginning of the year	106.94	91.11
Current Service Cost	28.75	43.62
Interest Cost	6.68	5.69
Benefits paid	(38.94)	(10.62)
Actuarial (gain)/ loss	(12.20)	(22.86)
Present value of obligation at the end of the year	91.23	106.94

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

(₹ in Lakhs)

Particulars	31-03-2022	31-03-2021
Current Service Cost	28.75	43.62
Interest Cost	6.68	5.69
Actuarial (gain)/ loss	(12.20)	(22.86)
Expenses recognised in the Statement of profit & loss Account	23.23	26.45

Sensitivity Analysis

(₹ in Lakhs)

Assumption	31-03-2022		31-03-2021	
	Discount Rate		Future salary increase	
Sensitivity level	0.5% increase	0.5% decrease	1% increase	1% decrease
Impact on defined benefit	89.52	92.99	94.80	87.86

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

27. Fair value Hierarchy

a) Financial instruments by category

(₹ in Lakhs)

Particulars	Note	Level of hierarchy	31-03-2022			31-03-2021		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Financial Assets								
Loans and advances	a		–	–	149.92	–	–	139.71
Investments	b	3	–	–	114.14	–	–	149.85
Trade and other receivables	a		–	–	11,876.74	–	–	9,864.27
Cash and cash Equivalents	a		–	–	168.24	–	–	508.40
Other bank balances	a		–	–	697.31	–	–	1,005.34
Other financial assets	a		–	–	3.84	–	–	2.43
Total Financial Assets			**–**	**–**	**13,010.20**	**–**	**–**	**11,670.00**
Financial Liabilities								
Borrowings (including current maturities)	c	3	–	–	7,942.28	–	–	5,915.24
Trade payables	a		–	–	5,803.82	–	–	5,149.31
Foreign Exchange contracts	d	2	–	–	–	–	–	
Other financial liabilities	a		–	–	4.57	–	–	5.60
Total Financial Liabilities			**–**	**–**	**13,750.67**	**–**	**–**	**11,070.15**

In addition to the above the Company has investments in its subsidiary amounting to ₹ 100.00 Lakh (31 March 2021 : 0.07 Lakh) and has investment in shares of associate company to ₹ 35.63 Lakh (31 March 2021 : 35.63 Lakh)., which are carried at cost.

The shares allotted to company amounting to ₹ 114.14 lakh (31 March 2021 : ₹ 114.14 Lakh) towards settlement of dues as per direction of Singapore Court's order. These shares are listed on Singapore stock exchange but trading is suspended. Hence, these are carried at fair value when shares were so allotted.

a. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b Fair value for investments has been disclosed at fair value.

c. The fair values of long term borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

d. The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard.

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Currently, the Company does not have any such financial instruments.

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

(₹ in Lakhs)

Particulars	31-03-2022		31-03-2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and advances	149.92	149.92	139.71	139.71
Investments	114.14	114.14	149.85	149.85
Trade and other receivables	11,876.74	11,876.74	9,864.27	9,864.27
Cash and cash Equivalents	168.24	168.24	508.40	508.40
Other bank balances	697.31	697.31	1,005.34	1,005.34
Other financial assets	3.84	3.84	2.43	2.43
Total Financial Assets	**13,010.20**	**13,010.20**	**11,670.00**	**11,670.00**
Financial Liabilities				
Borrowings (including current maturities)	7,942.28	7,942.28	5,915.24	5,915.24
Trade payables	5,803.82	5,803.82	5,149.31	5,149.31
Other financial liabilities	4.57	4.57	5.60	5.60
Total Financial Liabilities	**13,750.67**	**13,750.67**	**11,070.15**	**11,070.15**

28. Business Combination

Amalgamation with Golden Chem-Tech Limited

"On 21st December, 2017, the Board of Directors of Stylam Industries Limited (SIL), subject to obtaining requisite approvals from statutory authorities and shareholders, had approved a Scheme of Amalgamation between SIL and Golden Chem-Tech Limited (GCL). The scheme envisaged the amalgamation of GCL with the Company and the dissolution without winding up of GCL pursuant thereto. Both the Companies had received all necessary approvals and in accordance with the terms of the Scheme, 30th September 2017 was the appointed date and effective date. Accordingly, all assets and liabilities of GCL had become assets and liabilities of the Company with effect from that date.

On 11th March, 2020 the Company had allotted 307,830 Equity Shares of ₹10/- each to the shareholders who were holding shares of GCL as on the record date.

No adjustment had been made to the book values of the assets and liabilities of GCL when they were incorporated in the financial statements of the company except to ensure uniformity of accounting policies."

29. Related Party Disclosures

Key Management Personnel (KMP) and their relatives

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Key Managerial Personnel (KMP)

Name	Designation
Mr.Jagdish Gupta	Managing Director
Mr.Manav Gupta	Whole Time Director
Mr.Manit Gupta	Whole Time Director
Mr.Sachin Bhatla	Director- Technical
Mr.Kishan Nagpal	Chief Financial Officer
Mr.Sanjeev Vaid (Resigned on 23/10/2021)	Chief Financial Officer
Mr. Karan Mehra	CS (Resigned on 06th September 2021)
Mr. Sanjeev Kumar Sehgal	CS (Appointed on 28th January 2022)

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

Family members of Directors

Mrs.Usha Gupta	Mrs.Pushpa Gupta
Ms.Nidhi Gupta	Mrs.Saru Gupta
Ms.Dipti Gupta	Mrs.Kritika Garg
Mrs.Priyanka Kapila	

Subsidary (where control exists)

Wholly-owned subsidary

Name of Company	Country of Incorporation
Stylam Asia Pacific Pte Ltd* (Formed on 16th September 2019	Singapore
Stylam Panels Limited** (Formed on 06th July 2021)	India

* Company had formed Wholly owned subsidiary (WOS) in September 2019 for the purpose of trading of laminates and allied products. The acticity from WOS is yet to strat with.

* Company had formed Wholly owned subsidiary (WOS) in July 2021 for the purpose of Manufacturing of Plywood and allied products. The acticity from WOS is yet to strat with.

Entities where Directors/ family members of Directors having control

Name of Company	%age of shares acquired
Alca Vstyle Sdn.Bhd., Malaysia (Alca)	34%

Transactions during the year with related parties

(₹ in Lakhs)

Nature of transactions	2021-22			2020-21		
	Key Managerial Personnel/ Relative	Entities where control exists**	Wholly-owned subsidiary*	Key Managerial Personnel/ Relative	Entities where control exists	Wholly-owned subsidiary
Sale of Goods	0.13	434.69	–	0.72	536.53	
Salary Paid	467.73	–	–	338.31		
Paid for expenses	–	–	–	–		
Addition in Borrowings	–	–	–	–		
Borrowings repaid back	30.00	–	–	820.52		

(₹ in Lakhs)

Balances as at	31-03-2022	31-03-2021
Borrowings from Promoters and Related parties	237.60	267.60

30 DIVIDEND

During the year the director have recommended the payment of an Interim dividend of ₹ 2.50/- per fully paid equity share.

31. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

(₹ in Lakhs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
i) Gross amount required to be spent by the Company during the year	114.38	89.10
ii) Amount Spent During the Year	114.88	117.72
iii) Amount unspent during the year and deposited in a scheduled bank	–	–
iv) Amount spent during the year pertaining to previous year	–	28.55

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

Particulars	Year ended March 31,2022	Year ended March 31,2021
v) Shortfall at the end of the year	N.A	N.A
vi) Reason for Shortfall	–	–
vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	–	–
Total	**114.88**	**117.72**

32. Ageing of Trade Receivables

The Ageing of Trade Receivables is as below.

(₹ in Lakhs)

Ageing	<180	>180but<360	1-2 Years	2-3 Years	Above 3 years
Gross Carrying amount as on 31-03-2022	9712.45	750.49	780.30	574.50	59.00
Impairment loss recognised as above					
Gross Carrying amount as on 31-03-2021	8472.40	691.75	645.55	1.54	53.03
Impairment loss recognised as above					

33. Ageing of Trade payable

Ageing of Trade Payable is as below.

(₹ in Lakhs)

Ageing	<1 years	1-2 Years	2-3 Years	>3 Years
Gross Carrying amount as on 31-03-2022	5762.68	14.56	26.15	0.43
Impairment loss recognised as above				
Gross Carrying amount as on 31-03-2021	5122.34	26.54	0	0.43
Impairment loss recognised as above				

34. Ratio Analysis

(₹ in Lakhs)

S. No	RATIOS	Numerator	Denominator	31-03-2022	31-03-2021	% Change	Reason
1	Current Ratio	Current Assets	Current Liabilities	2.04	2.03	0.49	–
2	Inventory Turnover Ratio	Sales	Average Inventory	6.44	6.92	-6.93	–
3	Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	6.07	5.16	17.64	–
4	Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payable	6.86	5.67	20.98	–
5	Net Capital Turnover Ratio	Revenue from operations	Working Capital =(current Assets- current Liabilities)	4.25	4.41	-3.62	–
6	Net Profit Ratio	Net Profit After Tax	Revenue From Operations	0.09	0.12	–25	–
7	Return on Capital Employed	Earning before interest and taxes	Capital Employed= Total Assets-Current Liabilties	0.26	0.25	4	–
8	Debt Equity Ratio	Borrowings	Total Equity	0.25	0.23	8.7	–
9	Return on Equity Ratio	Net Profit After Tax	Average Total Equity	0.21	0.24	-12.5	–

Notes to the Consolidated Financial Statements

for the year ended March. 31, 2022

(₹ in Lakhs)

S. No	RATIOS	Numerator	Denominator	31-03-2022	31-03-2021	% Change	Reason
10	Debt Service Coverage Ratio	Earning for Debt Services=Net profit before Tax+Non cash Operating Expenses (Dep)+Finance Cost+Loss/Profit on sale of PPE	Debt services=interest+lease payment+Principle Repayment of Long term Borrowings	4.87	4.32	12.73	–

See accompanying notes to the financial statements

As per our report of even date attached.

for **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

PLACE : Chandigarh
DATE : May 10, 2022

for and on behalf of the Board of Directors of
Stylam Industries Limited

Jagdish Gupta
Managing Director

Manit Gupta
Director

Kishan Nagpal
CFO

Sanjeev Kumar Sehgal
CS & Compliance Officer

LAMINATES

STYLAM INDUSTRIES LIMITED

Registered Office: SCO 14, Sector 7 C Madhya Marg, Chandigarh, 160019
Telephone No: +91-172-5021555/5021666
Email: cs@stylam.com website: www.stylam.com
CIN: L20211CH1991PLC011732

NOTICE OF 31st ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31st Annual General Meeting of the members of Stylam Industries Limited will be held on Friday 30th Day of September, 2022 at Sip 'n' Dine, SCO -16A, Madhya Marg, Sector 7-C, Chandigarh at 10:00 a.m. to consider and to transact the following Business:

Ordinary Business

1. ***Adoption of Audited Financial Statement***

   To receive, consider, and adopt the Audited Statement of Profit & Loss for the financial year ended on 31st March, 2022 and Balance Sheet as at that date together with Reports of the Auditors and Directors thereon.

2. ***To approve Re-appointment of Mr.Manav Gupta, Director***

   To appoint a Director in place of Mr. Manav Gupta (DIN 03091842) who retires by rotation and being eligible, offers himself for re-appointment.

3. ***Re-appointment of the Statutory Auditor***

   To consider and if thought fit, to pass the resolution, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Mittal Goel & Assocaites , Chartered Accountants, having registration No. 099212 be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years, who shall hold office from the conclusion of this 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting to be held in the year 2027 on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

4. To confirm the payment of interim dividends as final dividend for the financial year ended 31st March, 2022.

Special Business

5. ***To Appoint Mr. Manit Gupta as Whole-time Director of the Company for a period of five years with effect from 28th January, 2022***

   To consider and if thought fit, to pass the resolution, with or without modification(s), the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act') read along with Schedule V to the Act (including any amendment thereto or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and based on the recommendation of Nomination and Remuneration Committee and subject to such sanctions as may be necessary, the consent of the members be and is hereby accorded to the re-appointment of Mr Manit Gupta (DIN 00889528) as Whole-time Director with the designation as Executive Director ('WTD') of the Company for another term of five years commencing from 28 January 2022 till 27 January 2027, liable to retire by rotation, upon the terms and conditions set out in the statement annexed to the Notice convening this Meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of Section 197 of the Act and in the agreement entered into between the Company and WTD, which agreement is hereby approved, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and WTD.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of WTD from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and WTD be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.

''FURTHER RESOLVED THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required and delegate all or any of its powers herein conferred to any committee of director(s) to give effect to the above resolution."

6. ***To increase salary of Mr. Jagdish Gupta, Managing Director, from Rs.16.00 lakh p.m. to Rs.25.00 lakh p.m.***

To consider and if thought fit, to pass the resolution, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Mr. Jagdish Gupta, Managing Director be and hereby increased from Rs. 16,00,000/- p.m. to Rs.25,00,000 /- p.m. with effect from 1st October, 2022, till the remainder of his term till 33rd AGM of the company to be held in 2023-24 and that the use of Company's car and telephone at residence used by him for official duties, shall not be included in the remuneration package.

RESOLVED FURTHER THAT that the remuneration stated above shall be paid to Mr. Jagdish Gupta even in case of inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit."

7. ***To increase salary of Mr Manav Gupta , Whole time Director, from Rs.6.00 lakh p.m. to Rs.12.00 lakh p.m.***

To consider and if thought fit, to pass the resolution, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Mr. Manav Gupta, Whole time Director be and hereby increased from Rs.6,00,000/- p.m. to Rs. 12,00,000 /- p.m. with effect from 1st October, 2022, unless revised, till the remainder of his term and that the use of Company's car and telephone at residence used by him for official duties, shall not be included in the remuneration package.

RESOLVED FURTHER THAT that the remuneration stated above shall be paid to Mr. Manav Gupta even in case of inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit."

8. ***To increase salary of Mr Manit Gupta , Whole time Director, from Rs.6.00 lakh p.m. to Rs.12.00 lakh p.m.***

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Mr Manit Gupta , Whole time Director be and hereby increased from Rs.6,00,000/- p.m. to Rs.12,00,000 /- p.m. with effect from 1st October, 2022, unless revised, till the remainder of his term and that the use of Company's car and telephone at residence used by him for official duties, shall not be included in the remuneration package.

RESOLVED FURTHER THAT that the remuneration stated above shall be paid to Mr. Manit Gupta even in case of inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit."

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of special business as set out above is annexed to this Notice and forms part of the same.

2. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of him-self and a proxy need not be a member of the Company. The instrument of Proxy, in order to be effective, should be deposited at the registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.

3. Corporate Members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2022 to Friday, 30th September, 2022 (Both days inclusive)

5. Members holding shares in physical form are requested to intimate any change of address, if any, to the Company / Registrar and Share Transfer Agent (RTA). The shareholders may contact for matters relating to dematerialization of shares to RTA directly.

6. Members holding shares in demat form are requested to intimate any change in their address immediately to their Depository Participants.

7. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN to RTA / Company by sending a duly signed letter along with self-attested copy of PAN Card. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

8. In accordance with the amendments to Regulation 40 of Listing Regulation, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors.

9. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.

   Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s).

10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

11. Members are requested to hand over the Attendance Slip, duly signed in accordance with the specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for verification.

12. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday 23rd **September 2022**, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). **The remote e-voting period will commence at 9.00 a.m. on Tuesday, 27th September, 2022 and will end at 5.00 p.m. on Thrusday, 29th September, 2022**. In addition, the facility for voting through physical voting system shall also be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

    The Company has appointed Mr. Sanjiv Kumar Goel, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

    The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

- **Log-in to e-Voting website of Link Intime India Private Limited (LIIPL)**

1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
   a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
   b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
   c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:

   If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

   Click on "Sign Up" tab available under 'Shareholders' section registers your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address; Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

   Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

- **General Guidelines for shareholders:**

  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

    They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

  - During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

  - Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

  - In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186000.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015

ITEM NO 5 : Re-appointment of Manit Gupta as whole time Director (DIN: 00889528)

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 28th January, 2022, approved the appointment of Mr. Manit Gupta (DIN: 00889528), designated as Whole Time Director and KMP of the Company for a period of Five years, with effect from 28th January, 2022, to 27th January 2027 subject to approval of shareholders at the forthcoming Annual General Meeting. Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of Mr. Manit Gupta, requires approval of the Members by way of ordinary resolution. The terms and conditions of the re-appointment and remuneration payable to Mr. Manit Gupta are provided in the resolution referred in Item No. 5. The Company has received from Mr. Manit Gupta (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act. In terms of Section 160 of the Companies Act, 2013, Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his induction on the Board would be of immense benefit to the Company and it is desirable to avail his services as a Whole time Director to strengthen the management of the Company. The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 5 of the Notice above by way of ordinary resolution. Except Mr. Manit Gupta, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested in the said resolution

Item No. 6

The Board has proposed to increase the monthly remuneration of Mr. Jagdish Gupta, Managing Director to Rs.25,00,000/- p.m. .The remuneration payable to him commensurate with responsibilities conferred on him.

The remuneration has been approved by Remuneration Committee as per Schedule V of the Companies Act, 2013.

Mr. Jagdish Gupta, being the Managing Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7

The Board has proposed to increase the monthly remuneration of Mr. Manav Gupta, Whole time Director to Rs.12,00,000/- p.m. . The remuneration payable to him commensurate with responsibilities conferred on him.

The remuneration has been approved by Remuneration Committee as per Schedule V of the Companies Act, 2013.

Mr. Manav Gupta , being the Whole time Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

Item No.8

The Board has proposed to increase the monthly remuneration of Mr. Manit Gupta, Whole time Director to Rs. 12,00,000/- p.m. . The remuneration payable to him commensurate with responsibilities conferred on him.

The remuneration has been approved by Remuneration Committee as per Schedule V of the Companies Act, 2013.

Mr. Manit Gupta , being the Whole time Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

ANNEXURE 1

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with regard to the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of Director	Mr. Manav Gupta	Mr. Manit Gupta
DIN	03091842	00889528
Designation	Whole time Director	Whole time Director
D.O.B	28.01.1989	14.08.1988
Expertise in specific Functional areas	B Tech Computers from Thapar and MBA from SPJIMR Mumbai . He joined the Company in 2011. His expertise is in Domestic Sales & Marketing activities. & overall Plant operations	Chemical Engineering From Thapar and MBA from SPJIMR Mumbai . He joined the Company in 2012. His expertise is sourcing of material & Marketing activities globally. & overall Plant operations
Date of first appointment in the current designation	2019	2015
Inter-se relationship between -Directors -Key Managerial Personnel	Nephew of Managing Director	Son of Sh Jagdish Gupta
No of shares held in the Company	710800	824448
Directorship held in other Public companies	1	1
Position held in mandatory Committees of other Companies	Nil	Yes
No. of Board Meetings	10	10

STYLAM INDUSTRIES LIMITED

L20211CH1991PLC011732

31ST ANNUAL GENERAL MEETING ON FRIDAY, 30TH SEPTEMBER, 2022 AT 10.00 A.M.
at Sip 'n' Dine, SCO -16A, Madhya Marg, Sector 7-C, CHANDIGARH

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :	
Registered address :	
E-mail ID :	
Folio No. /DP ID & Client ID* :	
No. of shares held :	

* Applicable in case shares are held in electronic form. I/We, being the member(s) of [_____] shares of STYLAM INDUSTRIES LIMITED, hereby appoint

1. Name:_____

   Address:_____

   Email – ID:_____

   Signature:__ _____ or failing him

2. Name:_____

   Address:_____

   Email – ID:_____

   Signature: _____, or failing him

3. Name:_____

   Address:_____

   Email – ID:_____

   Signature: _____, or failing him

as my / our proxy, to attend and vote for me/ us and on my / our behalf at the Annual General Meeting to be held on September 30, 2022 at 10:00 a.m. at Sip 'n' Dine, SCO -16A, Madhya Marg, Sector 7-C, Chandigarh.

Resolution No.	Resolution	Optional	
		Favour	Against
ORDINARY BUSINESS			
1	**Adoption of Financial Statement, Board's Report and Auditors' Reports for the year ended March 31, 2022**		
2	**Approval for re-appointment of Mr. Manav Gupta, (DIN 03091842), who retires by rotation**		
3	**Re-appointment of the Statutory Auditor M/s. Mittal Goel & Associates, Chartered Accountants**		
SPECIAL BUSINESS			
5	**Re-appointment of Mr Manit Gupta as Whole time Director**		
6	**To increase salary of Mr. Jagdish Gupta, Managing Director, from Rs.16.00 lakh p.m. to Rs.25.00 lakh p.m**		
7	**To increase salary of Mr. Manav Gupta, Whole time Director, from Rs.6.00 lakh p.m. to Rs.12.00 lakh p.m**		
8.	**To increase salary of Mr. Manit Gupta, Whole time Director, from Rs.6.00 lakh p.m. to Rs.12.00 lakh p.m**		

Mark a tick mark (√) in the appropriate box below

Affix Revenue Stamp

Signed this ___ day of _____ 2022

Signature of Shareholder(s)

Signature of Proxy Holder(s)

Notes:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Please affix revenue stamp before putting signature.
3. Alterations, if any, made in the Form of Proxy should be initialed.
4. In case of multiple proxies, the Proxy later in time shall be accepted.
5. Proxy need not be shareholder of the Company.

STYLAM INDUSTRIES LIMITED

L20211CH1991PLC011732

31ST ANNUAL GENERAL MEETING ON FRIDAY, 30TH SEPTEMBER, 2022 AT 10.00 A.M.
AT SIP 'N' DINE, SCO -16A, MADHYA MARG, SECTOR 7-C, CHANDIGARH

ATTENDANCE SLIP

I/ We hereby record my/ our presence at the **31ST ANNUAL GENERAL MEETING** of the Company at Sip 'n' Dine, SCO -16A, Madhya Marg, Sector 7-C, Chandigarh, on Friday, the 30th September 2022 at 10.00 a.m.

Member's Folio No.	Member's/ Proxy's Name (in Block Letters)	Member's/ Proxy's DP ID-Client ID No

Notes:

1. Only Member/ Proxy-holder can attend the Meeting.
2. Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.

Voting through Electronic means

For Members opting to vote through electronic means, instead of voting at the Annual General Meeting, facility is available at the web link: https://www.instavote.linkintime.co.in

Particulars for electronic voting are as under:

EVEN (E-Voting Event Number)	User ID	Password

Note:

1. Please refer to the instructions printed above ***PROCEDURE FOR REMOTE E-VOTING***
2. The e-voting period starts from 10:00 am on Tuesday 27th September, 2022 and will end at 5:00 pm on Thursday, 29th September, 2022.
3. The voting module shall be disabled by link intime for voting thereafter.

ROAD MAP FOR ANNUAL GENERAL MEETING VENUE OF STYLAM INDUSTRIES LIMITED (FROM SECTOR 17 BUS STAND TO CHANDIGARH CLUB)

GOOGLE MAP



NOTES

NOTES

Corporate Information



Board Of Directors

Mr. Jagdish Rai Gupta
Managing Director

Mr. Manit Gupta
Whole Time Director

Mr. Manav Gupta
Whole Time Director

Mr. Sachin Bhatla
Whole Time Director

Mr. Satpal Garg
Independent Director

Mr. Sachin Kumar Bhartiya
Nominee Director

Mr. Vinod Kumar
Independent Director

Ms. Renu Sood
Independent Director

Chief Financial Officer
Mr. Kishan Nagpal

Company Secretary and Compliance Officer
Mr. Sanjeev Kumar Sehgal

Committees

Audit Committee
Mr. Satpal Garg
Mr. Jagdish Rai Gupta
Ms. Renu Sood

Nomination and Remuneration Committee
Mr. Vinod Kumar
Mr. Satpal Garg
Ms. Renu Sood

Stakeholder Relationship Committtee
Mr. Satpal Garg
Mr. Jagdish Rai Gupta
Ms. Renu Sood

Corporate Social Responsibilty Committee
Mr. Jagdish Rai Gupta
Mr. Satpal Garg
Mr. Manit Gupta

Risk Management Committee
Mr. Satpal Garg
Mr. Vinod Kumar
Mr. Jagdish Rai Gupta

Auditors
Statutory Auditors: M/s Mittal Goel & Associates Chartered Accountants, SCO 40-41. Sector - 17A, Chandigarh - 160017

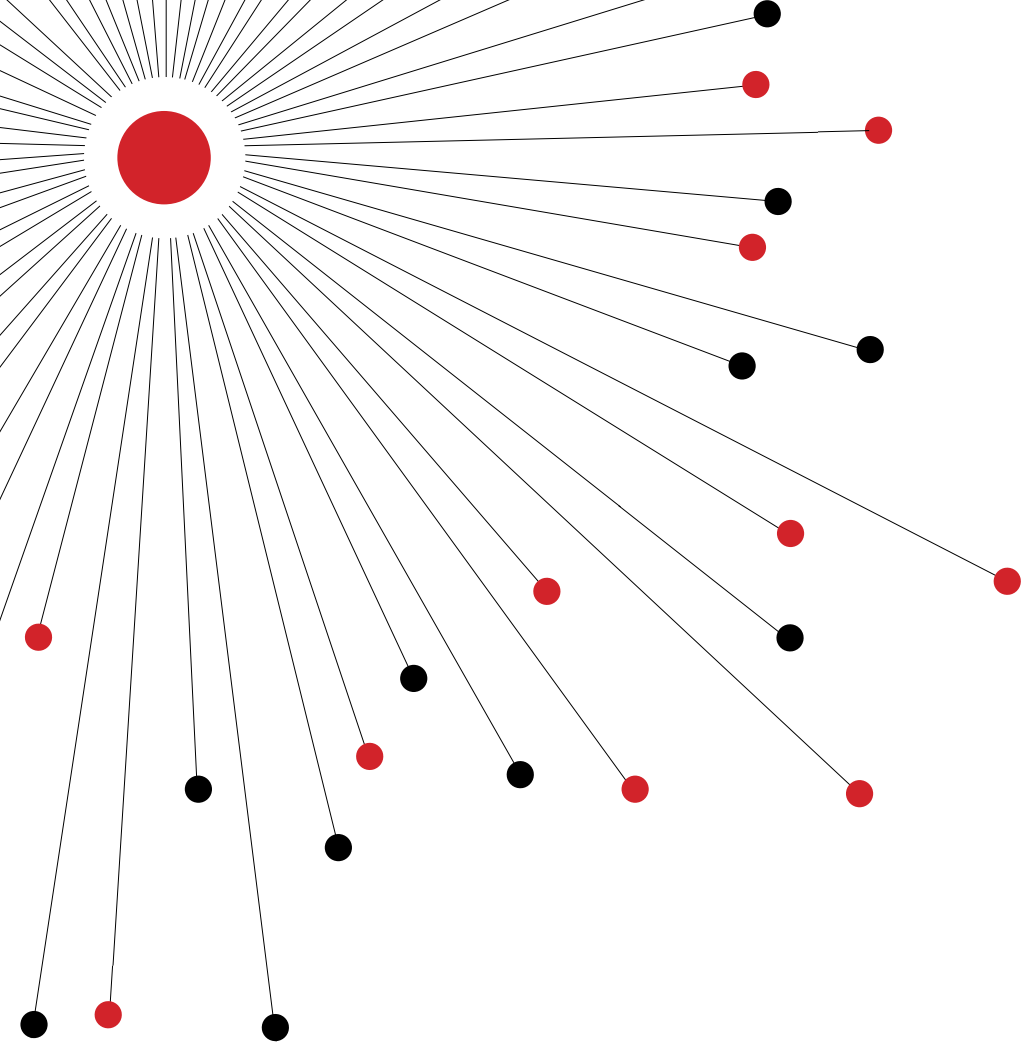
Registrar and Share Transfer Agent
Link Intime India Pvt. Ltd Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Tel: +91 11 49411000 email: sunil.mishra@linkintime.co.in

Secretarial Auditors
Sanjiv Kumar Goel, Company Secretary, SCO 154-155, Ist Floor, Sector17-C, Chandigarh, 160017

Stock Code
National Stock Exchange : STYLAMIND
Bombay Stock Exchange Limited - 526951 ISIN Detail - INE239C01020

Banker
HDFC Bank Ltd
Federal Bank
State Bank of India
Standard Chartered Bank Ltd

Registered Office
SCO 14, Sector 7-C, Madhya Marg, Chandigarh - 160019(INDIA)
Tel: +91-172-5021555,5021666
Website: www.stylam.com



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