

RAISING THE BAR

SINCE 1991

ANNUAL REPORT
2019-20



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Forward-looking statement

The Report contains forward-looking statements, which may be identified by their use of words such as 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations, projections about the future, including, but not limited to, statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified the information independently.





RAISING THE BAR SINCE 1991

As one of India's fast-growing laminate companies, we are setting industry benchmarks across every facet of our business since inception. In terms of manufacturing scale, global presence, design excellence, quality standards and implementation of advanced technology, we are gaining momentum.

The result is that we have maintained a consistent track record of delivering attractive year-on-year topline growth. Interestingly, while our topline almost doubled in the last five years, our inventory turnover cycle has comparatively declined, reflecting strong working capital management and cashflow. Our receivables management is largely in control and reflects in our improving debtors cycle.

On the other hand, changes in product mix supported by economies of scale and

operating efficiencies have helped us improve margins considerably. Our operating margin has consistently averaged over 17% in a sector with high-competitive intensity, evolving consumer preferences, large unorganised sector presence and significant volatility in the industry and economy. We are gaining market share in India and overseas markets and our entry into acrylic solid surfaces presents a huge opportunity, going forward.

We have the capacity, market presence, experience, expertise and brand traction to outperform. With a stronger balance sheet and a sharper focus on cost optimisation and liquidity, we are leveraging new opportunities in high-potential markets.

Our fundamentals are more robust to double our revenues in the next few years. We are committed to creating exponential value for all stakeholders.

About Stylam Industries Limited

Transforming spaces with honed expertise

Stylam Industries Limited (Stylam) manufactures a wide range of high-quality decorative laminates, specialty surfaces, PU+ lacquer coating, solid surfaces and compact laminates.

Developed in a variety of lengths, thicknesses, sizes and colours at our state-of-the-art plants in Haryana, our products are exported to Europe, the Far East, the Middle East and the Americas. We have set up rigorous testing processes and quality checks to ensure our laminates adhere to global safety and quality standards and stand the test of time.

Stylam at a glance

65+

Countries constitute
our export market

1,200+

Workforce

**Asia's largest
lamine-
manufacturing plant**

At Manaktabra in
Haryana, India

14.3 Mn
sheets annually

Production
capacity*

*Production capacity in FY20 vis-a-vis 11.0 Mn sheets in FY19 and 4.8 Mn sheets in FY12.



2,000+

Laminate
designs

120+

Textures and
finishes

Mission

To produce and continually develop quality products with the highest possible standards. Stylam will always strive to service its customers with utmost integrity, and to their complete satisfaction. It is the Company's goal to ensure its mission by continuous self-improvement, growth in its operations and employees, while maintaining profitability to the benefit of its customers, employees and the community.



Evolution across decades

We have always focused on upgrading our manufacturing capacities, expanding our sales and distribution network, and delivering sustained profitable growth. Today, Stylam is one the most trusted laminate brands globally, which bears testimony to our continued focus on raising our standards across all aspects of the business.



1991
Golden Laminates Limited is born

1995
Listed on the BSE

1996
Recognised as an 'Export House' by the Government of India

2012
First Indian company to introduce HPL exterior cladding called 'Fascia'

2010
Renamed as Stylam Industries Limited

2001
Aggressively forayed into the global market

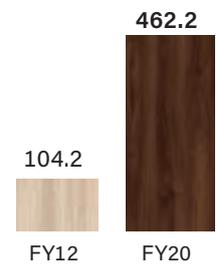
2015
Laid the foundation stone for Asia's largest laminate manufacturing plant in Manaktabra, Haryana

2013
Introduced a premium sub-brand called 'VIOLAM'
Fascia HPL Exterior Cladding became the top-selling brand

Capacity (in Mn)



Turnover (₹ in crore)



EBITDA (₹ in crore)



2019

First Indian manufacturer to start using the world's first hot coating process machine

2020

Introduced the Short Cycle Press technique

Introduced modified solid surfaces

2017

Set up the largest manufacturing unit at Panchkula, Haryana

Emerged as India's first manufacturer with 1,860 mm X 4,320 mm panel size with the brand 'Cuboid'

Introduced Special Surfaces along with various other laminates

2018

First Indian manufacturer to introduce acrylic solid surfaces under the brand 'GRANEX'



Exquisitely designed and durable laminates

We seek the sweet spot between design constraints and possibilities. It is this process that allows us to develop laminates that enhance the design experience and exceed customer expectations.

Our extensive range of laminates intertwine customer requirements, aesthetics and function to adorn spaces. We have a unique design to suit every requirement and imagination.

Our fabulous world of laminates

Decorative laminates

Our decorative laminate sheets are designed using sheets of classy brown kraft papers and decorative printed papers, which are fused together using heat and pressure.



Applications

- Wooden claddings/ linings of walls and columns
- Lift linings • Doors, shelves and storage units
- Vanity units
- Tabletops, work tops, desks and counters
- Office partitions
- Cubicles
- Store fittings
- For home and office furniture



Compact laminates

The inner core of our compact laminates is developed using a fusion of celluloid fibres and special thermosetting resins. The resins, along with the special heat and pressure cycles, result in a load-bearing hard laminate that is resistant to a wide range of chemical and atmospheric agents. Their high flexural and tensile strength make them suitable for saw cutting, drilling, machining and punching as per requirement.

Cuboid - For restroom cubicles and lockers

Cuboid laminates are designed using the finest materials and highest quality fixtures and fittings, especially for heavy traffic areas where functionality and durability matter the most. This exhaustive range of laminates is stylish, sturdy, affordable and can be customised according to customer needs.

Applications

- Restroom applications in commercial, education, healthcare, hospitality and transport sectors
- Wooden claddings/linings of walls and columns
- Lift linings
- Doors, shelves and storage units
- Vanity units
- Tabletops, work tops, desks and counters
- Office partitions
- Cubicles
- Store fittings

+Guard - Chemical-resistant laminates

Our +Guard laminates have anti-fungal, anti-bacterial, abrasion- and scratch-resistant properties. They provide highly durable surfaces in laboratories as they are resistant to a wide variety of strong chemicals.



Applications

Chemical, analytical, micro-biological, healthcare, pharmaceuticals and educational laboratories

Fascia - For exterior cladding

Our Fascia laminates are crafted using special quality resins, under high pressure and temperature. They are resistant to weather changes and retain their shape, colour and durability in all weather conditions. Fascia also comprises a unique ventilated facade system, which allows water, moisture or any other natural agent to find their way through the laminate installation.



Applications

- Wooden claddings/linings of walls and columns
- Lift linings
- Doors, shelves and storage units
- Vanity units
- Tabletops, work tops, desks and counters
- Office partitions
- Cubicles
- Store fittings

Fire-retardant grade laminates

We craft these laminates using a special process to combine papers and phenolic resin that has fire-retardant chemicals in its composition. With their high resistance to flame, these laminates can fully extinguish the flame source, thus eliminating the risk of toxic smoke. Our fire-retardant laminates have been certified by Applus Laboratory, Spain as conferring to the Euroclass B* requirement.

*Class B fire retardant materials are effective against moderate fire exposure.

Industrial laminates

Our industrial laminates are developed using a fusion of celluloid fibres and special thermosetting resins. Their high flexural and tensile strength make them suitable for saw cutting, drilling, machining and punching as per requirement. They are available in a variety of brown core, black core and sandwiched design core options.

Applications

- Flooring
- Cabin partitions
- Laboratory furniture
- Interior walls and wall panels
- X-ray tables
- Bedroom cupboards
- Kitchen working surfaces
- Living room cabinets
- Bathroom doors
- Exhibition stands



Applications

- Fire-prone areas
- Kitchens, cabinets, interior doors and wall panels
- Airports
- Hotels
- Office buildings
- Shopping malls and multiplexes
- Hospitals
- Schools
- Apartments



Products

PU+ lacquer coating

We are the global pioneers in using the hot coating process of PU+ lacquer touching on thin laminates. PU (polyurethane) does not penetrate the laminate but gives it a durable surface finish. We are proud to own India's first state-of-the-art machinery equipped with cutting-edge German technology that produces flawless finished quality laminates, with unmatched surface benefits such as laminates with anti-fingerprint, high-gloss and a combination of both properties.

Touch Me - Anti-fingerprint laminate

With super matte finish and a soft-to-touch surface, this laminate does not let fingerprints stay. Their thermal healing capability and antimicrobial surface protection, along with their resistance to disintegration, make them a favourite to be used on a wide variety of surfaces.



Applications

In cafes, restaurants, hotels, classrooms, kitchens and commercial offices for:

- Tabletops • Doors • Stores and cabinets • Partitions • Wall claddings

GlossPro+ - High-gloss laminate

These laminates are attractive not only because of their brilliant glossy finish, but also due to their excellent Micro Abrasive Resistance (MAR) properties. They are also stain resistant and the gloss level sustenance is three times higher than any other ordinary high-gloss laminate.

Applications

- Kitchen • Kids' room • Bar area • Dining room • Reception • Conference room • Restaurant

GlossPro + Touch Me - Pre-lam boards

Our pre-lam boards offer the double advantage of anti-stain and anti-fingerprint, while adorning the interiors with their style and charm. They also have MAR properties and the gloss level sustenance is three times higher than any other ordinary high-gloss laminate.



Applications

- Wardrobes and cupboards • Computer tables, study tables and workstations • Railway backside • Cushion base • Kitchen cabinets • Wall claddings, panelling, doors and display panels • Furniture such as beds and sofas

Solid surfaces

We make solid surface laminates using a non-porous, low-maintenance material that can mimic the appearance of a granite, marble, stone and other naturally occurring materials, and can be joined nearly invisibly by a trained craftsman. We are India's first manufacturer providing an extensive range of top-quality of solid surfaces.



Granex - Acrylic solid surfaces

Granex acrylic solid surfaces turn imagination into reality with their undulating, virtually seamless, organic shapes and bold effects of colour and translucency. Customers can choose from our wide range of trendsetting patterns and tones or even customise their own designs. This new addition to our world of laminates is our signature innovation, which continues to evolve and inspire.

Applications

- Healthcare • Food service • Hospitality • Office buildings • Schools • Home spaces

Marvella - Modified solid surfaces

As the name suggests, this marvellous laminate is the perfect recipe for an exquisite décor. Manufactured in India's first fully automated plant using world-class German technology, Marvella comes in spellbinding patterns with long-lasting sturdiness.

Applications

- Kitchen tops and cladding • Bathroom vanity counter and wash counter • Bathroom cladding • Tabletops • Windowsills and frames • Decorative cladding • False ceiling • Hospitals • Labs • Examination rooms

Specialty surfaces

Our specialty surfaces are the world's premium range of value-added decorative surfaces to enhance your interiors and make them stand a class apart.

Mirror laminates

Our mirror laminates are unconventional, unbelievable and add immense value to the interiors. They are manufactured using aluminium, stainless steel and copper foils, bonded to a backing of phenolic, resin-impregnated kraft paper that results in a durable, semi-rigid sheet for easy fabrication and handling.

Applications

- Kitchen tops and cladding
- Bathroom vanity counter and wash counter
- Bathroom cladding
- Tabletops
- Windowsills and frames
- Decorative cladding
- False ceiling
- Hospitals
- Labs
- Examination rooms

Magnetic laminates

As the name suggests, these laminates manage to attract people who see them and pull them closer. A high-technology hybrid of industrial flair and sophisticated design, our magnetic collection is adaptable and a virtually unbreakable addition to any commercial project.

Applications

- Can be written on with chalks or special board markers
- Ideal for applications in environments such as retail, education, commercial and residential
- Papers, stickers, etc. can be stuck directly on the laminate using magnets



Metallic laminates

Stylam Metallic Laminates are made using high-quality metallised aluminium foil specially imported from Europe. The foil is uniformly bonded with phenolic-saturated kraft paper and the pack is baked and toughened under special heat and high-pressure parameters. They have bright and reflective surface aspects, which render the ambience with a modern and sleek look. We also provide a premium metallic laminates range.

Applications

- Industries that use these laminates:
- Hospitality
 - Interior design
 - Gaming and entertainment
 - Retail
 - Signage display
 - Furniture

Other uses:

- Kitchens and home furniture
- Tabletops and worktops
- Edge bands and skirting boards
- Doors, interior wall cladding and mirror tiles
- White boards



Products

Electrostatic Dissipative (ESD) laminates

ESD diffuse static electricity to protect electronics and other static-sensitive devices from electric charges that could cause damage during manufacturing or assembly. ESD surfaces are resistant to dirt and dust particles.

Applications

- Workstations where static-sensitive electronic components are manufactured
- Hospitals
- Medical facilities
- Clean rooms

Synchro laminates

Our range of synchro laminates are designed in sync with décor paper pattern – the design that you see is exactly what you get and experience. These laminates are a favourite among architects, designers and house owners who prefer perfection in their interiors.

Applications

- Work surfaces
- Cabinets
- Flooring, panels, countertops and interior walls

End-use applications in:

- Offices
- Computer centres
- Airports
- Hospitals
- Schools
- Hotels and restaurants
- Retail stores



Chalk/marker laminates

Made using a special type of synthetic polymer that imparts durability to the surface, these laminates are easy to clean of dry and wet erase markers. They have a non-porous glossy white laminate surface on which special marker pens can be used.

Applications

- Office meeting rooms
- School classrooms
- Message boards for patients
- Memo boards
- Athletic facilities
- Cafeteria menu boards



Post forming laminates

The post forming laminate range has been exclusively designed for use on vertical and horizontal interior surfaces where the laminate is required to roll in a simple radius over the edges of a substrate. With added flexibility, malleability and excellent thermoforming properties for forward and reverse bending applications, these laminates enhance the decorative property of the edges of any regular laminate since they leave no seams around corners and provide a smooth, evenly laminated surface.

Applications

- Shutters
- Countertops, furniture tops and executive tables
- Modular office systems
- Computer workstations
- Kitchen cabinet doors and shutters, and storage cabinet doors
- Shelving systems



Digital laminates

Digital laminates are a means for architects and designers to see their imagination take form. They are customised printed laminates, with themes ranging from nature and sports to food and romance.

Applications

- Interior décor walls and partition walls
- Multipurpose furniture stands
- Kids' room • Exhibition pictures
- Doors



Unicore laminates

Unicore laminates are a unique combo of identical colours with core-layered decorative surfaces. Tastefully selected decorative papers for surface layers are infused with treated melamine resins. The same decorative papers are then used as core layers that are infused with specially treated amino resins.

Applications

- Tabletops and countertops
- Desks, drawers and display shelves
- Shutters • Kids' room • Kitchen
- Bar and lounge area • Reception and conference room • Gyms and spas



Flicker laminates

Available in silver and copper colours, these laminates exhibit a sparkle that surpasses serenity. Silver gives an aristocratic feel, while copper reflects an earthy, extrovert feel.

Applications

- Kitchen counter taps • Bathroom areas • Bedroom and living room
- Decorative units • Clubs and showrooms • The events industry

Growing our scale and reach

Our laminates are used by architects and designers across the country, and exported the world over, supported by our distribution centres.

Our presence in key global markets enables us to cater to varied customer requirements and help carve a niche in the global laminates space.

Manufacturing facilities

Panchkula, Haryana
Established in 1992

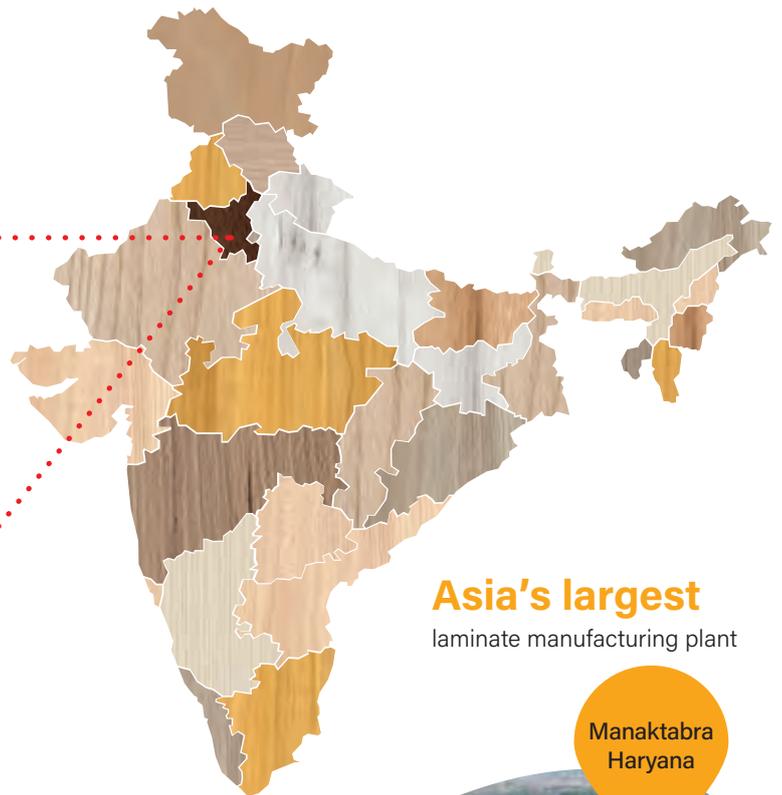
~4.5 million per annum
Current laminate manufacturing capacity

240
Workforce

Manaktabra, Haryana
Established in 2017

~9.8 million per annum
Current laminate manufacturing capacity

490
Workforce



Asia's largest
laminate manufacturing plant



Export destinations

Europe

1. Netherlands
2. Italy
3. Germany
4. Belgium
5. France
6. Denmark
7. Turkey
8. Finland
9. Estonia
10. Switzerland
11. Cyprus
12. Poland
13. Bulgaria
14. Czech Republic
15. Spain

The Far East

1. Indonesia
2. Malaysia
3. Singapore
4. Thailand
5. Cambodia
6. Philippines
7. Taiwan
8. Vietnam
9. South Korea

The Middle East

1. Saudi Arabia
2. Kuwait
3. Yemen
4. Qatar
5. Jordan
6. Lebanon
7. Bahrain
8. Iraq
9. UAE-Dubai

North America

1. USA
2. Canada
3. Dominican Republic
4. Mexico
5. Puerto Rico
6. Nicaragua

South America

1. Colombia
2. Venezuela



Competitive advantage

Building on core strengths

Our industry-leading growth in the last 10 years is a true testament of our expertise and commitment to our customers and stakeholders.

1,200+ designs and 120+ textures and finishes

Multiple surfaces available with high gloss, metallic, anti-bacterial, chalkboard, fire and chemical retardant, electrostatic, magnetic, mirror and translucent properties

A wide range of high-pressure laminates, cubicle boards and acrylic solid surfaces

Our inventory days have declined from 72 days in FY12 to 53 days in FY20, reflecting efficient working capital management and strong cash flow

Uniform and superior sanding, providing the best bonding quality with substrates

We are capable of designing laminates in a range of sizes:
 1,220 mm x 2,440 mm
 1,245 mm x 2,465 mm
 1,300 mm x 2,800 mm
 1,300 mm x 3,050 mm
 1,860 mm x 3,660 mm
 1,860 mm x 4,320 mm

ROCE (ex-cash) has surged from 6.5% in FY11 to 17% in FY20

First-ever hot coating process machine for high-pressure laminates in India to produce top-quality high-gloss and anti-fingerprint laminates in a variety of designs

Pan-India channel partner network

29+ years of credibility in the industry

Largest laminate-producing group in India with a production capacity of over 14.3 million laminates annually

Transcontinental presence with growing exports



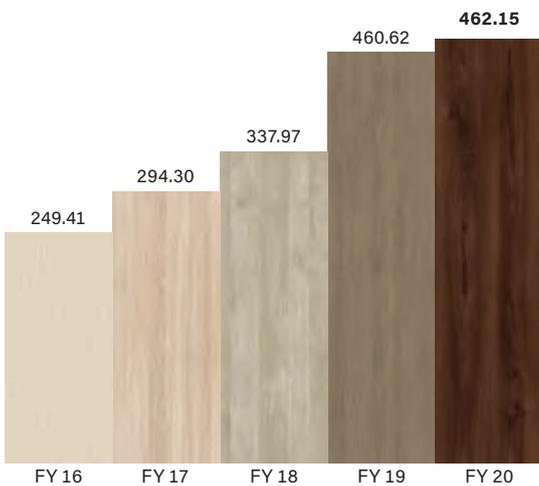
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Key performance indicators

Strengthening foundation to accelerate growth

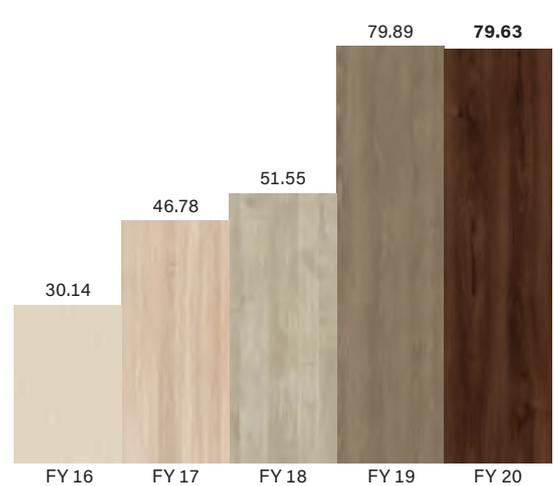
We have prudently expanded capacities to double our revenue base. Our unrelenting focus on value-added products enables us to sustain robust margins, despite increasing competitive intensity. We are further strengthening our balance sheet by steadily retiring debt and aim to be debt free soon using our strong cashflow.

Revenue (₹ crore)



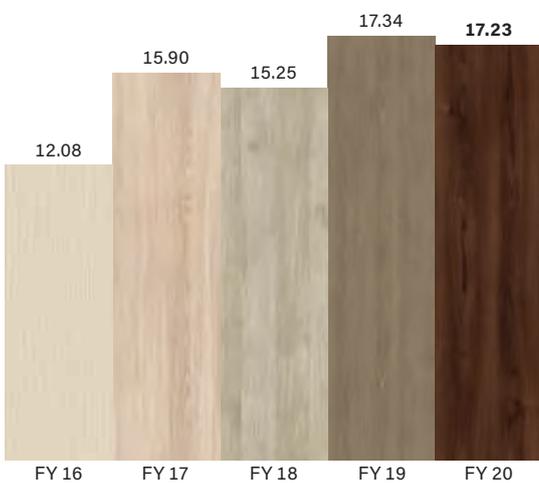
13.12% ▲ 5-year CAGR

EBITDA (₹ crore)



21.45% ▲ 5-year CAGR

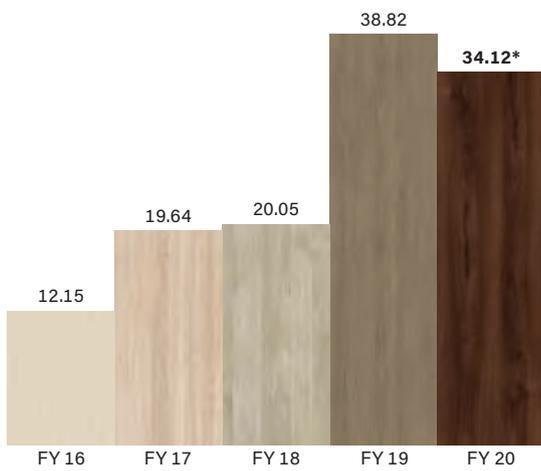
EBITDA margin (%)



7.35% ▲ 5-year CAGR



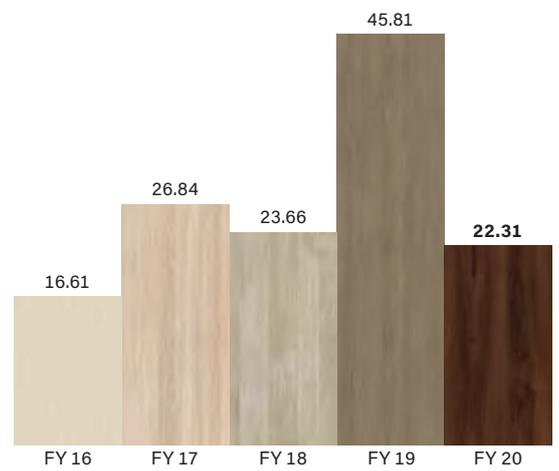
Profit after tax (₹ crore)



22.94% ▲ 5-year CAGR

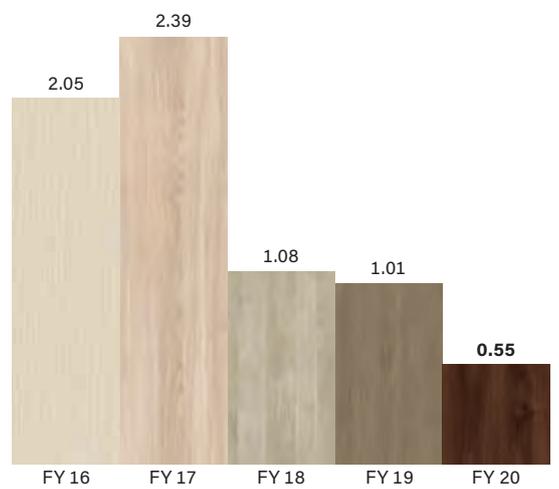
*Adjusted before exceptional items

Earnings per share (₹)



6.08% ▲ 5-year CAGR

Debt to equity ratio (times)



Poised to grow attractively



Our focus continues to be on expanding our product mix to substantially expand the share of value-added products in our offerings, which reflects in our improving margins.

Dear Shareholders,

The story of Stylam for close to three decades has been that of continuously raising the bar and building the foundation to expedite future growth. Five years ago, we had kickstarted a two-phased business transformation process, and I am happy to inform that FY20 saw the completion of the first phase. Before I share the key highlights of the reporting year and the strategic roadmap going forward, it is important to emphasise how we have evolved over the years.

In the preceding five years, we have steadily upgraded our manufacturing capacities, enriched our product mix, improved our sales and marketing networks and built a strong team. Our focus continues to be on expanding our product mix to substantially expand the share of value-added products in

our offerings, which reflects in our improving margins. We conduct extensive research and development to bring technologically advanced, innovative products to delight our discerning patrons in India and the overseas markets.

We have deleveraged our balance sheet by attracting institutional investment and divesting our non-core real estate assets. These strategic decisions have helped us perform profitably and sustainably, even in a tough operating scenario in FY20.

FY20 was largely challenging for businesses with trade uncertainties, geopolitical tensions, liquidity crunch and macroeconomic strain in several emerging economies. The COVID-19-induced lockdown further worsened the scenario globally.

In March, the nationwide lockdown to flatten the COVID-19 curve adversely impacted lives, livelihoods, supply chains and the overall economic activity in India.

Performance and strategy

Notwithstanding overwhelming headwinds, FY20 saw us grow our revenue to ₹ 462.15 crore from ₹ 460.62 crore in FY19. Our EBIDTA margin and PAT (without considering exceptional items) stood at 17.23% and ₹ 34.12 crore, respectively, compared to 17.34% and ₹ 38.82 crore in the previous year. The marginal decline was due to the fact that our business was impacted due to lockdowns across India and the overseas markets in the last fortnight of March.

Stylam's liquidity position remains steady, despite disruptions in

operations on account of the lockdown. Our strategy now revolves around reviving and growing sales, while simultaneously focusing on cost-effective measures. The result of these efforts will be visible in the near future following the gradual resumption of economic activities at normal levels across global markets.

We have worked hard to maintain our position among the prominent laminate manufacturers in the country and other geographies. Our aim is to be recognised globally as a trendsetter with a repertoire of some of the most advanced interior and exterior products. We analyse broad market trends and customer aspirations and fine-tune our range accordingly. Our diverse product basket, talented team and zeal to make a difference for our customers give us the confidence to remain competitive and profitable for the long term.

Innovation has always been a key differentiator for us. It is worthwhile to mention here that we came up with the world's first hot coating process machine to make a wide range of premium laminate surfaces on thin laminates. We are expanding our business to include new and innovative market-leading products that are more aligned with customer needs.

To consolidate our business engaged in building materials products, we decided to amalgamate the business of Golden-Chem-Tech Limited (GCL) with the Company. GCL is into the manufacture of solid acrylic surfaces. The resolution for amalgamation was passed by our Board on December 21st, 2017. The Hon'ble NCLT has approved the scheme on February 11th, 2020. This amalgamation will lead to sound economies of scale and business growth. Solid acrylic surfaces were imported in India in large volumes. The amalgamation empowers us with the combined synergies to develop the product within the country and facilitate import substitution.

This enables us to support the Government of India's vision of *Atmanirbhar Bharat*.

To focus on our core business, we sold, during the year, a property located at Panchkula at ₹ 33.77 crore; the loss on our books totalling ₹ 15.21 crore (reflects as an exceptional item in the Profit & Loss account). We have thus saved the maintenance cost of the property, and the proceeds from the sale were used to reduce our debt exposure. The finance cost will also decline in the coming quarters and positively impact our bottom-line.

Having incurred significant investments over the last 3-4 years, we are now optimising our capital expenditure. We will continue to pursue the consolidation of capex and modernisation of existing capacities, with a strategic focus on cost controls and increasing margins.

COVID-19 and the aftermath

Although the short-term outlook continues to be uncertain, the government's stimulus package of ₹ 20 lakh crore and other support measures and gradual resumption of economic activities are expected to revive consumer sentiment. Additionally, the government's sustained focus on infrastructure spend and thrust on indigenous manufacturing will also lead to a rise in business activity. We envisage that demand for our products will gather momentum from the second quarter of FY21. We expect more demand from secondary markets and from tier 2 and tier 3 cities, as the impact of the pandemic in these areas is comparatively less severe.

In the post-COVID world, customers have become extremely particular about hygiene and safety. We are committed to providing them the best and safest solutions in the prevailing scenario. Our anti-bacterial laminate is effective in retarding bacterial attack and keeps the surface hygienic and

germ-free. Our solid acrylic surface can resist moisture, pollutants and bacterial impact for every space, making it hygienic and safe. To contribute our bit to the war against the pandemic, we installed 12 cubicles of Novo Series in Sanjeevani Hospital, Chennai. These anti-bacterial cubicles will be used as changing rooms for the affected patients. Our team completed the installation of the cubicles within 24 hours.

Way forward

As we prepare ourselves for the next phase of growth, our priorities will comprise leveraging advanced technologies, maximising operational efficiencies and developing innovative products for global markets. Our objective is to expand presence, rationalise costs and enhance efficiency to achieve economies of scale. We are anticipating the needs of tomorrow, while gearing up for it today. In all that we do, our teams play a pivotal role and we are committed to steadily upskill our people and empower them.

I thank our go-getters, customers, partners, business associates, investors, communities and other stakeholders for their enduring faith and support. We are undeterred by short-term challenges and invite all to an exciting and enriching journey forward.

Here is hoping for a brighter and stronger future together.

Warm regards,

Jagdish Gupta
Managing Director

Offerings for emerging needs

The laminates industry is one that is constantly developing, evolving and setting new trends. As a key industry player, we understand the importance of improving consistently, crafting designs that take the industry by storm, enhancing our profitability and widening our presence. To achieve long-term growth and sustainability, we aspire to consolidate all business verticals related to building materials under the flagship of our brand – Stylam.

As our first step in this direction, we successfully amalgamated Golden Chem-Tech Limited (GCL), a company that manufactures chemicals and adhesives and has diversified for the manufacturing of the acrylic solid surfaces, with Stylam Industries Limited in February 2020.

With this amalgamation, we have forayed into the space of acrylic solid surfaces.

The combined synergies of the two companies will also help us:

Simplify and standardise business processes	Improve procurement and productivity
Eliminate duplication	Rationalise administrative expenses, thus resulting in costs savings



Acrylic is a non-porous and low-maintenance engineered composite material. Crafted using a unique blend of acrylic resins and natural materials, these surfaces are highly preferred in areas where the demand for hygiene is high.



Analysis of the solid surfaces market in the last two years reveals a decline of ~30.09% in the value of imports due to the Government of India's 'Make in India' policy. The thrust on manufacturing solid surfaces within India has opened up a wide range of opportunities for laminate manufacturers in the country. Through this amalgamation, we are ready to leverage our competitive strengths and strategy to manufacture acrylic solid surfaces in house and contribute to the overall economy by extending our support to the policy.

We view this amalgamation as an opportunity to strengthen our domestic market and promote import substitution among our customers by enlightening them on the prospective benefits such as avoiding import costs/duties and the need to maintain bulk inventories.

Performing at the cutting edge

To stay relevant in the dynamic world of laminates, we deploy modern technology and innovative processes to develop designs that inspire. In October 2019, we came up with the world's first hot coating process machine to manufacture a wide range of premium laminate surfaces. This step is in continuation with our enduring legacy of innovation and one of the many firsts in our history.

Our hot coating process has a 60-metre line equipped with state-of-the-art high-precision machines from Germany, Italy and Spain, with chemical technology from Kleiberit, a global trendsetter in the field of Polyurethane (PUR) adhesive systems.

It is the world's only machine to produce PU+ acrylic lacquer coating on sheets as thin as 1 mm. Besides, it can also process normal thin MDF and compact panels and unmatched surface finishes and provide laminates with properties that are not possible with other conventional laminate processes or surface overlay films. Thus, the process is highly conducive in developing high value addition finishes such as anti-fingerprint and high-gloss laminates, exterior grade compact laminates, and pre-lam board with both anti-fingerprint and high-gloss properties.



Benefits of the hot coating process



Allows precision coating and sanding for levelling the surface



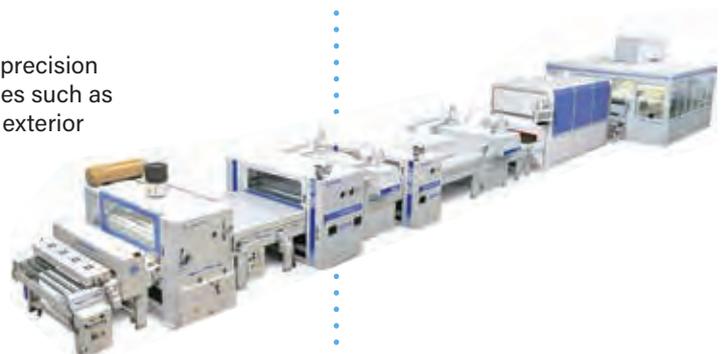
Helps prepare the final coat for precision topcoat, which imparts properties such as anti-fingerprint, high-gloss and exterior resistance to the surface



Allows manufacturing of coatings in a wide range of colours



Can process laminates of 1,220 mm and 1,300 mm



Supporting local communities



This year, we distributed ration to daily wage workers during the lockdown so that they do not go to bed hungry.

We also helped uplift the infrastructure in Government Middle School, Abheypur, Panchkula, Haryana by:

Installing aluminium window frames to ensure protection from extreme weather conditions

Fabricating a new colour-coated kitchen shed with MS frame, thereby creating a comfortable environment for cooking hygienic mid-day meals

₹48.86
lakh

CSR spend in FY20

190
workers

Benefited from our ration distribution programme

Executive Board

Taking Stylam to greater heights

At Stylam, our leadership is passionate about transforming the laminates space by developing innovative designs for the future. Courageous in decision-making and agile in actions, the team guides the Company in transforming its vision into reality.

With their rich experience, farsightedness and business acumen, the team determines the Company's long-term strategy and foresees, identifies, assesses and mitigates risks. The team's undying entrepreneurial spirit has enabled the Company's exponential growth and has carved a niche for Stylam in India and globally.



Mr. 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.



Mr. Manav Gupta
Director

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

He was appointed as the Director in 2012. He heads domestic marketing and sales at Stylam and looks after general administration and raw material sourcing.



Mr. Manit Gupta
Director

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

He was appointed as the Director in 2012. He heads the international marketing division and looks after other commercial management aspects of the Company.



Mr. Sachin Bhatla
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 15 years, he was promoted to the designation of Director - Technical in 2018. He looks after the technical advancement of Stylam.

Certifications

Conforming to high quality standards



Our laminates passed the antibacterial test conducted by Biotech Testing Services.



Institute for Testing and Certification, Inc., Czech Republic has confirmed that our high-pressure compact laminates for wall application comply with the applicable requirements of the European harmonised technical standard.



Centre of Certification of Materials and Goods (CCM&G), Ukraine and Applus Laboratories have confirmed that our high-pressure compact laminates are fire retardant.



Bureau Veritas Certification Holding SAS has certified that our Company has implemented a FSCTM product groups control system according to the Forest Stewardship Council™ certification system on our Panchkula site and complies with FSC Chain of Custody Certification standard and FSC CoC Certification of Multiple Sites standard.



GRIHA (Green Rating for Integrated Habitat Assessment) Council is India's National Rating System for Sustainable Habitats. It is a joint initiative of the Ministry of New and Renewable Energy, Government of India, and The Energy and Resource Institute (TERI). GRIHA Council certified our Cuboid and Fascia products under specific categories for use in housing.



The Singapore Environment Council has granted our Company the right to use the Singapore Green label for our high-pressure laminates due to their environmentally improved, low emission and low toxicity properties.



Our Company has been certified by the Indian Green Building Council (IGBC).



Our high-pressure laminates are certified by Greenguard for their low chemical emissions.



Our decorative thermosetting synthetic resin-bonded laminated sheet has been certified by the Bureau of Indian Standards.



Otabu Certification Private Limited has certified our Company as meeting the requirements of ISO 9001:2015 Quality Management System for the manufacture and supply of high-pressure and low-pressure laminates and acrylic solid surfaces.



Otabu Certification Private Limited has certified our Company as meeting the requirements of ISO 14001:2015 Environment Management System for the manufacture and supply of high-pressure and low-pressure laminates and acrylic solid surfaces.



Otabu Certification Private Limited has certified our Company as meeting the requirements of ISO 45001:2018 Occupational Health and Safety Management System for the manufacture and supply of high-pressure and low-pressure laminates and acrylic solid surfaces.



Entwicklungs- und Prueflabor Holztechnologie GmbH (EPH) undertook laboratory surface testing of our laminates to determine their resistance to staining. Our laminates received a rating of 'Excellent' on their stain resistance properties to most chemical agents.



Emission Classification of Building Materials has approved our high-pressure laminates as belonging to emission class M1 for building materials, which suggests that our laminates are low-emission products.

We have also declared that our high-pressure compact laminates deliver the best performance with regard to the following characteristics:

- Reaction to fire
- Water vapour permeability
- Resistance to fixing
- Direct airborne sound insulation
- Bonding strength
- Flexural modulus
- Flexural strength
- Thermal strength or conductivity
- Pentachlorophenol content
- Release of formaldehyde
- Durability when immersed in boiling water



10-year performance

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	₹ crore									
Profit & Loss Metrics										
Revenue	83.2	104.2	140.2	184.9	213.8	249.4	294.3	338.0	460.6	462.2
% Growth	29.9	25.3	34.6	31.9	15.6	16.7	18.0	14.8	36.3	0.3
Raw Material	58.7	64.7	87.5	116.2	130.0	141.8	153.5	182.7	260.0	249.1
% to sales	70.5	62.1	62.4	62.8	60.8	56.9	52.2	54.0	56.4	53.9
Personnel Cost	3.2	7.1	10.0	11.0	13.2	19.1	26.6	30.2	30.3	37.5
% to sales	3.9	6.8	7.1	6.0	6.2	7.6	9.0	8.9	6.6	8.1
Other Expenses	16.8	22.3	30.0	37.3	48.2	58.4	67.4	73.6	90.5	95.9
% to sales	20.2	21.4	21.4	20.1	22.5	23.4	22.9	21.8	19.6	20.8
EBITDA	4.5	10.2	12.7	20.5	22.4	30.1	46.8	51.6	79.9	79.6
EBITDA Margin (%)	5.4	9.8	9.0	11.1	10.5	12.1	15.9	15.3	17.3	17.2
Depreciation & Amortisation	1.6	2.8	3.1	3.3	4.2	4.7	5.7	10.8	18.2	21.0
EBIT	2.9	7.4	9.6	17.2	18.2	25.5	41.1	40.7	61.7	58.7
EBIT Margin (%)	3.5	7.1	6.9	9.3	8.5	10.2	14.0	12.0	13.4	12.7
Finance Cost	1.4	3.6	4.7	6.7	4.9	6.5	10.0	7.7	11.4	10.9
PBT from Operations	1.5	3.8	5.0	10.5	13.2	19.0	31.1	33.0	50.3	47.8
Other Income	3.9	0.4	1.2	2.0	0.7	0.7	0.1	0.0	1.6	1.0
PBT	5.3	4.2	6.2	12.5	13.9	19.7	31.2	33.1	51.9	48.7
PBT Margin (%)	6.1	4.0	4.4	6.7	6.5	7.9	10.6	9.8	11.2	10.5
Tax	1.6	1.4	2.1	3.2	4.5	7.5	11.5	13.0	13.1	14.6
PAT- Adjusted	3.8	2.8	4.1	9.4	9.4	12.2	19.6	20.1	38.8	34.1
PAT Margin (%)	4.3	2.7	2.9	5.0	4.4	4.9	6.7	5.9	8.4	7.4
Extra-ordinary items	-	-	-	-	-	-	-	-	-	15.2
PAT- Reported	3.8	2.8	4.1	9.4	9.4	12.2	19.6	20.1	38.8	18.9
PAT Margin - Reported (%)	4.3	2.7	2.9	5.0	4.4	4.9	6.7	5.9	8.4	4.1
EPS - Basic	5.1	3.9	5.6	12.8	12.8	16.6	26.8	23.7	45.8	22.3
Balance Sheet Metrics										
Equity Share Capital	7.3	7.3	7.3	7.3	7.3	7.3	7.3	8.5	8.5	8.5
Other Equity	13.4	16.4	20.5	27.3	36.7	49.0	69.2	138.1	177.0	195.8
Shareholder's Fund	20.8	23.7	27.8	34.7	44.0	56.3	76.5	146.6	185.5	204.3
Long Term Borrowings	8.2	12.2	23.4	29.4	37.8	63.0	88.6	71.1	97.6	35.7
Deferred Tax Liability	1.1	1.3	1.2	1.5	1.6	1.6	2.7	14.5	13.4	13.4
Other Non-Current Liabilities						1.1	4.8	5.9	8.4	8.6
Total Liabilities	30.1	37.2	52.4	65.6	83.5	122.0	172.5	238.1	305.0	261.9
Gross Block	43.7	51.2	53.9	77.0	79.2	91.3	120.1	223.5	252.0	283.1
Less: Accumulated Depreciation	17.5	20.2	23.2	26.3	30.5	35.0	40.4	50.2	67.5	88.2
Net Block	26.2	30.9	30.7	50.7	48.7	56.3	79.7	173.3	184.5	195.0
Capital WIP	-	2.9	18.4	20.4	30.7	55.4	108.7	0.9	12.7	11.2
Investments								49.0	49.0	
Other NCA		3.37	3.4			7.3	2.8	4.6	18.9	4.4
Total Non-Current Assets	26.2	37.2	52.5	71.1	79.4	119.0	191.2	227.8	265.0	210.6
Inventory	16.1	25.0	31.1	24.6	25.5	43.2	53.9	60.9	66.2	66.7
Debtors	11.8	15.4	20.5	26.3	33.6	40.2	46.9	57.2	78.9	87.4
Cash & Bank Balances	1.1	1.0	1.2	3.6	1.9	1.5	1.4	4.3	2.2	6.1
Other CA	12.4	4.5	8.1	5.7	9.1	7.1	9.8	24.4	25.7	24.5
Total Current Assets	41.5	45.8	61.0	60.2	70.0	92.0	112.0	146.8	173.1	184.7
Trade Payables	9.3	8.0	7.9	14.3	13.1	21.0	18.4	34.2	27.4	35.5
Bank Borrowings	26.1	27.5	36.2	40.0	41.5	48.9	82.8	76.7	72.1	58.5
Current Maturities	0.0	4.5	6.7	3.9	2.4	5.1	12.6	14.2	19.3	24.3
Other Current Liabilities	2.2	5.8	10.3	7.5	9.0	14.0	16.8	11.4	14.4	15.0
Total Current Liabilities	37.6	45.8	61.1	65.7	65.9	89.1	130.6	136.5	133.2	133.4



₹ crore

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Current Assets	3.9	0.0	-0.1	-5.5	4.1	3.0	-18.7	10.3	39.9	51.4
Total Assets	30.1	37.2	52.4	65.6	83.5	122.0	172.5	238.1	305.0	261.9
Share Price	18.6	21.1	21.5	21.1	114.6	194.2	574.7	682.7	785.4	257.7
Market Capitalisation-Adjusted	13.6	15.4	15.7	15.4	83.9	142.2	420.6	557.5	641.3	210.4
Return Ratio										
ROE - Adjusted (%)	18.8	12.7	15.8	29.9	23.8	24.2	29.6	18.0	23.4	17.5
ROCE (%)	6.4	12.0	11.9	17.1	15.5	17.0	18.9	14.3	18.1	16.8
ROCE (ex-cash) (%)	6.5	12.2	12.0	17.5	15.9	17.2	19.1	14.5	18.2	17.0
ROA - Adjusted (%)	5.6	3.4	3.6	7.1	6.3	5.8	6.5	5.4	8.9	8.6
ROIC (%)	15.0	9.1	12.3	25.1	20.3	21.0	30.8	13.6	14.8	12.8
Gearing Ratio	1.4	1.5	1.7	1.9	1.9	2.0	2.2	1.8	1.6	1.5
Turnover Ratios										
Fixed Assets Turnover Ratio	2.3	2.2	2.7	2.8	2.7	2.9	2.8	2.0	1.9	1.7
Capital Turnover Ratio	3.0	3.1	3.1	3.1	2.9	2.4	2.0	1.6	1.7	1.6
Inventory days	61	72	73	55	43	50	60	62	50	53
Debtor days	40	48	47	46	51	54	54	56	54	66
Creditor days	33	30	21	22	23	25	24	28	24	25
Cash conversion cycle	69	89	99	79	70	79	90	90	80	93
Solvency Ratio										
Debt/Equity (x)	1.7	1.9	2.4	2.1	1.9	2.1	2.4	1.1	1.0	0.6
Net Debt/Equity (x)	1.6	1.8	2.3	2.0	1.8	2.1	2.4	1.1	1.0	0.5
Interest coverage	2.0	2.1	2.1	2.6	3.7	3.9	4.1	5.3	5.4	5.4
Gross debt/EBITDA	7.7	4.3	5.2	3.6	3.7	3.9	3.9	3.1	2.4	1.5
Current Ratio	1.1	1.0	1.0	0.9	1.1	1.0	0.9	1.1	1.3	1.4
Per share Ratio										
BV	28.4	32.4	38.0	47.3	60.2	76.9	104.5	173.1	219.0	241.2
EV	46.8	58.6	80.7	85.2	163.7	257.6	603.3	715.1	828.2	322.8
CEPS	5.8	5.1	7.0	13.9	14.7	19.0	29.7	28.7	51.2	47.7
PER(x)	3.6	5.5	3.9	1.7	8.9	11.7	21.4	28.8	17.1	11.5
P/BV (x)	0.7	0.6	0.6	0.4	1.9	2.5	5.5	3.8	3.5	1.0
EV/EBDITA	10.5	5.8	6.4	4.2	7.3	8.5	12.9	13.9	10.4	4.1
EV/Sales	0.6	0.6	0.6	0.5	0.8	1.0	2.0	2.1	1.8	0.7
PEG (5 years)					44.6					188.4

Notes:

- Revenue has increased by over 215%, the sales in FY15 touched ₹ 213 crore, which increased to ₹ 462 crore in FY20. Due to better product mix our EBITDA margin has improved to 17.2% in FY20 vis-a-vis 10.5% in FY15.
- We completed capacity expansion from 6.5 Mn sheets annually to 14.3 Mn sheets annually. The products include press size of 6x14, used in the manufacture of rest room and partition cubicles. Our laminates include metallic finishes, anti-bacterial, fire retardant, high-gloss, anti-finger, and so on. We have also launched short-cycle press for prelam boards and solid acrylic surface panels.
- To consolidate our business verticals related to building materials, we filed a scheme of amalgamation for merger with Golden Chem-Tech Ltd. The scheme was approved by Hon'ble NCLT, Chandigarh Bench in February 2020.
- The Company raised fresh capital (8,50,000 shares) under preferential allotment. The proceeds were used to reduce our debt exposure.
- The Company has divested its non-core real estate asset (IT building).
- Besides regular repayments of interest charges, the Company has pre-closed its loan out of the proceeds from the sale of its real estate asset.

Management Discussions and Analysis



Global Economy Review

The year 2019 was a difficult year for the global economy with world output growth estimated to grow at its slowest pace of 2.9% since the global financial crisis of 2009, declining from a subdued 3.6% in 2018 and 3.8% in 2017. Uncertainties, although declining, are still elevated due to protectionist tendencies of China and the US and rising US-Iran geo-political tensions.

Further, the COVID-19 pandemic, and the economic shutdown in advanced economies and many parts of the globe, has disrupted billions of lives and jeopardised decades of development progress. The likely long-lasting socio-economic impact may further weaken long-term growth prospects because of low investor confidence, widespread unemployment and the rupture of trade and supply linkages. Already the sharp economic decline is apparent in many countries.

The World Bank's baseline forecast envisions a 5.2% contraction in the global economy in 2020—the deepest global recession in eight decades, despite unprecedented policy support (Source: World Bank, Global Economic Prospects, June 2020). Per capita incomes in the vast majority of emerging market and developing economies (EMDEs) are expected to shrink this year, tipping many millions back into poverty. Although a moderate recovery is envisioned in 2021, with global growth reaching 4.2%, output is not expected to return to its previously expected levels. The pandemic highlights the urgent need for health and economic policy action—including global cooperation—to cushion its consequences, protect vulnerable populations, and improve countries' capacity to prevent and cope with similar events in the future.

Although a moderate recovery is envisioned in 2021, with global growth reaching 4.2%, output is not expected to return to its previously expected levels.

Lasting scars of the pandemic

The pandemic is likely to exert lasting damage to fundamental determinants of long-term growth prospects, further eroding living standards for years to come. EMDEs that have weak health systems, those that rely heavily on global trade, tourism, or remittances from abroad; and those that depend on commodity exports will be particularly hard-hit. Beyond its short-term impact, deep recessions triggered by the pandemic are likely to leave lasting scars through multiple channels, including lower investment; erosion of human capital of the unemployed; and a retreat from global trade and supply linkages. These effects may well lower potential growth and labour productivity in the longer term. Immediate policy measures should support health care systems and moderate the short-term impact of the pandemic on activity and employment. Long-term growth prospects can be ensured by improving governance and business environments, and expanding investment in education and public health."



Indian Economy Review

The Indian economy grew at 4.2% in 2019-20 – the lowest in 11 years – as the Covid-19 pandemic adversely impacted economic activity in the last month of the fiscal year. However, the GDP growth rate has shown a consistent downward trend for some time owing to multiple reasons. The large-scale defaults and governance issues in a few large non-banking financial institutions resulted in liquidity squeeze in the corporate debt markets. This not only hurt some of the larger corporates, but also severely impacted the mid- and small-size companies as the lending channels practically froze. At the same time, the vagaries of the monsoon – extended monsoon in some regions and deficit rainfall in others – adversely impacted the rural sector. The fiscal and monetary policies implemented



by the Reserve Bank of India as well as the measures taken by the Central Government, such as the sharp reduction in corporate tax rates, have not helped the economy reclaim its earlier growth trajectory. On a relative basis, the Indian currency was stable for most part of the year but it faced significant downward pressure in the last quarter given the increased volatility across global financial markets over the rising uncertainty around COVID-19. In the January-March quarter, GDP grew at 3.1% vis-à-vis 5.7% during the corresponding period the previous year. These are the first set of GDP numbers which show the impact of the pandemic and the subsequent nationwide lockdown that came into effect from March 25th, 2020.



Impact of COVID-19 on the Indian Economy

The pandemic has dealt a severe blow to the Indian economy and caused major socio-economic disruption, that is further inhibiting growth. The setback encountered by the different sectors of the economy are highlighted below.



Primary sector

This sector encompasses industries associated with the extraction and production of raw materials. It provides employment to about 43.21% of the population and contributes about 16.1% to the GDP.



Mining industry

The pandemic has curtailed the overall demand for metals and minerals and lowered prices. Mining entities have also experienced a drastic drop in their share prices.



Agricultural sector

Travel restrictions during the lockdown has caused a dearth of agricultural workers, resulting in a drop in production and disruptions in the rabi harvest. The fall in farm prices, disruptions in the supply chain and the rise of feedstock have negatively impacted the agricultural sector.



Secondary sector

The secondary sector provides employment to around 24.89% of the population in India and contributes about 29.6% to the Indian GDP. It consists of industries that produce and distribute finished goods or are engaged in construction activities, thus providing support to both the primary and service sector.



Manufacturing industries

Manufacturing industries have borne a major brunt of the pandemic, with production coming to a halt at short notice. The value of the inventories piled up in the production centres or warehouses of these industries has gone down. Among the major hindrances encountered by the industries are cash flow constraints and supply chain disruption.



Automobile industry

With almost all plants shut and imports virtually coming to a standstill, the industry has seen a steep decline in production and sales, impelling them to declare pay cuts.

4.2%

India's economic growth in FY20



Textile and apparel industry

This industry provides employment to over 45 million people in the country but temporary closure of production units has increased problems, leading to lay-offs. Exports of fabric, yarn and other materials have been disrupted.



Construction and engineering industries

These industries are dependent on a massive labour force, which has dwindled following the lockdown. Construction activities have virtually come to a standstill owing to disruptions in labour supply and the supply chain.



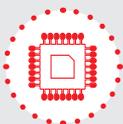
Pharmaceutical and chemical industries

These industries depend on bulk import of drugs and several raw materials from China. Due to import restrictions these industries have been impacted.



Tourism and hospitality industries

Successive lockdowns and travel restrictions have badly hit this sector, which will take time to resume activities.



Electronic industry

Finished products plus the raw materials used in this industry are mainly supplied by China. The spread of the coronavirus has pushed down production and sale of electronic goods and the supply chain is interrupted.

Building Atmanirbhar Bharat and fighting COVID-19

In a major policy initiative to promote better governance and spur the economy at the same time, the Union government has announced the **Atmanirbhar Bharat Abhiyan**, a financial package of ₹ 20 lakh crore. Equaling 10% of the national GDP, this is among the most substantial of the financial packages announced by governments globally, with the US package amounting to 13% of the country's GDP and Japan's 21%.

This is Prime Minister Narendra Modi's vision of a self-reliant nation. With its focus on making local manufacturers and service providers self-reliant, the move will strengthen the economy, improve the standard of living and, most importantly, improve the trade deficit and exchequer balance of the country and reduce the country's dependence on imports.

Vocal for Local

The Prime Minister's '**Vocal for Local**' clarion call is to help expand the startup ecosystem. The idea is to create more local brands and take those to the global arena. This will be possible only with a focus on technology-based companies that can be scaled-up faster.

The change in the definition of micro, small and medium-size enterprises (MSMEs) also, in a way, helps the startup ecosystem as many of these startups fall under the revenue bracket mentioned under the new definition. These companies can grow to a specific size without losing their MSME tag and benefit under the new definition.



Industry Structure and Developments

Global laminate market outlook

Being an essential part of interior surfacing solutions, decorative laminates are used as furniture surface materials, flooring, wall panels and others.

However COVID-19 has affected global economy in the following ways:





₹ 20 lakh crore
Stimulus package
announced by
Government of
India

Despite the pandemic, High-Pressure Laminate (HPL) retains its place in the market. But there is scarcity of high-end products, thus making it possible to capture a considerable market share in the global 'Decorative HPL Market'. This market is expected to grow at a CAGR of roughly 3.2% over the next five years and touch US\$ 9,760 million mark in 2024 as compared to US\$ 8,080 million in 2020.

Indian laminate industry

The laminate manufacturing sector has seen lesser number of new plants in FY20. There are reports of struggling plants and brands, with a few having already shut shop. The decorative laminate industry has undergone changes in FY20 and with changes in the management and the sale of plants going up, the coming months will see greater consolidation in the industry. Laminate producers are distancing themselves from the production of liner and thin mica sheets, and turning towards range and folder-based products. This indicates a slowing demand for commodity material.

Laminates are available in numerous design patterns, colours and textures and lend an elegant touch to all products.

The demand for these products is driven by

- **Increase in population and per capita income:** Though the unprecedented coronavirus pandemic has nearly stalled economic activities for now, India is expected to bounce back in FY21 with a robust 6% growth rate.
- **An increase in disposable income:** As per the National Bureau of Statistics, India's annual disposable income was over ₹ 1,600 billion in 2015. Rise in disposable income is likely to positively influence spend on home decor, furniture, and furnishings.
- **Rapid urbanisation:** Population and economic growth has fostered rapid urbanisation. This growth is expected to continue for years to come, and the industry has to step up its game in order to catch up with the changing business dynamics.
- **Increasing residential construction:** The industry has got a leg up from the government's emphasis on low cost housing and infrastructure development.
- **Technological advancement:** The use of new technology in production is giving customers a greater choice of products such as the following:

- Post formable laminates - used in kitchens and offices where a neater look is required
- Anti-bacterial laminates- used in places like hospitals and restaurants where hygiene is important
- Cubicles -used as bathroom cubicles and divider panels
- Digital laminates – used largely in the decoration of walls on which patterns can be created according to individual choice
- Metallic laminates - real metal foil, such as copper, steel or aluminum, are used to provide metallic finish as per customer requirement
- Low installation and maintenance cost – laminates are scratch resistant, easy to clean, and affordable.

Challenges before the Company

1. **Competitive Market:** Our Company operates in a very competitive market. The laminate industry is fragmented, with 200+ manufacturers in India with manufacturing capacity of about 39 million sheets per month. The industry is growing more in volume and less in value. The main competitors are companies in the un-organised sector or transiting to the organised sector from an un-organised unit, where pricing plays a key role.

Plan of action: Our Company supports the idea of innovation and believes in constant upgradation and enhancement and therefore in overcoming challenges posed by various internal and external threats. We also endeavour to focus on the production of special category laminates, such as laminates with anti-bacterial, fire retardant properties etc. and promote their institutional sales along with retail sales through distributors/dealers.

Our Company holds a '**Connectivity programme**' at regular intervals where its existing dealers and distributors are enlightened on the prevailing market movement.

2. **Quality control:** Being a labour intensive industry, maintaining quality of the product requires a skilled set of people which becomes a challenge at times due to non-availability of skilled workforce. The Company, thus ensures continuous supply of good quality products by conducting regular training workshops to skill its

workers and boosting their skills and work output by holding numerous motivational programmes.

- 3. Technical resources:** As this is the first production line being set up to manufacture acrylic solid surfaces, finding and hiring technical resources for its manufacture was another major task. To overcome the technical hindrances, we sought technical advice from the project supplier, hired a team of foreign technicians with immense experience of advising established players.

The manufactured products were accepted in the domestic and international market, although the volume was not significant. However, taking into consideration the foreseeable growth of the real estate sector and adoption of extensive marketing strategies, demand of the product is expected to escalate and hence generate substantial revenue.

Solid surface industry

Solid surface is an advanced composition of natural minerals and polymers. Its innovative formula has revolutionised interior design as it not only adds beauty to the interiors but also ensures durability and longevity.

The product is not manufactured in India, but is imported; DuPont and LG Hausys from Korea are the major exporters of the product. In FY19, acrylic surface panels worth ~₹ 500 crore were imported into India, with the amount falling to ~₹ 330 crore in FY20 owing to the economic slowdown in the real estate sector in the last fiscal year. Demand for the product is directly proportional to the growth of the real estate sector.

Solid acrylic surfaces - Tapping new market

Our Company seeks to create a market for this newly-established product line by exploiting its existing network, domestic as well as overseas.

The product would promote Prime Minister Modi's initiative of 'Made in India'. The inhouse manufacture of the product will lead to import substitution and reduce dependence on imports, which in turn will cut down on foreign currency outflow and contribute to the national economy.

Our Company aims to establish a new domestic market in solid surfaces as this product has a lot of potential. Therefore, we are focusing on promoting solid surfaces among our customers as a cost-effective choice that would save them from bearing importation costs/duties and the trouble of maintaining bulk inventories.

Global acrylic solid surface market outlook

Global acrylic solid surface production is expected to grow at the rate of ~4.55% owing increasing demand, with the maximum consumption projected to centre around North America and Asia-Pacific. The global market for the product is expected to grow at a CAGR of ~3.6% over the next five years and is estimated to touch US\$ 2,410 million in FY24 compared to US\$2,030 million in FY19.

The remarkable popularity garnered by acrylic solid surfaces for both interior and exterior applications can be attributed to the following:

- Increasing construction of residential buildings and houses, coupled with growing number of residential renovation work across several countries is one of

driving factors for the growth of the acrylic solid surface global market.

- Increase in the number of commercial establishments, including hotels, restaurants, malls, retail stores is another factor expected to boost the market as the product is progressively used as countertop material.
- Its anti-bacterial properties make it highly suitable for healthcare settings like hospitals, doctors' offices, hospices and retirement homes.
- The government impetus to the real estate sector through several initiatives such as the Smart Cities Mission that intends to build 100 smart cities and rejuvenate 500 others, the revival of around 1,600 stalled housing projects, construction of 1.12 crore houses under the Pradhan Mantri Awas Yojana and approval of 417 special economic zones (SEZs). The real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030, and is expected to contribute ~13% to the country's GDP by 2025. Hence there is a huge possibility of an increase in demand for the product in the coming years.

Immediate challenges

Challenge 1. The product has both commercial and residential applications but cost of the product is a major limiting factor, particularly in view of the global economic situation.

Mitigating factor: The government of India has recently announced a stimulus package for the revival of the industrial sector that is expected to contribute ~13% to the country's GDP.

Challenge 2. Being the first to manufacture solid acrylic surfaces in India, the Company found it difficult to launch the new product as the real estate sector was already stressed and continues to remain so. Customers' resistance to trying out a new product or replacing the existing supplier are other challenges.

Mitigating factor: The company has distributed free samples to its customers, giving them sufficient opportunity to try and test the products.

Quality control

The product being new in the market, quality remains a big concern together with its novelty and unfamiliarity among customers. To ensure quality control, and ensure its durability, the product is manufactured in the Company's state-of-the-art facility, maintaining the highest standards of production in order to maximise resource utilisation and ensure minimal wastage.

Technical resources

As this is the first production line being set up to manufacture acrylic solid surfaces, finding and hiring technical resources for its manufacture was another major task. To overcome the technical hindrances, we sought technical advice from the project supplier, hired a team of foreign technicians with immense experience of advising established players.

The manufactured products were accepted in the domestic and international market, although the volume was not significant. However, taking into consideration the foreseeable growth of the real estate sector and adoption of extensive marketing strategies, demand of the product is expected to escalate and hence generate substantial revenue.

Opportunities

Domestic front

There is a shift in consumer behaviour as consumers seem to be opting for quality products offered by organised players. Also, India's move to boycott Chinese products post the border standoff with China will benefit Indian manufactures and encourage them to become self-reliant, thus enabling them to explore business opportunities.

Global front

In light of the controversy over China's role in the spread of the coronavirus outbreak throughout the world, the US, the European Union, and major economies of the world are trying to recalibrate their supply chain so as to be less dependent on China. This opens up opportunities for India and other nations to take their place in the supply chain by strengthening their manufacturing capacities. Hence there is enormous scope of industrial growth.



Performance Review and Financial Highlights

Overview

On account of the adverse market conditions for the real estate and infrastructure sectors, the overall economic growth was hindered and business was affected by the abrupt seizure of economic activity during the last 10 days of the financial year.

Financial highlights

- During FY20, revenue from operations on a standalone basis increased to ₹ 462.15 crore as against ₹ 460.62 crore the previous year. Export contributed 66.6% to the total revenue.
- Despite the stiff competition, the Company managed to achieve an operating margin of more than 17%.
- Net debt, including current maturities, was reduced to ₹ 112.35 crore by the end of the year as compared to ₹ 186.84 crore reported in the beginning of the year. The debt of the previous year has been re-computed after consolidation of debt taken over from Golden Chem-Tech Limited.

Global economy

The Company sells its products to different geographies and also offers diversified product ranges like cladding and cubicles, the application of which differs from the normal laminates. Besides this, the Company provides special finishes like anti-finger and high gloss laminates, which are different from other regular laminates. However, due to the recent synchronised slowdown of the global economy, global demand has been affected.

Key initiatives taken during the year

- The Company acquired Golden Chem-Tech Limited (transferor company) under Pooling of Interest Method, whereby the assets and liabilities of the transferor company are recorded in the books of the Company at their carrying value. The idea of acquisition is that the transferor company is engaged in the business of manufacturing of acrylic solid surfaces that form part of

the building material Industry. The operational synergy thus achieved will bring significant cost savings.

- In order to scale up its operations, the Company has incorporated a wholly-owned subsidiary - Stylam Asia-Pacific Pte. Limited - in Singapore to explore better business opportunities outside the Indian territory. The Company has also acquired 34% stake in another company in that periphery.
- By the year end, the Company disposed of its investment property, the proceeds of which were used in repayment of debts. Though the property was sold at a loss of ₹ 15.21 crore, proper analysis and evaluation revealed that the savings in projected administrative and other cost of maintenance and upkeep of the vacant property will outdo the loss borne on the book value of the property. This will lead to an increase in savings due to decreased interest costs and eventually increase the profitability of the Company.
- Last year, the Company entered a new business vertical of value-added laminates and came up with anti-finger and high-gloss finishing on laminates through hot coating process. Our Company is the only manufacturer to provide such value-added finish on thin laminates. Customers are satisfied with the finish and the product seems to be gaining momentum now.
- Our Company has entered into new a segment and added short cycle press for lamination of impregnated paper on Medium Density Fibre (MDF) panels.
- The Company expanded its production capacity from 11.0 Mn sheets to 14.3 Mn sheets per annum in the second half of Q4 of FY20. However, due to nationwide lockdown, the commercial production of the expanded capacity commenced from May of FY21.

Outlook

FY21 began on an unprecedented note, with a complete lockdown implemented in India as well as partial or full lockdown/ business restrictions of varying extent across the larger part of the world due to the COVID-19 pandemic. Hence, the overall outlook for the year looks grim. Governments across the world and central banks have moved in a synchronised manner to provide large economic relief packages and flood the financial markets with abundant liquidity in order to support the economy. However, success in controlling the spread of the pandemic would determine the rate of recovery for the economy. This would have a direct impact on demand conditions for all sectors of the economy. Inflation is expected to stay low with demand conditions being unsupportive; this is expected to provide much-needed comfort to consumers and manufacturers alike.

Laminates being a discretionary spend item, there is a likelihood of customers putting their requirements on hold for some time, and this may impact the product's demand in the short run.

Risk and concerns

Market demand

Economic slowdown and subdued infrastructural development may lead to low demand in the country. Nevertheless, the government's push for housing and

infrastructure will give a boost to the product's consumption. Further, with the GDP expected to take a V-shaped recovery in FY22 after an expected decline in FY21, demand can be expected to pick up.

Competition

As the laminate industry in India is an aggregation of myriad small and large players, both in the organised and unorganised sector, competition from small and unorganised players may affect business. However, the Company's philosophy of upgrading itself as per the changing business dynamics and its agility would help it have an edge over other market players.

Inflation and cost of production

The Company remains exposed to risks related to inflation and volatility of prices, especially given its dependence on raw materials, particularly crude and coal. Change in their prices can significantly impact production costs.

To de-risk, the Company has established specific exhaustive policies viz strategic sourcing, procurement of raw materials and stores at economical cost without compromising on quality.

Currency risk

A significant part of the raw materials and capital equipment are imported by the Company. Hence, adverse movement in the local currency vis-à-vis other currencies can have an impact on the Company's financials. In order to overcome such uncertainties, the Company closely monitors the exposure while hedging. Unhedged foreign currency exposure has a natural hedge, thereby eliminating the majority of the foreign exchange risk.

Interest rate risk

The Company uses borrowings to fund its expansion plans and working capital requirements, which is exposed to interest rate risk. The risk is mitigated by efficient financial planning with emphasis on efficient working capital management.

Statutory compliance risk

In the past few years, the country has seen wide-ranging changes to various laws and regulations that the Company needs to adhere to. Many of these laws are new and have not been subjected to judicial scrutiny and interpretations.

The Company takes steps to adhere to all laws in its true spirit. Teams within the Company monitor changes to laws and regulations and proactively take steps to change underlying processes so as to ensure compliance.

Information technology risk

Various IT applications used by the Company are exposed to the inherent risks posed by the internet. Also, with the new and emerging cyber-attacks and hacking threats, information security risk has increased. The Company uses back up procedures and stores information at two different locations. Systems are upgraded regularly with the latest security standards.

Pandemic risk

The COVID-19 pandemic in the later part of the year disrupted world economy. The Company too was not immune to the havoc caused by it.

To deal with this unprecedented situation, the Company promptly made suitable arrangements to facilitate its employees with a proper set up, enabling them to work from home. A help desk was set up to provide guidance, support and counselling to employees.

Though both the plants of the Company were closed following the Central Government's lockdown orders, the Company arranged for factory workers' stay at the designated workers' quarters in factories and also made necessary food and other arrangements for its workers.

Operations at one part of one plant resumed in late April. However, business operations in the other resumed in late April after taking all the necessary safety measures as directed by the government.

The other plant still remains closed as the area is not sufficient to practice social distancing. Therefore, as a socially responsible citizen, the Company has decided not to resume operations at the other plant till the situation improves.

Internal control systems and their adequacy

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 in order to address them effectively.

Corporate Information

MANAGEMENT COMMITTEE

Board of Directors

Mr. Jagdish Gupta
Managing Director

Mr. Manit Gupta
Director

Mr. Sachin Kumar Bhartiya
Nominee Director

Mr. Satpal Garg
Independent Director

Ms. Purva Kansal
Independent Director

Mr. Manav Gupta
Whole Time Director

Mr. Sachin Bhatla
Director - Technical

Mr. Vinod Kumar
Independent Director

Ms. Sonia Goyal
Independent Director

Ms. Renu Sood
Independent Director

Key Managerial Personnel

Sanjeev Vaid
CFO

Srishty Chaudhary
Company Secretary

COMMITTEES

Audit Committee

Mr. Satpal Garg
Mr. Jagdish Gupta
Ms. Purva Kansal

Stakeholders Relationship Committee

Mr. Satpal Garg
Ms. Purva Kansal
Mr. Jagdish Gupta

Nomination and Remuneration Committee

Mr. Satpal Garg
Ms. Purva Kansal
Ms. Sonia Goyal

Corporate Social Responsibility Committee

Mr. Satpal Garg
Mr. Jagdish Gupta
Mr. Manit Gupta

Sexual Harassment Committee

Ms. Purva Kansal
Ms. Sonia Goyal
Ms. Renu Sood
Mrs. Rajesh Bala

AUDITORS

Statutory Auditors

M/s Mittal Goel & Associates
Chartered Accountants,
SCO 40-41, Sector - 17A,
Chandigarh - 160017
Internal Auditors

Secretarial Auditors

Sanjiv Kumar Goel,
Company Secretary,
SCO 154-155, 1st Floor,
Sector17-C, Chandigarh, 160017
M/s A. Gandhi & Associates

Banker

State Bank of India
HDFC Bank Ltd
Federal Bank Ltd
Standard Chartered Bank Ltd

Registrar and Share Transfer Agent

Link Intime India Private Limited
44, Community Centre, 2nd Floor,
Naraina Industrial Area
Phase - I, Near PVR Naraina,
NewDelhi - 110028
Tel-011-41410592-93-94
Email: delhi@linkintime.co.in

Stock Code

Bombay Stock Exchange Limited - 526951
ISIN Detail - INE239C01012

Registered Office

SCO 14, Sector 7-C,
Madhya Marg,
Chandigarh - 160019(INDIA)
Tel-+91-172-5021555,5021666
Website:www.stylam.com

Directors' Report

Your Directors are pleased to present the 29th Annual Report together with financial results for the year ended March 31st, 2020.

Financial Performance Summary

	₹ in crore	
FINANCIAL RESULTS	2019-20	2018-19*
Revenue from Operations	462.15	460.62
Earnings before Interest, Taxes & Depreciation	79.63	79.88
Less: a) Finance Cost	10.90	11.41
b) Depreciation	20.98	18.21
Add: Other Income	0.97	1.62
Profit before exceptional items and tax	48.72	51.88
Less: Exceptional Items**	15.21	-
Profit before tax	33.51	51.88
Less: Tax Expense	14.60	13.07
Profit for the Period	18.91	38.82
Share of Profit/(Loss) of associate company	(0.23)	-
Add: Other Comprehensive Income/(Expense) (Net of Taxes)	0.08	0.10
Total Comprehensive Income	18.75	38.92
Opening balance in Retained Earnings	177.04	138.12
Closing balance in Retained Earnings	195.79	177.04

*Financial Nos for FY19 have been restated to give effect to the approved scheme of amalgamation between Golden Chem-Tech Limited with the company.

**Loss on sale of property located at Information Technology Park, Panchkula

Note: As operational activities of Stylam Asia Pacific Pte. Ltd, wholly owned subsidiary of company, incorporated in Singapore are yet to begin, only standalone financials were reviewed.

Performance Highlights

During FY20, Company's revenue from operations on standalone basis increased to ₹ 462.15 crore as against ₹ 460.62 crore recorded in the previous year. Exports, including export incentives, contribute 66.6% of total revenue as against 65.5% in the previous year, albeit at a modest 1% growth in the segment.

Operating margins remained stable at ₹ 79.63 crore.

However, towards the end of the year, outbreak of unprecedented COVID-19 pandemic worsened the overall economic conditions and caused a significant disturbance leading to gradual slowdown of economic activities globally. Real Estate and Building Material Industry observed mix effect due to sluggish global economy. The nationwide lockdown ordered by the Government of India also resulted in significant reduction in economic activities throughout the nation and therefore a discernible adverse effect of the same was also seen on the business operations (in terms of production as well as sales) of the Company.

Nevertheless, Company's liquidity position remained steady despite discontinuation of operations on account of the lockdown. In order to combat the prejudicial impact of Covid-19, Company's main focus revolves around boosting sales and simultaneously implementing cost control measures, results of which will be witnessed in the near future.

Restatement of Financial Statements giving effect to the Scheme of Arrangement

The Board of Directors of the Company at its meeting held on May 30th, 2019, had considered and approved the Audited Standalone financial statements of the Company for the year ended March 31st, 2019. However, subsequently, the Scheme of Merger between Golden Chem-Tech Limited with the company has been approved by the Hon'ble Chandigarh Bench of National Company Law Tribunal, with an effective/appointed date of September 30th, 2017, as defined in the Scheme itself. Considering the said Scheme being effective, the Board of Directors at its meeting held on June 29th, 2020 considered and approved the restated Audited Standalone financial statements for the year ended March 31st, 2019, thus giving effect to the said Scheme.

Material Developments

A. Sale of IT building

The company has sold its IT building located at Information Technology Park, Panchkula at a value of ₹ 33.77 crore. The property was considered as Investment property and valued at ₹ 48.98 crore, thus resulting into a loss of ₹ 15.21 crore.

Background story

In FY2011, IT and BPO sector in India was at its boom, thus company made an attempt to diversify its business by venturing into IT and BPO sector. In furtherance of its idea, the Company got a building constructed in 2017

with the intention of using some area for its marketing activities and to lease out the remaining portion. However due to uncertain circumstances IT and BPO sectors witnessed a downtrend in India during 2017.

Meanwhile, in the same year company started working on expansion of its production capacity and other business verticals as a result of which production was enhanced by 6.5Mn sheets per annum. Company hence shifted its focus to its core businesses and decided to dispose off the said property in FY18 as the property was lying vacant since the date of its completion and company had to bear administrative cost of maintenance and upkeep. The company ultimately in the last quarter of FY20 found a buyer who purchased the building for ₹ 33.70 crore.

The funds realised were used in the debt repayment hence the resultant savings in the interest cost is expected to improve the bottom line of the company.

The loss of ₹ 15.21 crore incurred on sale of property has been shown under the Exceptional Items.

B. Amalgamation with Golden Chem-Tech Limited

The Company persistently aims at seeking new opportunities to expand its operations. To further its idea of expansion, the company initiated a scheme of amalgamation with Golden Chem-Tech Limited (GCL) in the year 2017. With regard to the scheme, the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, gave approval vide its order dated February 11th, 2020 and the given scheme became effective w.e.f. February 25th, 2020 i.e. upon filing of the certified copy with the Registrar of Companies, Chandigarh.

GCL was into manufacturing of Solid acrylic surfaces popularly recognised as Corian and with this amalgamation, the Company has become the first in India to manufacture solid surfaces with European technology. Considering the Indian Market, solid acrylic surfaces because of its unique features and novelty has a lot of potential to revolutionise the very idea of interiors and décor.

Furthermore, given the situation that is prevalent across the globe due to COVID-19, hygiene has a very important role to play and solid acrylic surfaces aptly serves the said purpose as it possesses anti-bacterial properties, thus helping the surface to remain bacteria free with effortless cleaning.

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. FY21 so far, came in- better than

expected for building material, with revenue decline less than feared. Demand revived quickly on lifting of the lockdown particularly from overseas market. 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 unorganised sector to organised sector due poor availability of products by the un-organised sector, will support the growth of the organised sector.

Given the current scenario, Company's special grade products like Anti-bacterial will be a point of attraction as the outbreak of pandemic has increased the importance of hygiene more than ever. During the lockdown, Company also got its Anti-bacterial cubicles installed at one of the hospitals in Chennai, for the purpose of being used as changing rooms by covid patients.

Expansion

Company during FY20 touched another milestone by enhancing its production capacity by 3.3 million sheets p.a. Commercial operation was ready to take off at its new pace in late March, however, business operations came to a halt due to poignant state caused by the infamous pandemic. Nevertheless, taking care of all the norms and regulations, the Company resumed its operations from the month of May, 2020 and is all set to come back to its spirits.

The company has also entered into another business vertical of building materials by introducing short cycle press for lamination of impregnated paper on MDF panels. However, during the testing of the plant certain teething issues cropped up which were dealt efficiently, hence making it commercially viable.

Talking of the ongoing expansions, production of Modified Solid Acrylic, earlier reported as Polyester Line, was expected to commence by the end of the last fiscal year but was delayed due to the sudden lockdown, yet it is expected to get operational by the second half of this fiscal year. Company has not planned for any major capex in the coming year.

Extract of the Annual Report

The extract of the Annual Return of the Company as on March 31st, 2020 in Form No. MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out in the '**Annexure I**' of this report.

Board Meetings

During the year under review 17 Board Meetings and 6 Audit Committee Meetings were convened and held, 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.

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 Committee inter alia reviews the Internal Control System, reports of Internal Auditors, compliance of various regulations and evaluates the internal financial controls and risk management system of the Company. The Committee also reviews at length the Financial Statements and results before they are placed before the Board. The terms of reference of the Audit Committee and other details have been provided in the Corporate Governance Report.

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

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.

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.

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.

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 II**' 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 March 31st, 2020.

Reserve

After all appropriations and adjustments, the closing balance of the retained earnings for FY20, stood at ₹ 195.79 crore.

Dividend

The Company with a view to expand its business and oscillate its direction towards growth in the best way possible, has barred itself from recommending dividend during the year under review, keeping in mind the future endeavors.

Material Changes and Commitments

During the relevant financial year, the company along with setting-up a wholly owned subsidiary Stylam Asia Pacific Pte Ltd in Singapore, also acquired 34% stake in Alca Vstyle Sdn Bhd., a company incorporated in Malaysia.

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

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 III'**.

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.

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 - IV'**.

The Company has contributed ₹ 48.86 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.

As a result of these, there was a shortfall in the total CSR spent from its total obligations of at least 2% of the average net profits made during the three immediately preceding financial years.

The initiatives taken by the Company will certainly help in deploying larger funds across social sectors and achieve rapid scale in utilising its full CSR budget in the coming financial years. The Company remains committed to the cause of CSR and will take necessary steps to fulfill its CSR obligations during the coming financial years.

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;
- updation 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;
- Updation 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.

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 re-affirmed rating as under:

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

Subsidiary and Associate

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, incorporated a Wholly owned subsidiary (WOS) named Stylam Asia-Pacific Pte. Limited in Singapore on the September 16th, 2019. Howbeit, subsidiary being in its inceptive phase has not yet commenced its business operations.

During the year under review, the company has 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-V' to this Report

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.

Changes in Share Capital

Upon the Scheme of Amalgamation coming into effect, the authorised share capital of the company of ₹ 80,500,000/- (Rupees Eighty Crore and Five Lakh Only), divided into 8,050,000 equity shares of ₹ 10/- (Rupees Ten only) each has been reclassified as ₹ 97,040,000/- (Rupees Nine crore Seventy Lakh & Forty Thousand only) divided into 9,704,000 equity shares of ₹ 10/- (Rupees Ten only) each w.e.f. from the Appointed Date i.e. September 30th, 2017

Giving effect to the scheme of amalgamation, Issued capital has also been increased to ₹ 84,740,300 (Rupees Eight crore Forty Seven Lakh Forty Thousand and Three Hundred only) divided into 8,474,030 equity shares of ₹ 10/- (Rupees Ten only) each from ₹ 81,662,000 (Eight crore Sixteen Lakh Sixty-Two Thousand only), divided into 8,166,200 equity shares of ₹ 10/- each (Rupees Ten only).

Accordingly, Clause V of the Memorandum of Association of the company shall stand modified

A) Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2019-20.

B) Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2019-20.

C) Issue of employee stock options

The Company did not issue stock options during the financial year 2019-20.

D) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

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.

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.

Directors and Key Managerial Personnel Change in Directorate

Mr. Vinod Kumar (DIN 08576194) was appointed as an Additional Independent Director on the September 30th, 2019.

The Company has received declaration from Mr. Vinod Kumar that he fulfills the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

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) is liable to retire by rotation at the ensuing AGM and is eligible for re-appointment.

Appointment of Company Secretary and Compliance Officer

In accordance with the provisions of Section 203 of the Companies Act, 2013, the company has appointed Ms. Srishty Chaudhary as Company Secretary and Compliance Officer of the Company, with effect from January 21st, 2020 in place of

Mr. Jatin who resigned on December 3rd, 2020 as Company Secretary and Compliance Officer of the company, for pursuing external opportunities.

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 the report.

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.

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 31st, 2020, 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.

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 as 'Annexure VI'.

Auditors and Auditors' Report

Statutory Auditors

The shareholders of the company at the 26th Annual General Meeting (AGM) held on September 29th, 2017, 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 for a period of five (5) years from the date of conclusion of 26th AGM till the conclusion of 31st AGM to be held in 2022.

The Statutory Auditors' Report on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31st, 2020 forms part of this Annual report.

The Auditors' Report for the financial year ended March 31st, 2020 does not contain any qualification, reservation or adverse remarks.

Cost Auditors

The company was not required to appoint Cost Auditor for the financial year ended March 31st, 2020.

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 has appointed M/s Sanjiv K Goel, Practising Company Secretary, to undertake Secretarial Audit of the Company for the financial year 2019-20.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31st, 2020 is annexed herewith as 'Annexure-VII'.

The Secretarial Audit Report for the year ended March 31st, 2020 does not contain any qualification, reservation or adverse remark.

Internal Auditors

The Company has proper and adequate system of internal controls. The external audit firm 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.

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.

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.

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 organisation's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business. 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 authorisation. 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.

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 recognises 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.

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 BSE Limited (BSE). The Company has paid annual listing fee for the financial year 2020-21.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the financial year 2019-20, 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. The same is appended as 'Annexure VIII' to this annual report

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 31st, 2020. 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.

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.

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,

sd/-

Jagdish Gupta
Managing Director

Place: Chandigarh
Date: August 27th, 2020

Annexure-I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act 2013 and rule 12(1) of the Company
(Management & Administration) Rules 2014.

I. Registration & Other Details

1.	CIN	L20211CH1991PLC011732
2.	Registration Date	28-10-1991
3.	Name of the Company	STYLAM INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	SCO-14, Sector-7-C, Madhya Marg, Chandigarh-160019 Ph. No. +0172-5021555
6.	Whether listed Company	YES
7.	Name Address & contact details of the Registrar & Transfer Agent if any.	Link intime India Private Ltd 44 Community Centre Phase-I Near PVR Naraina Ind. Area New Delhi-110028 Phone: +91 11 4141 0592 Email- sunil.mishra@linkintime.co.in

II. Principal Business Activities of the Company

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1.	Laminates and Allied products	16219	100

III. Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares Held	Applicable section
1	Stylam Asia Pacific Pte Ltd, Singapore	201930769G	Subsidiary	100%	2(87)(i)&(ii) of the Companies Act, 2013
2	Alca Vstyle Sdn. Bhd., Malaysia	752099-M	Associate (Joint Venture Company)	34%	2(6) of the Companies Act, 2013

IV. Share Holding Pattern (Equity Share Capital Break up as Percentage of Total Equity)

Note: *There exists a difference of 3,07,830 of shares between Issued capital and listed capital, as shares issued to the shareholders of Golden Chem Tech Limited (transferor company) pursuant to scheme of amalgamation, are yet to be listed on the stock exchange

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the end of the year			% of Total Shares	% Change during the year
	Demat	Physical	Total		Demat	Physical	Total		
A. Promoters & Promoters Group									
(1) Indian									
a. Individual/ HUF	4304056	-	4304056	52.71%	4307334	-	4307334	52.74%	0.03
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
(2) Foreign									
a. NRI - Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c. Bodies Corp	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	4304056	-	4304056	52.71%	4307334	-	4307334	52.74%	0.03%
B. Public Shareholding									
1. Institutions									
a. Mutual Funds/UTI	20487	-	20487	0.25%	0	-	0	0	-0.25%
b. Venture Capital Funds	-	-	-	-	-	-	-	-	-
c. Alternate Investment Funds	227568	-	227568	2.79%	227568	-	227568	2.79%	-
d. Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e. Foreign Portfolio Investor	296842	-	296842	3.64%	315696	-	315696	3.87	0.23%
f. Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
g. Insurance Companies	-	-	-	-	-	-	-	-	-
h. Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	544897	0	544897	6.67%	543264	0	543264	6.65%	-0.02%
2. Central Govt/ State Govt(s)/ President of India									
3. Non-Institutions									
a. Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	887633	229093	1116726	13.67%	930323	193933	1124256	13.76%	0.09%
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	766269	20500	786769	9.63%	784866	-	784866	9.61%	0.02%
b. NBFC registered with RBI	-	-	-	-	-	-	-	-	-
c. Employee Trusts	-	-	-	-	-	-	-	-	-
d. Overseas Depositories (holding DRs)									
e. Any other (specify)	-	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-	-
Hindu Undivided Family	46900	-	46900	0.57%	49182	-	49182	0.60%	0.03%
Foreign Companies	850000	-	850000	10.41%	850000	-	850000	10.41%	-
Non Resident Indian (Non Repat)	38672	-	38672	0.47%	35881	2000	37881	0.46%	-0.01%
Non Resident Indian (Repat)	129769	-	129769	1.59%	176366	-	176366	2.16%	0.57%
Foreign Portfolio Investor (Individual)	46077	-	46077	0.56%	47477	-	47477	0.58%	0.02%
Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
Clearing Member	16166	-	16166	0.20%	16822	-	16822	0.21%	0.01%

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Bodies Corporate	226168	60000	286168	3.51%	168752	60000	228752	2.80%	-0.71%
Sub Total (B)(3)	3007654	309593	3317247	40.62%	3059669	255933	3315602	40.60%	-0.02%
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	3552551	309593	3862144	47.29%	3602933	255933	3858866	47.25%	-0.04
Total (A)+(B)	7856607	309593	8166200	100%	7910267	255933	8166200	100%	-
C. Non-Promoter-Non Public									
(1) Custodian/DR Holder									
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)									
Grand Total (A)+(B)+(C)	7800607	365593	8166200	100%	7856607	309593	8166200	100%	-

ii. Share-holding of Promoters

Shareholder's Name	Shareholding at the end of the year (As on 31.03.2019)			Shareholding at the end of the year (As on 31.03.2020)		
	No of Share	% of total shares of Company	% of shares Pledged/ encumbered to total shares	No of Share	% of total shares of Company	% of shares Pledged/ encumbered to total shares
JAGDISH GUPTA	985450	12.07	14.40	988728	12.11	11.61
SATISH GUPTA	868963	10.64	11.62	868963	10.64	11.61
USHA GUPTA	712875	8.73	15.10	712875	8.73	-
PUSHPA GUPTA	550970	6.75	-	550970	6.75	-
MANIT GUPTA	412198	5.05	-	412198	5.05	-
RATTAN DEVI	385700	4.72	-	385700	4.72	-
NIDHI GUPTA	184100	2.25	-	184100	2.25	-
DIPTI GUPTA	170700	2.09	-	170700	2.09	-
SARU GUPTA	33100	0.41	-	33100	0.41	-
Total	4304056	52.71	-	4307334	52.75	23.22

** Promoters includes Promoters family

iii. Change in Promoters' Shareholding (please specify, if there is no change)

	No. of shares	% of total shares of the Company
At the beginning of the year (01.04.2019)	4304056	52.71
Date-wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	Purchase from open market March 20 th , 2020 - 3188 March 31 st , 2020 - 90	
At the End of the year (31.03.2020)	4307334	52.75

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS)

S. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding at end of the year (31.03.2020)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	LIGHTHOUSE EMERGING INDIA INVESTORS LIMITED	-				
	At the beginning of the year		850000	10.41		
	Changes during the year		-	-		
	At the end of the year				850000	10.41

S. No.	Name of the top 10 Shareholder of the Company (As on 31.03.2020)	Buy / Sale	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding at end of the year (31.03.2020)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2.	MANAV GUPTA	-	-	-	-	-
	At the beginning of the year		355400	4.35		
	Changes during the year	-	-	-		
	At the end of the year	-			355400	4.35
3.	INDIA 2020 FUND II, LIMITED	-	-	-	-	-
	At the beginning of the year		200000	2.45		
	Changes during the year	Buy				
	At the end of the year				200000	2.45
4.	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I					
	At the beginning of the year	-	168931	2.07		
	Changes during the year	Buy	-	-		
	At the end of the year				168931	2.07
5.	ROHINTON SOLI SCREWWALA					
	At the beginning of the year		165145	2.02		
	Changes during the year	-	-	-		
	At the end of the year				165145	2.02
6.	MUKUL MAHAVIRPRASAD AGRAWAL					
	At the beginning of the year		100000	1.22		
	Changes during the year		-	-		
	At the end of the year				100000	1.22
7.	UNIVERSAL GOLDEN FUND					
	At the beginning of the year	70414	0.86			
	Changes during the year	-	-	-		
	At the end of the year				70414	0.86
8.	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II L					
	At the beginning of the year		58637	0.72		
	Changes during the year	-	-	-		
	At the end of the year				58637	0.72
9.	VISHAL GUPTA					
	At the beginning of the year		30135	0.37		
	Changes during the year	Buy	673	0.01		
		Buy	1459	0.02		
		Buy	427	0.01		
		Buy	1000	0.01		
		Buy	430	0.01		
		Buy	229	0.01		
		Buy	1088	0.01		
		Buy	688	0.01		
		Buy	3319	0.04		
		Buy	5662	0.07		
		Buy	151	0		
		Buy	1447	0.02		
	At the end of the year				46708	0.57
10	KITARA INDIA SMALL & MICRO CAP OPPORTUNITY FUND (CEIC) LIMITED	-	-	-	-	-
	At the beginning of the year		26428	0.32		
	Changes during the year	Buy	10000	0.12		
		Buy	5154	0.06		
		Buy	3700	0.05		
	At the end of the year				45282	0.55

v. Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Name of Director/ KMP		
	JAGDISH GUPTA	MANIT GUPTA	MANAV GUPTA
At the beginning of the year	985450	412198	355400
Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	Purchase from open market		
At the End of the year	988728	412198	355400

V. Indebtedness

Indebtedness of the Company including interest outstanding /accrued but not due for payment

₹ in lakh				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	14,756.90	4,147.51	-	18,904.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	29.46	-	-	29.46
Total (i+ii+iii)	14,786.36	4,147.51	-	18,933.87
Addition	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19.37	-	-	19.37
Total (i+ii+iii)	19.37	-	-	19.37
Reduction	-	-	-	-
i) Principal Amount	5,578.28	1,478.92	-	7,057.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	29.46	-	-	29.46
Total (i+ii+iii)	5,607.74	1,478.92	-	7,086.66
Net Change	(5,588.37)	(1,478.92)	-	(7,067.29)
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	9,178.62	2,668.59	-	11,847.21
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	19.37	-	-	19.37
Total (i+ii+iii)	9,198.00	2,668.59	-	11,866.58

Figures of Indebtedness for the beginning of the year is different from indebtedness at the end of year reported in the financial year 2019. Post approval of merger the debtdness of Golden Chem-Tech Limited is added with the debtdness of company.

Repayment is net of addition and reduction

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹						
S. No.	Particulars of Remuneration	Name of MD / WTD/ Manager				Total Amount
		Jagdish Gupta	Manit Gupta	Manav Gupta	Sachin Bhatla	
1	Gross Salary	132,00,000	30,00,000	60,00,000	13,22,388	235,22,388
A	Salary as per provisions contained in section17(1) of Income-tax Act, 1961	-	-	-	-	-
B	Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-	-	-	-
C	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-	-
5	Others, please specify (Retrial Benefits)	-	-	-	-	-
6	Total = (1+2+3+4+5) Ceiling as per the Act	132,00,000	30,00,000	60,00,000	13,22,388	235,22,388
		10% of Net profit for all Executive Directors- Managing and Whole-time Directors; 5% of Net profit to any one Managing or Whole-time Directors)				

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Total Amount
1.	Independent Directors	262,196
	Fee for attending board & committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
	Other Non-Executive Directors	
	Fee for attending board & committee meetings	Nil
	Commission	
2.	Others, please specify	
	Total (2)	
	Total (B) = (1+2)	
	Total Managerial Remuneration (A+B)	
	Overall Ceiling as per the Act	
	1% of Net Profits of the Company for all Non-executive Directors	

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

S. No.	Particulars of Remuneration	Company Secretary*	CFO	Total Amount
1.	Gross salary	262,196	17,29,750	19,91,946
A	Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	-	-	-
B	Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-	-
C	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify (Retrial Benefits)	-	-	-
6.	Total (C) = (1+2+3+4+5)	262,196	17,29,750	19,91,946

*Mr. Jatin, company secretary cum compliance officer resigned on December 3rd, 2019 and Ms. Srishty Chaudhary, company secretary cum compliance officer, joined the company on January 21st, 2020.

VII. Penalties / Punishment / Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors			NIL		
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

On behalf of Board of Directors

sd/-
Jagdish Gupta
Managing Director

Place: Chandigarh
Date: August 27th, 2020

Annexure-II

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 November 22 nd , 2019, the date of acquisition of shares and subsequent years	From November 22 nd 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

Annexure-III

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 31st, 2020.

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
- Optimisation 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 categorised under the following area of focus:

- Developing new products & designs for emerging applications;
- Improvement in manufacturing process;
- New technology CNC machine installed in cubical section for development of new dimensional products;
- Effective production scheduling;
- Reduction in input pilferage.

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

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.

b) Benefits of the steps adopted

- Improvement in product quality;
- Promotion of 'STYLAM' Brand;
- Development of new market.

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 organised 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	
	2019-20	2018-19
Earning on account of		
FOB value of Export	289.05	277.75
Other Income	-	0.78
Total	289.05	278.53
Outgo on account of		
Raw Material	114.78	144.42
Components & Spare Parts	2.07	3.72
Capital Goods	11.01	13.80
Other Expenditures	4.30	10.16
Total	132.16	172.10

Annexure-IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Scope of CSR Activities

Company's deep concern for the underprivileged stems from a philosophy of inclusive, sustainable growth and development. Company is providing health and educational services to the underprivileged around its facilities. Today's CSR programmes are well-entrenched, focusing on areas that align with the global and national matrices of development: water & sanitation, health, education and skill building.

The Company's CSR Policy framework details the mechanisms for undertaking various programmes in accordance with Section 135 of the Companies Act, 2013 (the Act) for the benefit of the community.

-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, rural and tribal schools, by strengthening the infrastructure.

Infrastructure: company has constructed and repaired classrooms, toilet blocks and water stations to facilitate basic hygiene facilities in rural area.

-Other Initiatives

Child & Women Empowerment: Company tried do its bit Company by contributing funds for the well being and nourishment of deprived children and women. The company also funded a Foster care home so as to provide the orphans with the best possible education and a family like environment, hence promoting social integration, brotherhood amongst them.

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 will be uploaded on the website of the Company.

Composition of the CSR Committee

Mr. Satpal Garg (Chairman)

Mr. Jagdish Gupta(Member)

Mr. Manit Gupta (Member)

Average net profit of the Company for last three financial years: Average net profit: ₹ 3869.96 lakh Prescribed CSR Expenditure (two percent of above)

The Company is required to spend ₹ 77.40 lakh towards CSR.

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year: ₹ 48.86 lakh
- b. Amount unspent if any: ₹ 28.54lakh

Manner in which the amount spent during the financial year 2019-20 is given below

CSR project or activity identified	Sector in which the Project is covered	Projects or Programs Coverage	Amount outlay (Budget)	Amount spent on the Projects / Programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
				Expenditure	Overhead		
Child welfare	Promoting education,	Haryana	6.00	2.27		2.27	Implementing agency
Social welfare Women Empowerment	children, women, elderly, and the differently abled and livelihood enhancement			2.25		2.25	
Health Program	preventive health care	Haryana	6.00	0.15		0.15	Direct
Basic infrastructure support in the community at Kartar Aasra, Chandigarh	setting up of old age homes for senior citizens	Chandigarh	10.00	-		-	

(₹ in lakh)

CSR project or activity identified	Sector in which the Project is covered	Projects or Programs Coverage	Amount outlay (Budget)	Amount spent on the Projects / Programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
				Expenditure	Overhead		
Basic infrastructure support in Hans Raj Sarai, PGI Chandigarh	Community Development	Chandigarh	10.00			-	Direct
Contribution for the infrastructure support for a School	Promoting education to children in rural area	Haryana	46.00	44.19		44.19	Direct
Total Funds committed			78.00	48.86	-	48.86	

6. In case the Company has failed to spend the two per cent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's report:

Due to outbreak of COVID-19 pandemic and consequent nationwide lockdown, the Company was not able to spend the amount of ₹ 28.54 lakh which was scheduled to be spent in March 2020.

Company will take all necessary steps to fulfill its CSR obligations during the coming financial years.

7. 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
Managing Director

sd/-
Satpal Garg
Chairman of CSR Committee

Annexure-V

Form AOC-1Statement 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 Asia Pacific Pte Ltd, Singapore
2 Date of Incorporation	September 16 th , 2019
3 Reporting period of the subsidiary	March 31 st , 2020
4 Reporting currency and Exchange rate as on the last date of the relevant Financial year	US\$ (₹ 75.59)
5 Share Capital	7,559.00
6 Reserve & Surplus	(-) 1,81,869.54
7 Total Assets	2,24,124.35
8 Total Liabilities	398,434.89
9 Investments	-
10 Turnover	-
11 Profit / (Loss) before taxation (including Other Comprehensive Income)	(-) 1,81,869.54
12 Provision for taxation	-
13 Profit / (Loss) after taxation (including Other Comprehensive Income)	(-) 1,81,869.54
14 Proposed Dividend	-
15 % of shareholding	100%

Notes:

- The operation from subsidiary is yet to start.
- None of the subsidiaries which have been liquidated or sold during the year

Part "B": Associates and Joint Ventures (JV)	Amount in lakh
1 Name of the Associates	Alca Vstyle Sdn. Bhd., Malaysia
2 Latest audited Balance Sheet Date	February 29 th , 2019
3 Shares of Associate/Joint Venture held by the Company on the year end	
a Number of Shares	340,000 ordinary shares of MYR 1/- each
b Amount of Investment in Associate/Joint Venture,	58,44,848
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 Sdn, 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 February 29 th , 2019	(-) 222.84
7 Profit / (Loss) for the year (including Other Comprehensive Income)	(-) 1,81,869.54
i Considered in Consolidation	(-) 22.81
ii Not Considered in Consolidation	(-) 44.28

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

Annexure-VI

Report on Corporate Governance - 2019-20

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 behaviour 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.

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 five executive directors and five independent directors.

A. The constitution of the Board is given below:

Promoter/ Executive/ Non-	Promoter/ Executive/ Non-Executive/Independent	No. of other Directorships in Public Limited Companies	Membership of Other Board
Jagdish Gupta	Promoter/Executive	-	-
Manit Gupta	Promoter/Executive	-	-
Sachin Bhatla	Executive	-	-
Manav Gupta	Executive	-	-
Satpal Garg	Non-Executive/Independent	-	-
Sonia Goyal	Non-Executive/Independent	-	-
Purva Kansal	Non-Executive/Independent	-	-
Renu Sood	Non-Executive/Independent	-	-
Vinod Kumar	Non-Executive/Independent	-	-
Sachin Kumar Bhartiya	Nominee	2	-

B. 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
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, assets and manage risks. Trade practices	Yes

S. No.	Experience / Expertise / Attribute	Comments	Status of availability with the Board
3	Strategy Planning and implementation	To understand goals of the company 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.

C. Board Meetings and Attendance

During the financial year the Board of Directors met 17 (seventeen) times during the financial year, on the following dates:

17-04-2019	30-09-2019
30-05-2019	12-11-2019
13-06-2019	04-12-2019
27-06-2019	10-01-2020
30-06-2019	21-01-2020
12-08-2019	07-02-2020
26-08-2019	24-02-2020
02-09-2019	11-03-2020
16-09-2019	

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	17	15	Yes
Manit Gupta	17	17	Yes
Manav Gupta	17	17	Yes
Sachin Bhatla	17	4	Yes
Sachin Kumar Bhartiya	11	1	No
Satpal Garg	17	15	Yes
Purva Kansal	17	9	Yes
Sonia Goyal	17	2	No
Vinod Kumar	17	3	No
Renu Sood	17	2	No
Ravinder Krishan	4	4	NA
Ashutosh Pradeep	4	0	NA

Independent Directors' Meeting:

In accordance with the provisions of Regulation 25(3) of the Listing Regulations, the meeting of Independent Directors during financial year 2019-2020 was on January 21st, 2020, in compliance with the procedural provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1). Mr. Satpal Garg, Ms. Purva Kansal, Mr. Vinod Kumar, Ms. Soniya Goyal attended the said meeting. The meeting was conducted to review the performance of the non-Independent directors and Board as a whole.

D. 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 31st, 2020, none of the Independent Directors was holding any shares of the Company.

Details of familiarisation programmes imparted to independent directors are available at the website of the Company at <https://www.stylam.com/about/investors>

E. Information supplied to the Board of Directors

During the financial year 2019-20, 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 and Attendance

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 March 31st, 2020 The terms of reference of the Committee are same as are described in Regulation 18 of Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, 6 Audit Committee meetings were held on 30-05-2019, 30-06-2019, 12-08-2019, 26-08-2019, 12-11-2019, 07-02-2020

The Attendance of Members at meetings was as under:

Name	Position	No. of Meetings held During the relevant period	No. of Meetings Attended
Satpal Garg	Chairman	6	6
Jagdish Gupta	Member	6	5
Purva Kansal	Member	6	6

CFO is permanent invitee to the Audit Committee.

Company Secretary acts as Secretary to the committee.

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 utilised 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

Composition

Name	Designation	Non-executive/Independent
Satpal Garg	Chairman	Non-Executive/Independent
Sonia Goyal	Member	Non-Executive/Independent
Purva Kansal	Member	Non-Executive/Independent

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

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.

Remuneration

Executive Directors

The details of remuneration including commission to all Executive Directors for the year ended on March 31st, 2019 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
Jagdish Gupta	Managing Director	132,00,000	-	-	-
Manit Gupta	Director	30,00,000	-	-	-
Manav Gupta	Whole Time Director	60,00,000	-	-	-
Sachin Bhatla	Director-Technical	13,22,388	-	-	-

Non-Executive Directors

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

Other Terms

- The Company has not granted any stock option to its Directors.
- 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.

Stakeholders Relationship Committee

The Board constituted 'Stakeholders Relationship Committee' as per Regulation 20 of Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition

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

Company Secretary provides secretarial support to the committee and is also the designated Compliance Officer for such matters

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.

Details of Complaints received

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

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.

Composition

The composition of the CSR Committee of the Board of Directors of the Company

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

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.

4. General Body Meeting

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue		Date	Time	No. of Special Resolution Passed
26 th	31.03.17	Chandigarh	Club, Sector-1, Chandigarh	29-09-2017	10:00AM	1
27 th	31.03.18	Chandigarh	Club, Sector-1, Chandigarh	28-09-2018	10:00AM	Nil
28 th	31.03.19	Chandigarh	Club, Sector-1, Chandigarh	30-09-2019	10:00AM	5

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

Annual General Meeting held on September 30th, 2019.

- To approve Re-appointment of Mr. Satpal Garg as an Independent Director for a period of five years till the conclusion of 33rd AGM of the company to be held in 2023-24
- Authorisation of sell property situated at Plot No. 19, Sector -22, Panchkula Technology Park, Panchkula
- To approve alteration in Articles of Association of the Company and to incorporate on Appointment of Nominee Director in Articles of Association of the Company
- To approve re-appointment of Shri Jagdish Gupta as Managing Director, for a period of five years till conclusion of 33rd AGM of the company of the company to be held in 2023-24
- To approve re-appointment of Mr. Manav Gupta as a whole time director for a period of five years w.e.f. June 27th, 2019
- To approve the amended Articles of Association of the Company

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. 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.

6. General Share-holder Information

1. The 30th Annual General Meeting is proposed to be held for the Financial Year: April 1st, 2020 to March 31st, 2021.
2. **Annual General Meeting for the Financial Year 2019-20**

A. Date	: September 29 th , 2020 (Tuesday)
B. Time	: 3.00 P.M.
C. Venue	: Through Video Conferencing ("VC")/Other Audio Visual Means("OAVM")
C. Financial Calendar	: April 1 st , 2019 to March 31 st , 2020
D. Book Closure Date	: Wednesday, September 23 rd , 2020 to Tuesday September 29 th , 2020 (both days inclusive)

3. Tentative Financial Calendar for 2020-2021

The financial year of the Company is for a period of 12 months from April 1st, 2020 to March 31st, 2021.

Board Meeting to take on record

First Quarterly results	July, 2020
Second Quarterly/Half Yearly results	November, 2020
Third Quarter results	February, 2021
Annual Results for the year ending on March 31 st , 2021	May, 2021
Annual General Meeting for the year ending on March 31 st , 2020	September, 2021

4. Listing of Equity Shares on Stock Exchange and Stock Code/Symbol: INE239C01012

The Equity Shares of the Company are presently listed on the Bombay Stock Exchange (BSE):

Address: BSE Limited, 25thFloor, Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai –400 001

Scrip Code: 526951.

5. Stock Market price data for the year on BSE

Stock Code: The Stock Code for the Company's shares is as follows:-

The Stock Exchange, Mumbai: Code : 526951

The ISIN Nos. for the Company's Shares : INE239C01012

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Qty	% Deli. Qty to Traded Qty	* Spread	
										H-L	c-o
Jun 19	728.40	744.30	650.00	658.15	21,483	611	1,51,30,198	18,347	85.40	94.30	-70.25
Apr 19	785.35	800.00	663.00	703.85	38,712	1,004	2,91,56,241	26,685	68.93	137.00	-81.50
May 19	704.00	744.00	641.50	728.40	95,365	932	6,72,52,788	87,876	92.15	102.50	24.40
Jun 19	728.40	744.30	650.00	658.15	21,483	611	1,51,30,198	18,347	85.40	94.30	-70.25
Jul 19	655.00	685.00	521.00	540.45	37,681	805	2,28,27,753	28,009	74.33	164.00	-114.55
Aug 19	521.00	599.00	461.00	515.85	28,463	983	1,42,73,607	23,101	81.16	138.00	-5.15
Sep 19	515.00	600.00	470.05	504.50	39,578	625	2,00,49,598	36,707	92.75	129.95	-10.50
Oct 19	533.95	589.90	481.00	500.05	29,789	556	1,49,37,588	27,867	93.55	108.90	-33.90
Nov 19	499.05	525.00	413.05	499.00	31,018	807	1,52,51,771	27,824	89.70	111.95	-0.05
Dec 19	510.00	544.00	420.05	524.90	32,315	607	1,61,03,679	27,461	84.98	123.95	14.90
Jan 20	510.00	543.45	470.00	483.35	27,996	791	1,42,08,900	25,964	92.74	73.45	-26.65
Feb 20	498.00	509.90	425.45	429.95	52,575	820	2,45,37,550	47,602	90.54	84.45	-68.05
Mar 20	405.05	434.00	212.05	257.70	1,42,607	1,324	4,82,69,538	1,07,475	75.36	221.95	-147.35

Source:www.bseindia.com

6. Distribution of Shareholding as on 31.03.2020

Range	No. of Shares	%age
1 - 500	426499	5.22
501-1000	195711	2.40
1001- 2000	179359	2.20
2001- 3000	142549	1.75
3001- 4000	30429	0.37
4001- 5000	78756	0.96
5001 - 10000	168359	2.06
10001& above	6944538	85.04
TOTAL	8166200	100.00

Comment: Listing of 307830 No of shares issued to shareholders of Golden Chem-Tech Limited, pursuant to approval of scheme of merger by Hon'ble NCLT, Chandigarh Bench, is pending.

7. Shareholding pattern of the Company as on 31.03.2020

Category	No. of Shares Held	%age of Shareholding
A Promoters	4307334	52.75
B Public Shareholding		
1 Institutions	543264	6.65
(i) Mutual Funds	0	0
(ii) Alternate Investment Funds	227568	2.78
(iii) Foreign Portfolio Investor	315696	3.86
2 Non-Institutions	3315602	40.60
(i) Individuals	1909122	23.37
(ii) HUF	49182	0.60
(iii) Foreign Companies	850000	10.40
(iv) NRIs	214247	2.61
(v) FPI	47477	0.58
(vi) Clearing Members	16822	0.20
(vii) Bodies Corporate	228752	2.80
C Total Public Shareholding (1+2)	3315602	47.25
TOTAL (A+C)	8166200	100.00

8. Dematerialisation 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 INE239C01012.

As on March 31st, 2020, 96.87% of the Company's total shares representing 7910267 No. of shares are held in dematerialised form and 3.13% representing 255933 No. of shares are in physical form.

Category	Number		% of total equity
	Shareholders	Shares	
Demat Mode			
NSDL	1908	7424072	90.91
CDSL	1103	486195	5.96
Total	3011	7910267	96.87
Physical Mode	528	255933	3.13
Grand Total	3539	8166200	100.00

Note: Pursuant to approval of Scheme of Amalgamation on February 11th, 2020, 307830 equity shares of the Company were allotted to the eligible shareholders of Golden Chem-Tech Limited i.e. the transferor company, as a result of which issued capital of the company has increased to 84740300 from 81662000. Listing approval of the issued shares is awaited. These shares are not considered in the above table.

9. Delegation of Share Transfer Formalities

The Board has delegated the power to approve share transfer in physical form under the signatures of any director or Company Secretary and confirmation of shares in demat mode to depositories/depositories participants by M/s Link Intime India Private Limited Registrar & Share Transfer Agent (RTA) of the Company. There are no transfers pending as on March 31st, 2020.

10. 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 April 1st, 2019 to March 31st, 2020: 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

11. Plant Locations

1. Stylam Industries Limited
Plot No 192-193 Industrial Area Phase-I
Panchkula -134108(Haryana)
2. Stylam Industries Limited
Manaktabra, Tehsil Raipur Rani,
Distt. Panchkula (Haryana)

12. 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:

Stylam Industries Limited SCO 14, Sector 7-C, Madhya Marg Chandigarh -160019 Tele: 0172-5021555 Email: info@stylam.com	Mr. Sunil Mishra Link In-time India Private Limited 44, Community Centre, 2 nd Floor, Naraina Industrial Area, Phase-I, Near PVR Cinema, New Delhi - 110 028 Tele: 011-41410592-93-94 Email: delhi@linkintime.co.in
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13. Name and Designation of Compliance Officer

Ms. Srishty Chaudhary Compliance Officer Email id: cs@stylam.com Contact No.: 0172- 5021555
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Means of Communication

- Half-Yearly Report is not sent to each shareholder as half yearly results are intimated to Stock Exchanges.
- The Quarterly Results are usually published in Financial Express (English), Chd edition in (English) and Jansatta (vernacular), Chd edition.
- Information released to the press at the time of declaration of results is also sent to Stock Exchange where the shares of the Company are listed for the benefit of investors.
- Management Discussion and Analysis forms part of the Annual Report.

7. Other Disclosures

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.

Compliance

There has been no non-compliance, penalties or strictures imposed on the Company by Stock Exchanges and/or SEBI and/or any other Statutory Authorities, on any matter related to capital markets during the last three years.

Vigil Mechanism

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 victimisation, 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 victimisation, harassment or disciplinary proceedings. The Whistle Blower Policy is available on the website of the Company.

Mandatory/Non-mandatory requirements

The company is complying with all the mandatory requirements as per Schedule V of Listing Regulations. Compliance with discretionary requirements is covered under the point covering the same.

Web link on dealing with Related Party Transactions

The web link for the policy on dealing with related party transactions is <https://www.stylam.com/about/investors>

Details of Utilisation of funds raised through preferential allotment or qualified institutional placement:

The Company had raised public money through preferential allotment in the year 2017-18 and proceeds realised from the same were used for improving business' financial position.

Certificate of Non-disqualification of directors

A certificate has been obtained from the Practicing Company Secretary of the Company pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same is annexed to this report as 'Annexure A'

Recommendations of committee not accepted by Board which is mandatorily required to be accepted by the Board:

The Board has considered and accepted the recommendations given by the various committees of the company, as and when submitted to the Board for approval during the year under review.

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. The said code is available on the Company's website at www.stylam.com

Disclosure under 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 2019-20:

- 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

The Company is complying with all the provisions of corporate governance as specified in regulation(s) 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

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 to this annual report.

Compliance with Code of Conduct

Declaration signed by 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 has been obtained and the same is annexed to this report as 'Annexure B'

Practicing Company Secretary's Certificate on Corporate Governance

A certificate has been obtained from the Practicing Company Secretary of the Company regarding compliance with the provisions relating to Corporate Governance laid down in SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges. The same is annexed to this report as 'Annexure C'

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

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 March 31st, 2020 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company
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	Sonia Goyal	02158820	07/03/2015
6	Sachin Kumar Bhartiya	02122147	16/09/2019
7	Sachin Bhatla	08182443	23/07/2018
8	Purva Kansal	08205836	28/09/2018
9	Vinod Kumar	08576194	30/09/2019
10	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.

Place: Chandigarh
Date: July 20th, 2020

sd/-
Sanjiv Kumar Goel
Practicing Company Secretary
Membership No.: FCS 2107
CP No.: 1248

Annexure–B

**Declaration by the Managing Director and CEO 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 31st, 2020 .

Place: Chandigarh
Date: August 27th, 2020

sd/-
Jagdish Gupta
Managing Director & CEO

Annexure-C

AUDITORS 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

I have examined the compliance of the conditions of Corporate Governance by Stylam Industries Limited, Chandigarh for the year ended on March 31st, 2020 as stipulated in Regulation E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to the 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.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

I state that in respect of investors' grievances received during the year ended March 31st, 2020, no investors' grievances are pending against the Company, as per the records maintained by the Company and presented to the Investors' / Shareholders' Grievance Committee.

I 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.

Place: Chandigarh
Date: July 20th, 2020

sd/-
Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No.: 2107
CP NO.: 1248

Annexure-VII

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – March 31st, 2020Pursuant 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 authorised 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 31st, 2020 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 31st, 2020 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 to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (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 to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
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 the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India, effective from July 1st, 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 1st, 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:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of the scheduled Board Meeting, agenda of the meeting along with detailed notes on agenda, is given to all the directors, at least seven days in advance, and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting so as to ensure meaningful participation at the meeting.
3. 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.
4. 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.
5. 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 except as follows:
 - The company in the year 2017, filed with NCLT, a scheme of amalgamation under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, between Golden Chem-Tech Limited (Transferor Company) (GCL), and Stylam Industries Limited (Transferee Company) (SIL), and their respective Shareholders and Creditors.
 - The shareholders and creditors of the Company approved the Scheme in their respective NCLT convened meetings held on January 9th, 2019.
 - NCLT, Chandigarh Bench approved Scheme vide its order dated February 11th, 2020 and the scheme became effective from February 25th, 2020 i.e. upon filing of the certified copy with the Registrar of Companies, Chandigarh. The appointed date of the scheme as approved by NCLT is September 30th, 2017.

Place: Chandigarh
Date: July 20th, 2020

sd/-
Sanjiv Kumar Goel
Practicing Company Secretary
FCS No.: 2107
CP NO.: 1248

Annexure–VIII

**Certification by Chief Executive Officer 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 & Chief Executive Officer 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 March 31st, 2020 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 violative 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 in internal control over financial reporting during the year;
 - (b) significant changes 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 of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Chandigarh
Date: August 27th, 2020

sd/-
Jagdish Gupta
Managing Director & CEO

sd/-
Sanjeev Vaid
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 2020, 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, 2020, 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 statement.

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

Revenue Recognition

The Company recognises 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 recognised in the correct period or that revenue and associated profit is misstated.

Auditor's Response

- 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 recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions.

The Key Audit Matter

Auditor's Response

Fair value Measurement

In FY 2019, company has capitalised receivable from one of its customer in Singapore.

This capitalisation 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 capitalisation 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.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

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.

Other Matters

Pursuant to approval of Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor company) and the Company, by Hon'ble NCLT, Chandigarh Bench, with effective date from September 30, 2017. The Financial Statement of Transferor company was prepared in accordance with Generally accepted accounting principles (GAAP). The audit of the Transferor Company for the Financial Year ending on March 31, 2019 and previous year ended on March 31, 2018 was conducted by other auditor. The auditor of the Transferor company expressed unmodified opinion on these Financial Results.

The Statement for the corresponding preceding year ended March 31, 2019, has been re-grouped, re-classified, re-casted and prepared in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act 2013 read with relevant rules issued there under, which expressed an unmodified opinion on those audited standalone financial results/statements.

The transfer of Assets and liabilities of the Transferor Company in the Company has been done as prescribed under Indian Accounting Standards (IndAS) 103.

Our opinion on the Statement is not modified in respect of the above matters.

Report on Other and Regulatory Requirements

1. 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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

- A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
- (h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (i) 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 29th June 2020
Place: Chandigarh

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Stylam Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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

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, 2020, 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: 29th June 2020
Place: Chandigarh

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 Under 'Report on other Legal and Regulatory Requirements' of our Report of Even Date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) 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) 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
- ii. 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.
- iii. According to the information and explanations given to us, the Company has granted loans, unsecured, to one of its wholly owned subsidiary company, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - (c) There is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
- 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, 2020 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, 2020 on account of disputes are given below:

Name of the statute	Amount (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	₹ 87.49*	AY 2013-14	Tribunal
Income Tax Act, 1961	₹ 130.00*	AY 2014-15	Tribunal
Income Tax Act, 1961	₹ 43.31*	AY 2017-18	CIT (Appeals)
Custom Duty	₹ 2,058.72	13-10-2017 to 10-01-2019	DRI

* Net of amount paid under protest

- viii. 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.
- ix. The Company did not have any term loans outstanding during the year. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 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. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- 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. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

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

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 29th June 2020
Place: Chandigarh

Balance Sheet

as at March 31st, 2020

	Note	As at March 31 st , 2020	As at March 31 st , 2019
₹ in lakh			
ASSETS			
Non-current assets			
Property, plant and equipment	3	19,495.29	18,448.83
Capital work in progress		1,118.63	1,268.02
Investment Property	4	-	4,898.25
Financial assets			
Investments	5.1	149.85	114.14
Loans and advances	5.2	126.01	103.62
Other bank balances	5.6	-	936.40
Other non-current assets	7	167.70	735.04
		21,057.49	26,504.30
Current assets			
Inventories	8	6,673.05	6,622.81
Financial assets			
Trade receivables	5.4	8,738.75	7,892.84
Cash and cash equivalents	5.5	600.22	158.77
Other bank balances	5.6	11.32	61.83
Other financial assets	5.3	0.91	6.33
Other current assets	7	2,447.63	2,568.12
		18,471.88	17,310.70
TOTAL ASSETS		39,529.37	43,815.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	847.40	847.40
Other equity		19,579.43	17,703.74
		20,426.83	18,551.14
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10.1	3,565.37	9,764.31
Provisions	11	200.92	156.15
Deferred tax liabilities (net)	6	1,343.34	1,341.10
Other non current liabilities	12	657.84	683.57
		5,767.48	11,945.13
Current liabilities			
Financial liabilities			
Borrowings	10.2	5,853.49	7,212.69
Trade payables	10.3	3,551.23	2,735.35
Other financial liabilities	10.4	2,593.93	1,978.83
Other current liabilities	12	910.87	721.02
Provisions	11	79.46	50.86
Current tax liabilities (net)	13	346.08	619.98
		13,335.06	13,318.73
TOTAL EQUITY AND LIABILITIES		39,529.37	43,815.00
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

CA Sandeep Kumar Goel
Partner
Membership No. 099212

Jagdish Gupta
Managing Director

Manit Gupta
Director

Date: June 29th, 2020
Place: Chandigarh

Sanjeev Vaid
CFO

Srishty Chaudhary
CS & Compliance Officer

Statement of Profit and Loss

for the year ended March 31st, 2020

	Notes	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh			
Income			
Revenue from operations	14	46,214.84	46,062.04
Other income	15	97.44	161.69
Total Income		46,312.28	46,223.73
Expenses			
Cost of raw materials consumed	16	24,169.49	26,052.00
(Increase) / decrease in inventories	17	714.27	(77.39)
Purchase of Stock in Trade		22.35	23.88
Employee benefit expenses	18	3,754.31	3,029.60
Finance costs	21	1,090.38	1,140.78
Depreciation and amortisation expense	20	2,098.49	1,821.17
Other expenses	19	9,591.12	9,045.22
Total Expenses		41,440.41	41,035.27
Profit before exceptional items and tax		4,871.86	5,188.46
Exceptional Items		(1,521.25)	-
Profit before Tax		3,350.61	5,188.46
Tax expense			
Current tax		1,296.78	1,520.04
Tax of Earlier Years		163.91	(107.21)
MAT Credit Entitlement		-	-
Deferred tax charge	6	(0.91)	(105.94)
Total tax expense		1,459.78	1,306.89
Profit for the year		1,890.84	3,881.57
Share of Profit/ (Loss) of associates and joint ventures		(22.82)	-
Other Comprehensive Income			
Other comprehensive income to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit obligations		10.81	8.02
Net (loss) gain on FVTOCI Investment		-	-
Deferred tax charge		(3.15)	2.80
Income tax effect		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years (net of tax)		7.66	10.82
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		1,875.68	3,892.40
Earnings per equity share in INR computed on the basis of profit for the year	22		
Basic		22.31	47.53
Diluted		22.80	47.53
Significant accounting policies and key accounting estimates and judgements	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

Jagdish Gupta

Managing Director

Manit Gupta

Director

Date: June 29th, 2020

Place: Chandigarh

Sanjeev Vaid

CFO

Srishty Chaudhary

CS & Compliance Officer

Statement of Changes in Equity

for the year ended March 31st, 2020

(a) Equity share capital

	Balance as at April 1 st , 2019	Changes during the year*	Balance as at March 31 st , 2020
	81,66,200.00	3,07,830.00	84,74,030
	Balance as at April 1 st , 2018	Changes during the year	Balance as at 31.03.2019
	81,66,200.00	-	81,66,200

* Pursuant to approval of the Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor Company) and Stylam Industries Limited (Transferee Company) by the Hon'ble NCLT, Chandigarh Bench on February 11th, 2020, 307,830 equity shares of ₹ 10/- each have been allotted to the shareholders of the Transferor Company.

(b) Other equity

₹ in lakh

Particulars	Reserve & Surplus					Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	Equity component of compound financial instruments	
Balance as at April 1st, 2018	705.97	5,023.50	8,049.18		32.69	13,811.34
Premium on Shares issued during the year		-	-			-
Profit for the year			3,881.57			3,881.57
Other Comprehensive Income for the year				10.82		10.82
Other Transfers			7.66		(7.66)	-
Balance as at March 31st, 2019	705.97	5,023.50	11,938.41	10.82	25.04	17,703.74
Balance as at April 1st, 2019	705.97	5,023.50	11,938.41	10.82	25.04	17,703.74
Profit for the year			1,890.84			1,890.84
Transfer from Other Comprehensive Income			10.82			10.82
Transfer to Retained Earnings				(10.82)		(10.82)
Share of Profit/ (Loss) of associates and joint ventures			(22.82)			(22.82)
Other Comprehensive Income for the year				7.66		7.66
Other transfers			7.08		(7.08)	-
Balance as at March 31st, 2020	705.97	5,023.50	13,824.34	7.66	17.95	19,579.43

Nature and purpose of other equity

Capital Reserve:

Capital reserve is created on merger of Golden Chem-Tech Limited with the Company, as per order of National Company Law Tribunal. The amount represents the excess of net assets acquired over the cost of consideration.

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in Securities Premium

Retained Earnings:

Retained earnings are the profits that the Company has earned till date.

Equity component of Compound Financial Instrument

The fair value change of the debt instruments measured at fair value through Equity component of compound financial instrument. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss Account.

Items of Other Comprehensive Income

Remeasurements of defined benefit obligation:

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

Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

As per our report of even date attached
For **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

Date: June 29, 2020
Place: Chandigarh

Jagdish Gupta
Managing Director

Manit Gupta
Director

Sanjeev Vaid
CFO

Srishty Chaudhary
CS & Compliance Officer

Statement of Cash Flow

for the period ended March 31st, 2020

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
A Cash Flow from operating activities:		
Profit/(loss) before extraordinary & exceptional items and tax	4,871.86	5,188.46
Adjustments for:		
- Unrealised foreign exchange loss/(gain) (net)	(109.05)	-
- Finance costs	929.52	761.08
- Depreciation and amortisation expense	2,098.49	1,821.17
- Interest Income	(22.88)	(16.45)
- Loss/ (Gain) on sale of Fixed Assets (net)	3.35	18.85
Operating Profit before working capital changes	7,771.29	7,773.11
Movements in working capital:		
Adjusted for:		
Trade & Other Receivables	(719.99)	(2,310.48)
Inventories	(50.24)	(532.68)
Trade & Other Payables	1,323.90	(1,229.49)
Net cash generated from operations	8,324.96	3,700.46
Payment of direct taxes (net)	(1,734.59)	(854.47)
Net cash from operating activities (A)	6,590.37	2,845.99
B Cash Flow from investing activities:		
Payment for Tangible Assets (including capital work in progress and capital advances)	(2,444.86)	(4,561.54)
Proceeds from sale of PPE	13.30	38.98
Proceeds from sale of Investment Property	3,377.00	-
Payment for investments in subsidiary and joint venture	(58.52)	-
Maturity/ (Investment) in fixed deposits	986.90	(886.13)
Proceeds/(Investment) from/ in other assets	(22.39)	(108.53)
Proceeds/(Investment) from/ in other activities	19.05	246.49
Interest received	22.88	16.45
Net cash from/ (used in) investing activities (B)	1,893.36	(5,254.28)
C Cash Flow from financing activities:		
Proceeds from issue of share capital		
Proceeds from long-term borrowings	-	4,633.92
Repayment of long term borrowings	(5,753.56)	(1,174.29)
Proceeds/ (Repayment) from short-term borrowings	(1,359.20)	(453.04)
Borrowing costs paid		
- Interest paid	(929.52)	(761.07)
Net cash from/ (used in) financing activities (C)	(8,042.28)	2,245.52
Net increase/(decrease) in cash and cash equivalents (A+B+C)	441.45	(162.77)
Cash and cash equivalents at the beginning of the period	158.77	321.54
Cash and cash equivalents at the closing of the period	600.22	158.77

Statement of Cash Flow

for the period ended March 31st, 2020

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
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 5.5) are as under:		
Cash in hand	1.00	0.64
Balances with scheduled banks		
- On current accounts	544.38	158.13
- Deposits with original maturity of upto 3 months	54.84	
Cash and cash equivalents	600.22	158.77

Repayment of Term Loan for the year ended March 31st, 2020 is net of proceeds and repayment of loan during the year.

As per our report of even date attached

For **Mittal Goel & Associates**

Chartered Accountants

CA Sandeep Kumar Goel

Partner

Membership No. 099212

Jagdish Gupta

Managing Director

Manit Gupta

Director

Date: June 29th, 2020

Place: Chandigarh

Sanjeev Vaid

CFO

Srishty Chaudhary

CS & Compliance Officer

Notes to the Standalone Financial Statements

for the year ended March 31st, 2020

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). 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 31st, 2020 were approved for issue in accordance with the resolution of the Board of Directors on June 29th, 2020.

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 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.

Estimation of COVID-19 induced uncertainty and its impact

The outbreak of unprecedented COVID-19 pandemic has worsened the overall economic conditions and caused significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities throughout the country and therefore discernible adverse effect of the same could also be witnessed as far as business operations of the Company in terms of production and sales is concerned. While preparing the accompanying financial results, the Company's management was required to make judgements, estimates and assumptions that affected the application of policies and reported amounts of assets, liabilities, equity, income and expenses. While drawing assumptions about the possible future uncertainties that might occur in the global economic conditions, the Company, after taking into consideration the impact of the infamous pandemic, has evaluated both internal as well as external factors that can have an effect on the future performance of the company. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets.

Though, given the uncertainty of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results. The management will be closely monitoring the situation as it evolves.

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;

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

- 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 realisation 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.

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 amortisation 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 August 29th, 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 amortised on a Straight Line basis over the estimated useful economic life. The intangible assets are assessed as having an estimated life of 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 continuous 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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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

(f) Investments in Subsidiaries, and Associates

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

(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 realisable value.

Net realisable 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.

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 in 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.

- *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.
- *De-recognition*
A financial liability is derecognised when the obligation specified in the contract expires or is discharged or cancelled.
- *Derivative financial instruments and Hedge Accounting*
Derivative financial instruments are in the nature of Forward contracts and Interest rate swaps. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies. Interest rate swaps are executed to hedge the interest rate with respect to borrowings in foreign currencies.

Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from banking partners. Gain or loss arising from the changes in fair value of derivatives are debited to the foreign exchange fluctuations in the statement of profit and loss.

(i) Equity

Equity Shares are classified as equity.

The share issue expenses and expenses related to Scheme of Arrangement where the specific amortisation is not stipulated in the scheme

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

or agreement are charged in the year in which it is incurred.

(j) 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.

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

(k) Valuation of deferred tax liabilities

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

(l) Provision and contingent liabilities

A provision is recognised when the Company has a present obligation as resulting from 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.

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.

(m) Revenue recognition

- **Sale of products**

Revenue from sale of products is recognised 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 recognised in Profit & Loss Account on a systematic basis over the periods in which the Company recognises 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.

(n) Expenditure

Expenses are accounted on accrual basis.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

(o) 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 while setting the 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 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 utilised 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.

(p) 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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

- **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.

(q) Finance costs

Borrowing costs include exchange differences arising from foreign currency borrowings that are adjusted in the Profit and Loss account. 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 on the Interest free loan taken from promoters and others has been derived on the basis of the rate of interest prevalent in the market at the time of availing loan, divided by the total tenure of the loan. The interest for the period is charged to the Statement of Profit and Loss.

(r) 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.

(s) Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders of the Company with the number of equity shares outstanding during the financial year.

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

(t) Business Combination

The company accounts for its business combinations under Pooling of interest Method, 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 has 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 31st March 2020

3. Property, plant and equipment

	Land- Freehold	Building -Factory	Building -Others	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Intangible	Total
₹ in lakh										
At amortised Cost										
Cost/Deemed cost as at April 1st, 2019	1,745.17	4,397.23	369.11	15,863.44	1,156.43	282.52	717.78	195.18	475.72	25,202.58
Additions	269.56	332.84	-	2,401.69	4.06	-	143.97	6.50	-	3,158.63
Disposals				(19.31)			(31.29)			(50.60)
Cost/Deemed cost as at March 31st, 2020	2,014.73	4,730.07	369.11	18,265.13	1,141.18	282.52	830.46	201.68	475.72	28,310.61
Additions										-
Accumulated Depreciation										
Accumulated depreciation as at April 1st, 2019	-	588.40	27.97	5,206.22	275.14	112.02	284.19	135.97	123.86	6,753.76
Charge for the year	-	154.54	5.86	1,665.26	119.01	26.35	59.47	20.43	47.57	2,098.49
Disposals				(15.53)			(21.39)			(36.93)
Total accumulated depreciation as at March 31st, 2020	-	742.93	33.83	6,871.48	378.62	138.36	322.27	156.40	171.43	8,815.32
Net Block										
Net carrying value as at April 1st, 2019	1,745.17	3,808.83	341.14	10,657.22	881.29	170.51	433.60	59.21	351.86	18,448.83
Net carrying value as at March 31st, 2020	2,014.73	3,987.14	335.28	11,393.66	762.56	144.16	508.19	45.28	304.29	19,495.29

Notes:

For lien/charge against property, plant and equipment refer note 10.1 and 10.2.

The block of Fixed Assets includes the Assets of Golden Chem-Tech Limited. After merger the assets of Golden Chem-Tech Limited has been recognised as assets of the company. Refer Note No. 28 about Business Combination

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

3.1 Property, plant and equipment

	Land- Freehold	Building -Factory	Building -Others	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Intangible	Total
₹ in lakh										
At amortised Cost										
Cost/Deemed cost as at April 1st, 2018	1,678.02	4,177.52	358.27	13,578.97	1,147.90	268.44	765.54	194.23	184.46	22,353.33
Additions	75.92	219.71	10.84	2,344.55	8.53	14.09	41.17	1.89	291.26	3,007.95
Disposals	(8.76)	-	-	(60.08)	-	-	(88.92)	(0.94)	-	(158.70)
Cost/Deemed cost as at March 31st, 2019	1,745.17	4,397.23	369.11	15,863.44	1,156.43	282.52	717.78	195.18	475.72	25,202.58
Accumulated Depreciation										
Accumulated depreciation as at April 1st, 2018	-	441.08	22.27	3,827.22	170.09	86.80	279.95	106.42	90.85	5,024.68
Charge for the year	-	147.31	5.70	1,416.55	105.05	25.22	58.09	30.24	33.01	1,821.17
Disposals	-	-	-	(37.55)	-	-	(53.86)	(0.69)	-	(92.10)
Accumulated depreciation as at March 31st, 2019	-	588.40	27.97	5,206.22	275.14	112.02	284.19	135.97	123.86	6,753.76
Net Block										
Net carrying value as at April 1st, 2018	1,678.02	3,736.44	336.00	9,751.75	977.81	181.64	485.58	87.81	93.61	17,328.66
Net carrying value as at March 31st, 2019	1,745.17	3,808.83	341.14	10,657.22	881.29	170.51	433.60	59.21	351.86	18,448.83

Notes:

For lien/charge against property, plant and equipment refer note 10.1 and 10.2.

The block of Fixed Assets includes the Assets of Golden Chem-Tech Limited. After merger the assets of Golden Chem-Tech Limited has been recognised as assets of the company. Refer Note No.28 about Business Combination

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

4. Investment Property At Fair Market Value

	As at March 31 st , 2020	As at March 31 st , 2019
Property held for Sale	-	4,898.25
Total	-	4,898.25

₹ in lakh

The Company has disposed off its property located at Plot No. 19, Sector-22, Panchkula Information Technology Park, Panchkula, at a consideration of ₹ 3,377.00 lakh. The loss on sale for ₹ 1,521.25 lakh is booked under Exceptional Item in Profit & Loss Account.

5. Financial assets

5.1 Non-current investments Un-quoted investment

	Nos. of shares as at March 31 st , 2020	As at March 31 st , 2020	As at March 31 st , 2019
Investment carried at fair value			
Equity Investment			
A. Subsidiary			
- Un-quoted, Fully paid-up			
- Stylam Asia Pacific Pte Ltd - Equity shares of US\$ 1 each	100	0.07	-
B. Associate			
Investment in Equity Instruments (at Cost)			
- Un-quoted, Fully paid-up			
- Alca Vstyle Sdn. Bhd, Malaysia	340,000	35.64	-
C. Others			
- Un-quoted			
- Serrano Limited, Singapore*	6,575,711	102.37	102.37
(fair value SGD 0.031 per share)			
- Serrano Limited, Singapore**	756,199	11.77	11.77
(fair value SGD 0.031 per share)			
Total investment		149.85	114.14

₹ in lakh

A. The company has formed wholly owned subsidiary with an authorised capital of USD100.0.

B. The company has acquired 34% stake in Associate company. This company is engaged into trading of commercial and industrial furniture & fixtures.

C. Others

* 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 Arrangement was filed with High Court in Singapore under Section 210 of Singapore's Companies Act

Under Shares Distribution Scheme 6,575,711 No of shares (as on March 31st, 2019 6,575,711 Nos.) were allotted to the company. These 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 March 31st, 2019 SGD 0.031 per share), the same value is considered for arriving fair value of share.

** Under the distribution Scheme 756,199 Nos. of shares were allotted to Golden Chem-Tech Limited (as on March 31st, 2019 756,199 Nos.). Pursuant to approval of Scheme of Amalgamation by Hon'ble NCLT, Chandigarh Bench, all investments of Golden Chem-Tech Limited are treated as investments of the company.

When the distribution of shares was made company did not have any presence in Singapore, And as per procedure in Singapore allotment of shares is allowed in dematerialised form, for which company needs to have presence in Singapore. When the allotment of shares were made as per the scheme, company did not have presence in Singapore. So, these shares were assigned in the name of individual person who is resident of Singapore. At that time it was mutually agreed that the person in concert shall hold shares as custodian on behalf of company. Now as the company has formed WOS in Singapore, the company has initiated to get the shares registered in the name of that WOS.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

5.2 Loans and advances (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured and considered good				
Security deposits	126.01	103.62	-	-
	126.01	103.62	-	-

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

5.3 Other financial assets (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Interest accrued	-	-	0.91	6.33
	-	-	0.91	6.33

5.4 Trade receivables (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured, considered good				
Trade receivables	-	-	8,738.75	7,892.84
	-	-	8,738.75	7,892.84

5.5 Cash and cash equivalents

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Cash in hand	-	-	1.00	0.64
Balances with banks:				
- On current accounts	-	-	544.38	158.13
- Deposits with original maturity of upto 3 months	-	-	54.84	-
	-	-	600.22	158.77

5.6 Other bank balances

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
- Deposits with original maturity of upto 3 months (pledged with Bank)	-	-	9.81	60.41
- Deposits with original maturity of upto 3 months (pledge with Bank)	-	-	1.51	1.42
- Deposits with original maturity of more than 3 months	-	936.40	-	-
	-	936.40	11.32	61.83

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.

Non-current deposits represents deposit with Bank out of disbursed ECB

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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 lakh

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	Recognised in OCI	Closing balance
Deferred tax assets				
Compensated absences & retirement benefits	60.09	6.41	(3.15)	63.35
Expenses allowed for tax purposes when paid	10.84	(2.19)	-	8.65
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	70.93	4.22	(3.15)	72.00
Deferred tax liabilities				
Property, plant and equipment and intangible assets	1,399.78	(2.74)	-	1,397.04
Others	12.25	6.05	-	18.30
Total deferred tax liabilities	1,412.03	3.31	-	1,415.34
Deferred tax assets/ (liabilities) (net)	(1,341.10)	0.91	(3.15)	(1,343.34)
Includes effect of change in Tax Rates	-	-	-	-

Reflected in Balance Sheet

	March 31 st , 2020	March 31 st , 2019
Deferred Tax assets	71.99	70.93
Deferred Tax Liabilities	1,415.34	1,412.03
Deferred Tax Liabilities (net)	1,343.34	1,341.10

7. Other Assets

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured and considered good				
Capital advances	123.28	652.13	-	-
Advance to Suppliers	-	-	231.32	246.35
Staff Advances	-	-	2.25	2.64
Other Advances	30.72	45.80	28.17	-
Prepaid expenses	-	-	29.69	31.02
Balances with statutory/government authorities bodies	9.80	2.34	-	63.71
Export incentive receivable	-	-	56.74	363.62
GST Recoverable	-	-	1,995.38	1,703.12
Ancillary cost of arranging the borrowings	-	34.76	-	7.48
Income tax Refundable	-	-	68.06	68.51
MAT Credit	-	-	-	51.70
Income tax paid under Appeal	-	-	36.02	29.97
Recoverable from Others	3.90	-	-	-
	167.70	735.04	2,447.63	2,568.12

Advance with statutory / government bodies relate to input credit entitlements

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

8. Inventories

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Raw materials	-	-	4,823.71	4,356.82
Work-in-progress	-	-	86.87	336.98
Finished goods	-	-	1,003.01	1,467.17
Material In Transit	-	-	563.63	267.77
Fuel Coal & Diesel	-	-	80.51	33.85
Packing & Stores	-	-	115.32	160.22
Total	-	-	6,673.05	6,622.81

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

9. Equity share capital

₹ in lakh

	As at March 31 st , 2020	As at March 31 st , 2019
Authorised*		
9,704,000 (March 31 st , 2019: 9,704,000) equity shares of ₹ 10/-each	970.40	970.40
Issued, subscribed and fully paid up shares		
8,474,030 (March 31 st , 2019: 8,166,200) equity shares of ₹ 10/-each	847.40	816.62
Approval Pending **		
Listing approval pending of 3,07,830 equity shares allotted pursuant to approval of scheme of amalgamation by the Hon'ble NCLT Chandigarh bench on February 11 th , 2020		
3,07,830 equity shares of ₹ 10/-each	-	30.78
Total issued, subscribed and fully paid-up share capital	847.40	847.40

* Pursuant to approval of the Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor Company) and Stylam Industries Limited (Transferee Company) by the Hon'ble NCLT, Chandigarh Bench, on February 11th, 2020, Authorised Capital of Golden Chem-Tech Limited has been clubbed with Authorised Capital of Stylam Industries Limited w.e.f. 30.09.2017 i.e. the date appointed for implementation of the Scheme of Amalgamation. Hence, the Authorised Capital has been reclassified from 8,550,000 shares of ₹ 10/- each to 9,704,000 shares of ₹ 10/-each for March 31st, 2020 and March 31st, 2019

**Pursuant to approval of the Scheme of Amalgamation, 307,830 were shares allotted at the Board Meeting held on March 11th, 2020, listing approval of which is still awaited

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

₹ in lakh

	As at March 31 st , 2020		As at March 31 st , 2019	
	Number	Amount	Number	Amount
At the beginning of the year	8,166,200	816.62	8,166,200	816.62
Issued during the year	307,830	30.78		
Approval Pending			307,830	30.78
Outstanding at the end of the year	8,474,030	847.40	8,474,030	847.40

(b) Terms/ rights attached to equity shares

The company has single class of shares referred to as equity shares having par value of ₹ 10 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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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

	As at March 31 st , 2020		Change in shareholding		As at March 31 st , 2019	
	Number	% of total shares	Shares allotted pursuant to approval of scheme of Amalgamation	Shares purchased from open market	Number	% of total shares
Equity shares of ₹ 10 each fully paid						
Jagdish Gupta	1,073,181	12.66%	71,833	15,898	985,450	12.07%
Satish Gupta	868,963	10.25%	-	-	868,963	10.64%
Light House Emerging India Investor Ltd	850,000	10.03%	-	-	850,000	10.41%
Usha Gupta	714,250	8.43%	1,375	-	712,875	8.73%
Pushpa Gupta	785,539	9.27%	234,569	-	550,970	6.75%

Pursuant to approval of Scheme of Amalgamation by the NCLT, Chandigarh Bench, 307,830 shares have been issued to the shareholders of the Transferor company. Listing Approval of these shares is awaited.

Pursuant to acquisition of 15,898 shares from the open market, out of which 3,278 shares got transferred in the name of the concerned shareholder before March 31st, 2020 and the remaining 12,620 shares were transferred after March 31st, 2020

Detail of last five years Share transactions

	₹ in lakh					
	2019-20	2018-19	2017-18	2016-17	2015-16	2013-14
Share Issue as Bonus	-	-	-	-	-	-
Preferential allotment	-	-	850,000	-	-	-
Scheme of Amalgamation	307,830	-	-	-	-	-
Shares forfeited	-	-	-	-	-	-
ESOP	-	-	-	-	-	-

Financial Liabilities

10.1 Long-term borrowings (at amortised cost)

	₹ in lakh			
	Non-Current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Secured - At Amortised Cost				
From Banks				
Foreign Currency Loans				
Foreign Currency Loans -(1)	532.81	433.77	132.43	60.82
Foreign Currency Loans -(2)	1,144.17	1,070.26	427.74	93.18
Foreign Currency Loans -(3)	1,051.67	1,338.69	350.56	83.67
Foreign Currency Loans -(4)	-	1,007.70	-	-
Foreign Currency Loans -(5)	-	1,538.46	-	-
Foreign Currency Loans -(6)	-	1,543.72	-	349.52
Rupee Loans				
Rupee Loan -(1)	-	180.96	-	31.93
Rupee Loan -(4)	741.43	184.83	400.00	400.00
Rupee Loan -(5)	-	176.09	-	465.00
Vehicle Loans	14.82	44.32	29.50	41.29

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

₹ in lakh

	Non-Current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured - At Amortised Cost				
Rupee Loans				
From Banks - (7)	-	798.00	-	402.00
From Promoters - (8)	-	1,298.72	239.78	-
From Related Parties - (8)	-	75.40	848.34	-
From others - (9)	80.47	73.39	-	-
	3,565.37	9,764.31	2,428.35	1,927.41
The above amount includes				
Secured borrowings	3,484.90	7,518.80	1,340.23	1,525.41
Unsecured borrowings	80.47	2,245.51	1,088.12	402.00
Amount disclosed under the head "Other financial liabilities" (note 11.4)	-	-	(2,428.35)	(1,927.41)
Net amount	3,565.37	9,764.31	-	-

Terms of repayment of Non-current and current borrowings

- Foreign Currency Loan amounting to ₹ 665.24 lakh (March 31st, 2019: ₹ 494.59 lakh) and Rupee loan amounting to ₹ Nil (March 31st, 2019: ₹ 212.90 lakh) is repayable in 69 monthly installments. The repayment of the loan commenced from August 2019
- Foreign Currency Loan amounting to ₹ 1,571.93 lakh (March 31st, 2019: ₹ 1,163.43 lakh) is repayable in 48 monthly installments. The repayment of commenced from October 2019.
- Foreign Currency Loan pertaining to External Commercial Borrowing amounting to ₹ 1,402.22 lakh (March 31st, 2019: ₹ 1,422.36 lakh) is repayable in 17 quarterly installments. The repayment started from February 2020.
- Rupee Term Loan amounting to ₹ 1,141.43 lakh (March 31st, 2019: ₹ 584.83 lakh) and Foreign Currency loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,007.70 lakh). This loan was part of borrowings of Golden Chem-Tech Limited. After merger the amount is transferred in the books of company. The loan is repayable in 20 quarterly installments. As per terms of sanction, the loan will be fully repaid by January 2023.
- Rupee Term Loan amounting to ₹ Nil (March 31st, 2019: ₹ 641.09 lakh) and Foreign Currency Loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,538.46 lakh) has been repaid in full out of the proceeds realised from sale of property and/or internal accruals of the company. The loan was otherwise repayable on 24 quarterly installment. The repayment of loan commenced from April 2017
- Foreign Currency Loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,893.23 lakh) has been fully repaid out of the proceeds realised from sale of property and/or internal accruals of the company. Otherwise the loan was repayable in 84 equal monthly installments. The repayment commenced from September 2017

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 locations of the company of i) Industrial Area, Panchkula and ii) Manaktabra, Distt, Panchkula. The security is further extended to shed in the name of Golden Chem-Tech Limited, located 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 disbursement.

- Interest free Unsecured loan from bank amounting to ₹ Nil (March 31st, 2019: ₹ 1,200 lakh). The loan was part of borrowings of Golden Chem-Tech Limited. This loan is fully repaid back from internal accruals of the company.
- Interest free Unsecured loan from promoters and related parties amounting to ₹ 1,088.12 lakh (March 31st, 2019: ₹ 1,374.12 lakh) will be repaid back by the end of year 2021. This loan was initially measured at fair value using market rate of interest

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

at the time when loan was taken. The loan includes ₹ 738.12 lakh (March 31st, 2019: ₹ 1,137.84 lakh) as part of borrowings of Golden Chem-Tech Limited.

- 9 Interest free Unsecured loan from others for ₹ 80.47 lakh (March 31st, 2019: ₹ 73.39 lakh) will be repaid back by the end of year 2022. This loan was initially measured at fair value using market rate of interest at the time when loan was taken. The loan includes ₹ 47.80 lakh as part of borrowings of Golden Chem-Tech Limited.

Maturity Profile

	Bank Borrowing	Vehicle loan	Unsecured Loan	₹ in lakh Total
Not later than 1 year	1,310.73	29.50	1,088.12	2,428.35
Later then one but not two years	1,398.14	14.82	80.47	1,493.42
Later then two but not three years	1,202.71	-	-	1,202.71
Later then three but not four years	776.65	-	-	776.65
Later then four but not five years	92.59	-	-	92.59
	4,780.82	44.32	1,168.59	5,993.72

10.2 Short-term borrowings

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan	-	-	2,912.33	2,851.76
Rupee Loans	-	-	1,441.16	2,860.93
Unsecured - At Amortised Cost				
Working Capital Loans				
From Banks				
Unsecured Loan	-	-	1,500.00	1,500.00
	-	-	5,853.49	7,212.69

Terms of repayment of Current Borrowings

Working capital facilities are availed from State Bank of India, HDFC Bank Ltd and Standard Chartered Bank . Working capital facilities are repayable on demand.

Terms of Security

Secured Working Capital Loans

These are secured by a first pari-passu charge on all the current assets of the company, both present and future, wherever the same may or be held and have a second pari- passu charge on all movable and immovable fixed assets of the Company, 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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

10.3 Trade payables

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to micro and small enterprises)	-	-	-	-
Total outstanding dues of creditors	-	-	3,527.63	2,697.00
Total outstanding dues of creditors from MSME	-	-	23.60	38.35
	-	-	3,551.23	2,735.35

Refer Note 24 b for explanation on the company's liquidity risk management processes

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 ₹ 23.60 lakh (March 31st, 2019: ₹ 38.38 lakh) as at the end of the year is Principal amount due to MSME.

10.4 Other financial liabilities

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Acceptances	-	-	-	-
Financial liabilities at fair value				
Derivative not designated as hedges	-	-	-	-
Foreign exchange forward contracts	-	-	146.21	-
	-	-	146.21	-
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (note 11.1)	-	-	2,428.35	1,927.41
Security deposits received	-	-	-	0.11
Liability towards Capital vendors	-	-	-	21.85
Interest accrued but not due on borrowings	-	-	19.37	29.46
	-	-	2,447.72	1,978.83
	-	-	2,593.93	1,978.83

Financial liabilities at fair value through profit and loss

11. Provisions

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Provision for employee benefits				
Provision for gratuity (note 26)	115.72	90.61	10.71	9.95
Provision for compensated absences	85.20	65.54	5.91	5.86
Provision for Bonus	-	-	62.84	35.05
	200.92	156.15	79.46	50.86
Other provisions				
Provision towards vendors	-	-	-	-
	-	-	-	-
Total Provisions	200.92	156.15	79.46	50.86

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

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

12. Other liabilities

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Advance from customers	-	-	450.82	165.24
Statutory dues payable	-	-	61.72	42.35
Expenses Payable	-	-	398.33	513.43
Deferred Revenue Liability (Govt. Grant)	657.84	683.57	-	-
Total Other liabilities	657.84	683.57	910.87	721.02

Deferred Revenue Liability (Govt Grants)

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 fulfillment of related export obligations.

Capital Goods and spare parts imported under EPCG Scheme in Golden Chem-Tech Limited are clubbed with liability of the company.

During the year ₹ 25.73 lakh was released from deferred income to the statement of profit and loss on fulfillment of export obligations.

13. Current tax liabilities

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Liabilities for income tax (net of taxes paid)	-	-	346.08	619.98
Total tax liabilities	-	-	346.08	619.98

14. Revenue from operations

₹ in lakh

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Sale of products (including excise duty)		
Export	30,779.06	30,192.40
Domestic	15,435.78	15,869.64
	46,214.84	46,062.04

15. Other income

₹ in lakh

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Profit on sale of Fixed assets	5.32	8.69
Deferred Interest Income - Interest Free Loan	-	43.02
Government grants	25.73	91.71
Rental Income	-	-
Misc. Income	43.51	1.82
Interest on security deposit	0.36	4.47
Interest income on Bank deposits	22.52	11.98
	97.44	161.69

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

16. Cost of raw material consumed

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Inventory at the beginning of the year	4,356.84	3,319.21
Add: Purchases	23,752.96	26,331.32
Freight Inward	883.40	758.31
Less: Inventory at the end of the year	(4,823.71)	(4,356.84)
	24,169.49	26,052.00

17. (Increase)/Decrease in inventories

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Inventory at the beginning of the year		
- Work-in-progress	336.98	159.30
- Finished goods	1,467.17	1,567.46
Inventories at the end of the year		
- Work-in-progress	(86.87)	(336.98)
- Finished goods	(1,003.01)	(1,467.17)
Net (increase)/decrease in inventories	714.27	(77.39)

18. Employee benefit expense

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Salaries, wages and bonus	3,398.30	2,801.05
Contribution to provident fund & Other funds	149.05	78.15
Gratuity expense (note 26)	44.49	32.32
Compensated absences	25.14	23.35
Staff welfare expenses	137.33	94.73
	3,754.31	3,029.60

19. Other expenses

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Manufacturing Expenses		
Store & Spares	820.79	659.15
Packing Stores	1,042.39	1,212.70
Electric Power, Fuel & Water	3,299.54	2,915.52
Repairs and maintenance		
- Buildings	98.80	72.92
- Plant & Machinery	203.82	179.62
Excise Duty #	-	-
	5,465.34	5,039.91
Selling & Distribution Expenses		
Business promotion expenses	623.08	477.76
Distribution Expenses - Export	1,780.88	1,939.13
Distribution Expenses - Domestic	554.83	571.81
Certification Expenses	22.20	25.41
	2,980.99	3,014.11
Establishment Expenses		
Professional and consultancy fees	70.92	43.23
Rent	60.88	64.19
Rates and taxes	57.46	63.03
Insurance	70.78	68.93

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
Traveling and conveyance expenses	281.55	191.97
Other Repairs	244.90	193.89
Payment to Auditors	2.00	2.00
Loss on sale of Fixed Assets	8.67	27.54
Charity and Donation	2.39	1.61
Corporate Social Responsibility	48.86	53.51
Miscellaneous expenses	296.38	281.30
	1,144.79	991.20
	9,591.12	9,045.22

a) Details of remuneration to auditors included under professional and consultancy fees

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
As auditors		
- Audit fee	1.50	1.50
- Limited review of interim financial statements	0.25	0.25
- Tax audit fee	0.25	0.25
- Out of pocket expenses	-	-
	2.00	2.00

b) Details of CSR expenditure

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
Gross amount required to be spent by the Company during the year		
i) Sanitation		
ii) Rural transformation		0.53
iii) Donation for Ambulance & Mortuary Van		29.78
vi) Child welfare	0.50	0.21
v) Social welfare	1.77	
vi) Plantation		
vii) Women Empowerment	2.25	2.25
viii) Healthcare	0.15	-
ix) Education for under-privileged children	44.19	0.74
x) Prime Minister National Relief Fund		20.00
	48.86	53.51

20. Depreciation and amortisation expense

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
Depreciation of property, plant and equipment (note 3.1)	2,098.49	1,821.17
	2,098.49	1,821.17

21. Finance costs

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
Interest cost	866.96	752.63
Loan facility fees	62.57	8.45
Other Borrowing cost	95.68	211.67
Exchange difference	65.17	168.03
	1,090.38	1,140.78

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

22. Earnings per share (EPS)

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:		
Profit after tax as per Statement of Profit and Loss (used for both calculation of basic EPS)	1,890.84	3,881.57
Profit after tax as per Statement of Profit and Loss (used for both calculation of diluted EPS)	1,868.02	3,881.57
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	8,474,030	8,166,200
Basic - Par value of ₹ 10 per share (in ₹)	22.31	47.53
Diluted - Par value of ₹ 10 per share (in ₹)	22.80	47.53

23. Contingent Liabilities and Commitments

1 Contingent liabilities

(a) Claims against Company, disputed by the Company, not acknowledged as debt

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Income Tax	260.80	218.47
Custom Duty	2,058.72	-

(b) Guarantees

Furnished by Banks on behalf of the Company

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
GST, U.P	8.64	8.64

(c) Other Money for which the Company is contingently liable

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Liability in respect of Bill discounted with Banks	309.89	476.12

2 Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Others	276.72	397.38

(b) Other commitments

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Export obligation under Advance License Scheme on duty free import of specific raw materials	31,863.05	33,155.40
Export obligation under EPCG License Scheme on duty free import of Capital Goods	5,877.97	4,658.28

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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:

Category	Currency	Cross Currency	Amount (in lakh)	Buy/Sell
Forward Contracts				
As at March 31st, 2020	USD	INR	USD 43.00	Sell
	Euro	USD	Euro 29.50	Sell
As at March 31st, 2019	USD	INR	USD 61.00	Sell
	Euro	USD	Euro 42.00	Sell

Mark to market loss amounting to ₹ 146.20 lakh (March 31st, 2019: Nil) in respect of forward contract was charged to the Statement of Profit & Loss Account.

Details of dues to Micro and Small Enterprises as per MSMED Act 2006

Particulars	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
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	23.60	38.35
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.	-	-

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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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 an 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 of default, if any, will be negligible and accordingly no provision 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:-

March 31 st , 2020	Contractual cash flows			₹ in lakh
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	11,847.21	8,281.84	3,565.37	11,847.21
Trade payable	3,551.23	3,551.23	-	3,551.23
Other financial liabilities	165.58	165.58	-	165.58

March 31 st , 2019	Contractual cash flows			₹ in lakh
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	18,904.41	9,140.10	9,764.31	18,904.41
Trade payable	2,735.35	2,735.35	-	2,735.35
Other financial liabilities	51.42	51.42	-	51.42

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, liabilities 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.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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:

	March 31 st , 2020		March 31 st , 2019	
	USD	EUR	USD	EUR
Trade receivables	4,507.86	1,615.43	3,563.31	1,885.00
Other receivables	58.89	-	-	-
Trade payables	(2,030.19)	(1,063.44)	(1,248.22)	(647.45)
Borrowings	(1,462.65)	(5,089.07)	(6,424.10)	(3,947.44)
	1,073.91	(4,537.08)	(4,109.01)	(2,709.89)

₹ in lakh

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 March 31st, 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.

	Movement	Profit or Loss (before tax)	
		Strengthening	Weakening
Year ended March 31st, 2020			
USD	1%	10.74	(10.74)
EURO	1%	(45.37)	45.37

₹ in lakh

	Movement	Profit or Loss (before tax)	
		Strengthening	Weakening
Year ended March 31st, 2019			
USD	1%	(41.09)	41.09
EURO	1%	(27.10)	27.10

₹ in lakh

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:

	Year ended	Year ended
	March 31 st , 2020	March 31 st , 2019
Fixed rate borrowings	5,295.49	8,532.87
Floating rate borrowings	6,551.72	10,371.54
Total borrowings	11,847.21	18,904.41

₹ in lakh

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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 March 31st, 2019 would decrease / increase by ₹ 15.54 lakh (for the year ended March 31st, 2018: decrease / increase by ₹ 7.82 lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Risk due to outbreak of COVID 19 pandemic

The outbreak of COVID 19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's plants, warehouses and offices were shut post announcement of nationwide lockdown. Most of the operations have resumed post lifting of lockdown. The Company has considered external and internal information in assessing the impact of COVID 19 on various elements of its financial statements, including recoverability of its assets as at the Balance Sheet date.

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 it 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).

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Net debt	11,235.67	18,683.81
Total equity	20,426.83	18,551.14
Net debt to equity ratio	0.55	1.01

₹ in lakh

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

	March 31 st , 2020	March 31 st , 2019
Employer's contribution to provident fund	117.77	52.14
Employer's contribution to employee state insurance	27.59	24.49
Employer's contribution to welfare funds	3.69	1.53

₹ in lakh

2 Defined Benefit Plans

Gratuity:

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 6.25% p.a. (March 31st, 2019: 7.5% p.a.) which is determined by reference to market yield at the

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (March 31st, 2018: 58 years) and mortality table is as per IALM (2006-08) (March 31st, 2018: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 4% p.a. (March 31st, 2019: 5% p.a.). The rate of attrition considered in actuarial valuation is 10% (March 31st, 2019:10%)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Present value of obligation at the beginning of the year	100.56	91.98
Current Service Cost	38.21	25.43
Interest Cost	6.29	6.90
Benefits paid	7.81	15.72
Actuarial (gain)/ loss	(10.81)	(8.02)
Present value of obligation at the end of the year	126.43	100.56

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Current Service Cost	38.21	25.43
Interest Cost	6.29	6.90
Expenses recognised in the Statement of profit & loss Account	44.49	32.32

Amount recognised in the other comprehensive income:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Actuarial (gain)/ loss due to experience variance	(10.81)	(8.02)
Net (Income)/ Expenses recognised in OCI	(10.81)	(8.02)

Sensitivity analysis

	₹ in lakh			
	March 31 st , 2020		March 31 st , 2020	
	Discount Rate		Future salary increase	
	1% increase	1% decrease	1% increase	1% decrease
Actuarial (gain)/ loss due to experience variance	(118.29)	135.34	(135.45)	118.29
Net (Income)/ Expenses recognised in OCI	(118.29)	135.34	(135.45)	118.29

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 lakh	
	March 31 st , 2020	March 31 st , 2019
Present value of obligation at the beginning of the year	71.39	60.56
Current Service Cost	31.58	23.98
Interest Cost	4.46	4.54
Benefits paid	5.42	12.52
Actuarial (gain)/ loss	(10.90)	(5.17)
Present value of obligation at the end of the year	91.11	71.39

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Current Service Cost	31.58	23.98
Interest Cost	4.46	4.54
Actuarial (gain)/ loss	(10.90)	(5.17)
Expenses recognised in the Statement of profit & loss Account	25.14	23.35

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

Sensitivity analysis

Assumption	₹ in lakh			
	March 31 st , 2020		March 31 st , 2020	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	(86.28)	96.46	(96.54)	86.10

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

	Note	Level of hierarchy	March 31 st , 2020			March 31 st , 2019		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Financial Assets								
Loans and advances	a		-	-	126.01	-	-	103.62
Investments	b	3	-	-	149.85	-	-	114.14
Trade and other receivables	a		-	-	8,738.75	-	-	7,892.85
Cash and cash Equivalents	a		-	-	600.22	-	-	158.77
Other bank balances	a		-	-	11.32	-	-	61.83
Other financial assets	a		-	-	0.91	-	-	6.33
Total Financial Assets			-	-	9,627.06	-	-	8,337.54
Financial Liabilities								
Borrowings (including current maturities)	c	3	-	-	11,847.21	-	-	18,904.41
Trade payables	a		-	-	3,551.23	-	-	2,735.35
Foreign Exchange contracts	d	2	146.21	-	-	-	-	-
Other financial liabilities	a		-	-	19.37	-	-	51.42
Total Financial Liabilities			146.21	-	15,417.81	-	-	21,691.18

In addition to the above the Company had investments in its subsidiary amounting to ₹ 0.07 lakh (March 31st, 2019: Nil) and had invested in shares of associate company to ₹ 35.63 lakh (March 31st, 2019: Nil), which are carried at cost.

The shares allotted to company amounting to ₹ 114.14 lakh (March 31st, 2019: ₹ 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.

- 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.
- Fair value for investments has been disclosed at fair value.
- 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.
- 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 March 31st, 2020 and March 31st, 2019.

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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.

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

₹ in lakh

	March 31 st , 2020		March 31 st , 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and advances	126.01	126.01	103.62	103.62
Investments	149.85	149.85	114.14	114.14
Trade and other receivables	8,738.75	8,738.75	7,892.84	7,892.84
Cash and cash Equivalents	600.22	600.22	158.77	158.77
Other bank balances	11.32	11.32	61.83	61.83
Other financial assets	-	-	-	-
Total Financial Assets	9,626.15	9,626.15	8,331.20	8,331.20
Financial Liabilities				
Borrowings (including current maturities)	11,847.21	11,847.21	18,904.41	18,904.41
Trade payables	3,551.23	3,551.23	2,735.35	2,735.35
Other financial liabilities	19.37	19.37	51.42	51.42
Total Financial Liabilities	15,417.81	15,417.81	21,691.18	21,691.18

28. Business Combination

Amalgamation with Golden Chem-Tech Limited

On December 21st, 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 have received all necessary approvals and in accordance with the terms of the Scheme, September 30th, 2017 was the appointed date and effective date. Accordingly, all assets and liabilities of GCL have become assets and liabilities of the Company with effect from that date.

On March 11th, 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 has been made to the book values of the assets and liabilities of GCL when they are incorporated in the financial statements of the company except to ensure uniformity of accounting policies."

Notes to the Standalone Financial Statements

for the year ended 31st March 2020

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	Director
Mr. Sachin Bhatla	Director- Technical
Mr. Sanjeev Vaid	CFO
Mr. Jatin	CS (Resigned on December 4 th , 2019)
Ms. Srishty Chaudhary	CS (Appointed on January 21 st , 2020)

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	

Subsidiary (where control exists)

Wholly-owned subsidiary

Name of Company	Country of Incorporation
Stylam Asia Pacific Pte Ltd*	Singapore

*formed on September 16th, 2019

Entities where Directors/ family members of Directors having control

Name of Company	%age of shares acquired
Alca Vstyle Sdn. Bhd., Malaysia (Alca)	34%

* Company has formed Wholly owned subsidiary (WOS) in September 2019 for the purpose of trading of laminates and allied products. The activity from WOS is yet to start with.

Transactions during the year with related parties

₹ in lakh

Nature of transactions	2019-20			2018-19		
	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		536.43				
Salary Paid	339.89			229.50		
Paid for expenses			3.97			
Addition in Borrowings	355.00			2,199.00		
Borrowings repaid back	(641.01)			(1,136.79)		

* The activity from WOS is yet to begin. The company has paid incorporation expenses on behalf of WOS.

** Alca is into trade of furniture and fixtures for commercial and industrial applications. From the date of acquisition of 34% of shares company sold laminates for ₹ 536.43 lakh to Alca.

₹ in lakh

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Borrowings from Promoters and Related parties	1,088.12	1,374.12

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 accompanying Consolidated financial statements of Stylam Industries Limited (hereinafter referred to as "the Holding"), and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group") which includes the Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, for the year then ended, notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements of the subsidiary and associates referred to in the Other Matter section below, 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 31st March, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows.

Basis of Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

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

The Key Audit Matter

Revenue Recognition

The Company recognises 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 recognised in the correct period or that revenue and associated profit is misstated.

Auditor's Response

- 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 recognised in the correct accounting period. We also tested journal entries recognised to revenue focusing on unusual or irregular transactions.

The Key Audit Matter

Fair value Measurement

In FY 2019, company has capitalised receivable from one of its customer in Singapore.

This capitalisation 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)

Auditor's Response

- We have performed analytical audit measures correctness of capitalisation 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.

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

The Holding's Board of Directors is responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business Responsibility report but does not include the Consolidated Financial Statements, Standalone 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, compare with the financial statements of the subsidiaries and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and associates, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associates in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates; for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate 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 and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis

for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 and its associate 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 and its associates 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 or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities 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.

Other Matters

The Statement include the audited Financial Results of subsidiary. The business of subsidiary has not commenced as at March 31, 2020. The financials of the subsidiary have been audited by other independent auditors. These financial statements/ Consolidated Financial Statements/ consolidated financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

Pursuant to approval of Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor company) and the Company, by Hon'ble NCLT, Chandigarh Bench, with effective date from September 30, 2017. The Financial Statement of Transferor company was prepared in accordance with Generally accepted accounting principles (GAAP). The audit of the Transferor Company for the Financial Year ending on March 31, 2019 and previous year ended on March 31, 2018 was conducted by other auditor. The auditor of the Transferor company expressed unmodified opinion on these Financial Results.

The Statement for the corresponding preceding year ended March 31, 2019, has been re-grouped, re-classified, re-casted and prepared in accordance with Indian Accounting Standards specified under Section 133 of the Companies Act 2013 read with relevant rules issued there under, which expressed an unmodified opinion on those audited standalone financial results/statements.

The transfer of Assets and liabilities of the Transferor Company in the Company has been done as prescribed under Indian Accounting Standards (Ind As) 103.

Our opinion on the Consolidated Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on

separate financial statements of subsidiary and associate companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that.

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2020 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 and the operating effectiveness of such controls. The company has no subsidiary company and associate company

incorporated in India. And as such, the internal financial controls over financial reporting and the operating effectiveness of such controls as reported for our Report on Other and Regulatory Requirements of Standalone Financial Statements remain same for Consolidated Financial Statements. Hence separate reporting for Consolidated Financial Statement has not been made.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

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 to its directors during the year is in accordance with the provisions of section 197 of the Act

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 of pending litigations on the consolidated financial position of the Group and its associates.
 - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

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

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 29th June 2020
Place: Chandigarh

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

TO THE MEMBERS OF STYLAM INDUSTRIES LIMITED

We have audited the internal financial controls over financial reporting of Stylam Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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

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, 2020, 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.

Explanatory Paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Company, which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, and

our report dated 24th June 2020 expressed an unqualified opinion thereon

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

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 29th June 2020
Place: Chandigarh

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 Under 'Report on other Legal and Regulatory Requirements' of our Report of Even Date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

1. In respect of the Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.

- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

- (c) Details of Income tax, and custom duty which have not been deposited as at March 31, 2020 on account of dispute are given below:

Name of the statute	Amount (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	₹ 87.49*	AY 2013-14	Tribunal
Income Tax Act, 1961	₹ 130.00*	AY 2014-15	Tribunal
Income Tax Act, 1961	₹ 43.31*	AY 2017-18	CIT (Appeals)
Custom Duty	₹ 2,058.72	13-10-2017 to 10-01-2019	DRI

* Net of amount paid under protest

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank or government as at the balance sheet date. The company has not issued any debentures.
- 9) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied by the Company for the purposes for which they were raised.
- 10) To the best of our knowledge and according to the information and explanations given to us, no fraud by

- 4) In our opinion and according to the information and explanations given to us, the company has not given any loan or gives any guarantee or provided security with the provisions of section 185 and 186 of the Companies Act, 2013.

- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- 6) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

- 7) According to information and explanations given to us and on the basis of our examination of the books of account, and records,

- (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Custom Duty, and any other statutory dues with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of the Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Custom Duty, and any other statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank or government as at the balance sheet date. The company has not issued any debentures.

- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

- 12) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- 14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 15) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Date: 29th June 2020
Place: Chandigarh

Balance Sheet

as at March 31st, 2020

	Note	As at March 31 st , 2020	₹ in lakh As at March 31 st , 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	19,495.29	18,448.83
Capital work in progress		1,118.63	1,268.02
Investment Property	4	-	4,898.25
Financial assets			
Investments	5.1	149.78	114.14
Loans and advances	5.2	126.01	103.62
Other bank balances	5.6	-	936.40
Other non-current assets	7	163.80	735.04
		21,053.51	26,504.30
Current assets			
Inventories	8	6,673.05	6,622.81
Financial assets			
Trade receivables	5.4	8,738.75	7,892.84
Cash and cash equivalents	5.5	600.22	158.77
Other bank balances	5.6	11.32	61.83
Other financial assets	5.3	0.91	6.33
Other current assets	7	2,447.63	2,568.12
		18,471.88	17,310.70
TOTAL ASSETS		39,525.39	43,815.00
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	847.40	847.40
Other equity		19,575.45	17,703.74
		20,422.85	18,551.14
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10.1	3,565.38	9,764.31
Provisions	11	200.92	156.15
Deferred tax liabilities (net)	6	1,343.34	1,341.10
Other non current liabilities	12	657.84	683.57
		5,767.48	11,945.13
Current liabilities			
Financial liabilities			
Borrowings	10.2	5,853.49	7,212.69
Trade payables	10.3	3,551.23	2,735.35
Other financial liabilities	10.4	2,593.93	1,978.83
Other current liabilities	12	910.87	721.02
Provisions	11	79.46	50.86
Current tax liabilities (net)	13	346.08	619.98
		13,335.06	13,318.73
TOTAL EQUITY AND LIABILITIES		39,525.39	43,815.00
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

CA Sandeep Kumar Goel
Partner
Membership No. 099212

Jagdish Gupta
Managing Director

Manit Gupta
Director

Date: June 29th, 2020
Place: Chandigarh

Sanjeev Vaid
CFO

Srishty Chaudhary
CS & Compliance Officer

Statement of Profit and Loss

for the year ended March 31st, 2020

	Notes	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh			
Income			
Revenue from operations	14	46,214.84	46,062.04
Other income	15	97.44	161.69
Total Income		46,312.28	46,223.73
Expenses			
Cost of raw materials consumed	16	24,169.49	26,052.00
(Increase) / decrease in inventories	17	714.27	(77.39)
Purchase of Stock in Trade		22.35	23.89
Employee benefit expenses	18	3,754.31	3,029.60
Finance costs	21	1,090.38	1,140.78
Depreciation and amortisation expense	20	2,098.49	1,821.17
Other expenses	19	9,595.10	9,045.22
Total Expenses		41,444.39	41,035.27
Profit before exceptional items and tax		4,867.89	5,188.46
Exceptional Items		(1,521.25)	-
Profit before Tax		3,346.64	5,188.46
Tax expense			
Current tax		1,296.78	1,520.04
Tax of Earlier Years		163.91	(107.21)
MAT Credit Entitlement		-	-
Deferred tax charge	6	(0.91)	(105.94)
Total tax expense		1,459.78	1,306.89
Profit for the year		1,886.86	3,881.57
Share of Profit/ (Loss) of associates and joint ventures		(22.82)	-
Other Comprehensive Income			
Other comprehensive income to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit obligations		10.81	8.02
Deferred tax charge		(3.15)	2.80
Total Comprehensive Income for the year		1,871.70	3,892.40
Earnings per equity share in INR computed on the basis of profit for the year	22		
Basic		22.27	47.53
Diluted		22.75	47.53
Significant accounting policies and key accounting estimates and judgements	1&2		
See accompanying notes to the financial statements			

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

Date: June 29th, 2020

Place: Chandigarh

Jagdish Gupta

Managing Director

Manit Gupta

Director

Sanjeev Vaid

CFO

Srishty Chaudhary

CS & Compliance Officer

Statement of Changes in Equity

for the year ended March 31st, 2020

(a) Equity share capital

	Balance as at April 1 st , 2019	Changes during the year*	Balance as at March 31 st , 2020
	8,166,200	307,830	8,474,030
	Balance as at April 1 st , 2018	Changes during the year	Balance as at 31.03.2019
	8,166,200	-	8,166,200

*Pursuant to approval of the Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor Company) and Stylam Industries Limited (Transferee Company) by the Hon'ble NCLT, Chandigarh Bench on February 11th, 2020, 307,830 equity shares of ₹ 10/- each have been allotted to the shareholders of the Transferor Company.

(b) Other equity

₹ in lakh

Particulars	Reserve & Surplus					Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Other Comprehensive Income	Equity component of compound financial instruments	
Balance as at April 1st, 2018	705.97	5,023.50	8,049.18		32.69	13,811.34
Premium on Shares issued during the year		-	-			-
Profit for the year			3,881.57			3,881.57
Other Comprehensive Income for the year				10.82		10.82
Other Transfers			7.66		(7.66)	-
Balance as at March 31st, 2019	705.97	5,023.50	11,938.41	10.82	25.04	17,703.74
Balance as at April 1st, 2019	705.97	5,023.50	11,938.41	10.82	25.04	17,703.74
Profit for the year			1,886.86			1,886.86
Transfer from Other Comprehensive Income			10.82			10.82
Transfer to Retained Earnings				(10.82)		(10.82)
Share of Profit/ (Loss) of associates and joint ventures			(22.82)			(22.82)
Other Comprehensive Income for the year				7.66		7.66
Other transfers			7.08		(7.08)	-
Balance as at March 31st, 2020	705.97	5,023.50	13,820.37	7.66	17.95	19,575.45

Nature and purpose of other equity

Capital Reserve:

Capital reserve is created on merger of Golden Chem-Tech Limited with the Company, as per order of National Company Law Tribunal. The amount represents the excess of net assets acquired over the cost of consideration.

Securities premium reserve:

The amount received in excess of face value of the equity shares is recognised in Securities Premium

Retained Earnings:

Retained earnings are the profits that the Company has earned till date.

Equity component of Compound Financial Instrument

The fair value change of the debt instruments measured at fair value through Equity component of compound financial instrument. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the Statement of Profit and Loss Account.

Items of Other Comprehensive Income

Remeasurements of defined benefit obligation:

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

Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

As per our report of even date attached
For **Mittal Goel & Associates**
Chartered Accountants

CA Sandeep Kumar Goel
Partner
Membership No. 099212

Date: June 29th, 2020
Place: Chandigarh

Jagdish Gupta
Managing Director

Manit Gupta
Director

Sanjeev Vaid
CFO

Srishty Chaudhary
CS & Compliance Officer

Statement of Cash Flow

for the period ended March 31st, 2020

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
		₹ in lakh
A Cash Flow from operating activities:		
Profit/(loss) before extraordinary & exceptional items and tax	4,867.89	5,188.46
Adjustments for:		
- Unrealised foreign exchange loss/(gain) (net)	(109.05)	-
- Finance costs	929.52	761.08
- Depreciation and amortisation expense	2,098.49	1,821.17
- Interest Income	(22.88)	(16.45)
- Loss/ (Gain) on sale of Fixed Assets (net)	3.35	18.85
Operating Profit before working capital changes	7,767.32	7,773.11
Movements in working capital:		
Adjusted for:		
Trade & Other Receivables	(719.99)	(2,310.48)
Inventories	(50.24)	(532.68)
Trade & Other Payables	1,323.90	(1,229.49)
Net cash generated from operations	8,320.98	3,700.46
Payment of direct taxes (net)	(1,734.59)	(854.47)
Net cash from operating activities (A)	6,586.40	2,845.99
B Cash Flow from investing activities:		
Payment for Tangible Assets (including capital work in progress and capital advances)	(2,440.96)	(4,561.54)
Proceeds from sale of PPE	13.30	38.98
Proceeds from sale of Investment Property	3,377.00	-
Payment for investments in subsidiary and joint venture	(58.45)	-
Maturity/ (Investment) in fixed deposits	986.90	(886.13)
Proceeds/(Investment) from/ in other assets	(22.39)	(108.53)
Proceeds/(Investment) from/ in other activities	19.05	246.49
Interest received	22.88	16.45
Net cash from/ (used in) investing activities (B)	1,897.33	(5,254.28)
C Cash Flow from financing activities:		
Proceeds from issue of share capital		
Proceeds from long-term borrowings	-	4,633.92
Repayment of long term borrowings	(5,753.56)	(1,174.29)
Proceeds/ (Repayment) from short-term borrowings	(1,359.20)	(453.04)
Borrowing costs paid		
- Interest paid	(929.52)	(761.07)
Net cash from/ (used in) financing activities (C)	(8,042.28)	2,245.52
Net increase/(decrease) in cash and cash equivalents (A+B+C)	441.45	(162.77)
Cash and cash equivalents at the beginning of the period	158.77	321.54
Cash and cash equivalents at the closing of the period	600.22	158.77

Statement of Cash Flow

for the period ended March 31st, 2020

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
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 5.5) are as under:		
Cash in hand	1.00	0.64
Balances with scheduled banks		
- On current accounts	544.38	158.13
- Deposits with original maturity of up to 3 months	54.84	
Cash and cash equivalents	600.22	158.77

Repayment of Term Loan for the year ended March 31st, 2020 is net of proceeds and repayment of loan during the year.

As per our report of even date attached

For **Mittal Goel & Associates**

Chartered Accountants

CA Sandeep Kumar Goel

Partner

Membership No. 099212

Date: June 29th, 2020

Place: Chandigarh

Jagdish Gupta

Managing Director

Manit Gupta

Director

Sanjeev Vaid

CFO

Srishty Chaudhary

CS & Compliance Officer

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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). 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 March 31 st , 2020	As at March 31 st , 2019
Stylam Asia Pacific Pte Ltd	Singapore	Trade of laminates and allied building material products	100%	-

Date of incorporation is September 16th, 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.

Our Company has a 34% equity stake in the entity mentioned below and by virtue of our share holding in the same, it is deemed to be our associate company:

- (i) **Alca Vstyle Sdn. Bhd., Malaysia**, is engaged in trade, purchase, sale, import, export, distribution, installation of all kinds of merchandise relating to household requisites and also deals in domestic, commercial and industrial furniture and fixtures.

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 March 31st, 2020 were approved for issue in accordance with the resolution of the Board of Directors on June 29th, 2020.

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.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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 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 recognised 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 realisation 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 31st, 2020

3. Property, plant and equipment

	₹ in lakh									
	Land- Freehold	Building -Factory	Building -Others	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Intangible	Total
At amortised Cost										
Cost/Deemed cost as at April 1st, 2019	1,745.17	4,397.23	369.11	15,863.44	1,156.43	282.52	717.78	195.18	475.72	25,202.58
Additions	269.56	332.84	-	2,401.69	4.06	-	143.97	6.50	-	3,158.63
Disposals				(19.31)			(31.29)			(50.60)
Cost/Deemed cost as at March 31st, 2020	2,014.73	4,730.07	369.11	18,265.13	1,141.18	282.52	830.46	201.68	475.72	28,310.61
Additions										-
Accumulated Depreciation										
Accumulated depreciation as at April 1st, 2019	-	588.40	27.97	5,206.22	275.14	112.02	284.19	135.97	123.86	6,753.76
Charge for the year	-	154.54	5.86	1,665.26	119.01	26.35	59.47	20.43	47.57	2,098.49
Disposals					(15.53)		(21.39)			(36.93)
Total accumulated depreciation as at March 31st, 2020	-	742.93	33.83	6,871.48	378.62	138.36	322.27	156.40	171.43	8,815.32
Net Block										
Net carrying value as at April 1st, 2019	1,745.17	3,808.83	341.14	10,657.22	881.29	170.51	433.60	59.21	351.86	18,448.83
Net carrying value as at March 31st, 2020	2,014.73	3,987.14	335.28	11,393.66	762.56	144.16	508.19	45.28	304.29	19,495.29

Notes:

For lien/charge against property, plant and equipment refer note no 10.1 and 10.2

The block of Fixed Assets includes the Assets of Golden Chem-Tech Limited. After merger the assets of Golden Chem-Tech Limited has been recognised as assets of the company. Refer Note No.28 about Business Combination

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

₹ in lakh

	Land- Freehold	Building -Factory	Building -Others	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Intangible	Total
At amortised Cost										
Cost/Deemed cost as at April 1st, 2018	1,678.02	4,177.52	358.27	13,578.97	1,147.90	268.44	765.54	194.23	184.46	22,353.33
Additions	75.92	219.71	10.84	2,344.55	8.53	14.09	41.17	1.89	291.26	3,007.95
Disposals	(8.76)	-	-	(60.08)	-	-	(88.92)	(0.94)	-	(158.70)
Cost/Deemed cost as at March 31st, 2019	1,745.17	4,397.23	369.11	15,863.44	1,156.43	282.52	717.78	195.18	475.72	25,202.58
Accumulated Depreciation										
Accumulated depreciation as at April 1st, 2018	-	441.08	22.27	3,827.22	170.09	86.80	279.95	106.42	90.85	5,024.68
Charge for the year	-	147.31	5.70	1,416.55	105.05	25.22	58.09	30.24	33.01	1,821.17
Disposals	-	-	-	(37.55)	-	-	(53.86)	(0.69)	-	(92.10)
Accumulated depreciation as at March 31st, 2019	-	588.40	27.97	5,206.22	275.14	112.02	284.19	135.97	123.86	6,753.76
Net Block										
Net carrying value as at April 1st, 2018	1,678.02	3,736.44	336.00	9,751.75	977.81	181.64	485.58	87.81	93.61	17,328.66
Net carrying value as at March 31st, 2019	1,745.17	3,808.83	341.14	10,657.22	881.29	170.51	433.60	59.21	351.86	18,448.83

Notes:

For lien/charge against property, plant and equipment refer note 10.1 and 10.2.

The block of Fixed Assets includes the Assets of Golden Chem-Tech Limited. After merger the assets of Golden Chem-Tech Limited has been recognised as assets of the company. Refer Note No.28 about Business Combination

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

4. Investment Property At Fair Market Value

	As at March 31 st , 2020	As at March 31 st , 2019
Property held for Sale	-	4,898.25
Total	-	4,898.25

₹ in lakh

The Company has disposed off its property located at Plot No. 19, Sector-22, Panchkula Information Technology Park, Panchkula, at a consideration of ₹ 3,377.00 lakh. The loss on sale for ₹ 1,521.25 lakh is booked under Exceptional Item in Profit & Loss Account.

5. Financial assets

5.1 Non-current investments Un-quoted investment

	Nos of shares as at March 31 st , 2020	As at March 31 st , 2020	As at March 31 st , 2019
Investment carried at fair value			
Equity Investment			
A. Associate			
Investment in Equity Instruments (at Cost)			
- Un-quoted, Fully paid-up			
- Alca Vstyle Sdn. Bhd, Malaysia	340,000	35.64	-
B. Others			
- Un-quoted			
- Serrano Limited, Singapore*	6,575,711	102.37	102.37
(fair value SGD 0.031 per share)			
- Serrano Limited, Singapore**	756,199	11.77	11.77
(fair value SGD 0.031 per share)			
Total investment		149.78	114.14

₹ in lakh

A. The company has acquired 34% stake in Associate company. This company is into trading of commercial and industrial furniture & fixtures.

B. Others

* 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 Arrangement was filed with High Court in Singapore under Section 210 of Singapore's Companies Act

Under Shares Distribution Scheme 6,575,711 No of shares (as on 31-03-2019 6,575,711 Nos) were allotted to the company. These 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 distribution Scheme 756,199 Nos of shares were allotted to Golden Chem-Tech Limited (as on 31-03-2019 756,199 Nos). Pursuant to approval of Scheme of Amalgamation by Hon'ble NCLT, Chandigarh Bench, all investments of Golden Chem-Tech Limited are treated as investments of the company.

When the distribution of shares was made company did not have any presence in Singapore, And as per procedure in Singapore allotment of shares is allowed in dematerialised form, for which company needs to have presence in Singapore. When the allotment of shares were made as per the scheme, company did not have presence in Singapore. So, these shares were assigned in the name of individual person who is resident of Singapore. At that time it was mutually agreed that the person in concert shall hold shares as custodian on behalf of company. Now as the company has formed WOS in Singapore, the company has initiated to get the shares registered in the name of that WOS.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

5.2 Loans and advances (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured and considered good				
Security deposits	126.01	103.62	-	-
	126.01	103.62	-	-

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

5.3 Other financial assets (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Interest accrued	-	-	0.91	6.33
	-	-	0.91	6.33

5.4 Trade receivables (at amortised cost)

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured, considered good				
Trade receivables	-	-	8,738.75	7,892.84
	-	-	8,738.75	7,892.84

5.5 Cash and cash equivalents

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Cash in hand	-	-	1.00	0.64
Balances with banks:				
- On current accounts	-	-	544.38	158.13
- Deposits with original maturity of upto 3 months	-	-	54.84	-
	-	-	600.22	158.77

5.6 Other bank balances

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
- Deposits with original maturity of up to 3 months (pledged with Bank)	-	-	9.81	60.41
- Deposits with original maturity of up to 3 months (pledge with Bank)	-	-	1.51	1.42
- Deposits with original maturity of more than 3 months	-	936.40	-	-
	-	936.40	11.32	61.83

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.

Non-current deposits represents deposit with Bank out of disbursed ECB

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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 lakh

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	Recognised in OCI	Closing balance
Deferred tax assets				
Compensated absences & retirement benefits	60.09	6.41	(3.15)	63.35
Expenses allowed for tax purposes when paid	10.84	(2.19)	-	8.65
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	70.93	4.22	(3.15)	72.00
Deferred tax liabilities				
Property, plant and equipment and intangible assets	1,399.78	(2.74)	-	1,397.04
Others	12.25	6.05	-	18.30
Total deferred tax liabilities	1,412.03	3.31	-	1,415.34
Deferred tax assets/ (liabilities) (net)	(1,341.10)	0.91	(3.15)	(1,343.34)
Includes effect of change in Tax Rates	-	-	-	-

Reflected in Balance Sheet

	March 31 st , 2020	March 31 st , 2019
Deferred Tax assets	71.99	70.93
Deferred Tax Liabilities	1,415.34	1,412.03
Deferred Tax Liabilities (net)	1,343.34	1,341.10

7. Other Assets

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Unsecured and considered good				
Capital advances	123.28	652.13	-	-
Advance to Suppliers	-	-	231.32	246.35
Staff Advances	-	-	2.25	2.64
Other Advances	30.72	45.80	28.17	-
Prepaid expenses	-	-	29.69	31.02
Balances with statutory/government authorities bodies	9.80	2.34	-	63.71
Export incentive receivable	-	-	56.74	363.62
GST Recoverable	-	-	1,995.38	1,703.12
Ancillary cost of arranging the borrowings	-	34.76	-	7.48
Income tax Refundable	-	-	68.06	68.51
MAT Credit	-	-	-	51.70
Income tax paid under Appeal	-	-	36.02	29.97
Recoverable from Others	-	-	-	-
	163.80	735.04	2,447.63	2,568.12

Advance with statutory / government bodies relate to input credit entitlements

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

8. Inventories

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Raw materials	-	-	4,823.71	4,356.82
Work-in-progress	-	-	86.87	336.98
Finished goods	-	-	1,003.01	1,467.17
Material In Transit	-	-	563.63	267.77
Fuel Coal & Diesel	-	-	80.51	33.85
Packing & Stores	-	-	115.32	160.22
Total	-	-	6,673.05	6,622.81

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

9. Equity share capital

₹ in lakh

	As at March 31 st , 2020	As at March 31 st , 2019
Authorised*		
9,704,000 (March 31 st , 2019: 9,704,000) equity shares of ₹ 10/- each	970.40	970.40
Issued, subscribed and fully paid up shares		
8,474,030 (March 31 st , 2019: 8,166,200) equity shares of ₹ 10/- each	847.40	816.62
Approval Pending **		
Listing approval pending of 3,07,830 equity shares allotted pursuant to approval of scheme of amalgamation by the Hon'ble NCLT Chandigarh bench on February 11 th , 2020 3,07,830 equity shares of ₹ 10/- each	-	30.78
Total issued, subscribed and fully paid-up share capital	847.40	847.40

* Pursuant to approval of the Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor Company) and Stylam Industries Limited (Transferee Company) by the Hon'ble NCLT, Chandigarh Bench, on February 11th, 2020, authorised capital of Golden Chem-Tech Limited has been clubbed with authorised capital of Stylam Industries Limited w.e.f. 30.09.2017 i.e. the date appointed for implementation of the Scheme of Amalgamation. Hence, the Authorised Capital has been reclassified from 8,550,000 shares of ₹ 10/- each to 9,704,000 shares of ₹ 10/-each for March 31st, 2020 and March 31st, 2019

**Pursuant to approval of the Scheme of Amalgamation, 307,830 were shares allotted at the Board Meeting held on March 11th, 2020, listing approval of which is still awaited.

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

₹ in lakh

	As at March 31 st , 2020		As at March 31 st , 2019	
	Number	Amount	Number	Amount
At the beginning of the year	8,166,200	816.62	8,166,200	816.62
Issued during the year	307,830	30.78		
Approval Pending			307,830	30.78
Outstanding at the end of the year	8,474,030	847.40	8,474,030	847.40

(b) Terms/ rights attached to equity shares

The company has single class of shares referred to as equity shares having par value of ₹ 10 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.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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

	As at March 31 st , 2020		Change in shareholding		As at March 31 st , 2019	
	Number	% of total shares	Shares allotted pursuant to approval of scheme of Amalgamation	Shares purchased from open market	Number	% of total shares
Equity shares of ₹ 10 each fully paid						
Jagdish Gupta	1,073,181	12.66%	71,833	15,898	985,450	12.07%
Satish Gupta	868,963	10.25%	-	-	868,963	10.64%
Light House Emerging India Investor Ltd	850,000	10.03%	-	-	850,000	10.41%
Usha Gupta	714,250	8.43%	1,375	-	712,875	8.73%
Pushpa Gupta	785,539	9.27%	234,569	-	550,970	6.75%

Pursuant to approval of Scheme of Amalgamation by the NCLT, Chandigarh Bench, 307,830 shares have been issued to the shareholders of the Transferor company. Listing Approval of these shares is awaited.

Pursuant to acquisition of 15,898 shares from the open market, out of which 3,278 shares got transferred in the name of the concerned shareholder before March 31st, 2020 and the remaining 12,620 shares were transferred after March 31st, 2020

Detail of last five years Share transactions:-

	₹ in lakh					
	2019-20	2018-19	2017-18	2016-17	2015-16	2013-14
Share Issue as Bonus	-	-	-	-	-	-
Preferential allotment	-	-	850,000	-	-	-
Scheme of Amalgamation	307,830	-	-	-	-	-
Shares forfeited	-	-	-	-	-	-
ESOP	-	-	-	-	-	-

Financial Liabilities

10.1 Long-term borrowings (at amortised cost)

	₹ in lakh			
	Non-Current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Secured - At Amortised Cost				
From Banks				
Foreign Currency Loans				
Foreign Currency Loans - (1)	532.81	433.77	132.43	60.82
Foreign Currency Loans - (2)	1,144.18	1,070.26	427.74	93.18
Foreign Currency Loans - (3)	1,051.67	1,338.69	350.56	83.67
Foreign Currency Loans - (4)	-	1,007.70	-	-
Foreign Currency Loans - (5)	-	1,538.46	-	-
Foreign Currency Loans - (6)	-	1,543.72	-	349.52
Rupee Loans				
Rupee Loan - (1)	-	180.96	-	31.93
Rupee Loan - (4)	741.43	184.83	400.00	400.00
Rupee Loan - (5)	-	176.09	-	465.00
Vehicle Loans	14.82	44.32	29.50	41.29
Unsecured - At Amortised Cost				
Rupee Loans				
From Banks - (7)	-	798.00	-	402.00
From Promoters - (8)	-	1,298.72	239.78	-

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

₹ in lakh

	Non-Current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
From Related Parties - (8)	-	75.40	848.34	-
From others - (9)	80.47	73.39	-	-
	3,565.38	9,764.31	2,428.35	1,927.41
The above amount includes				
Secured borrowings	3,484.91	7,518.80	1,340.23	1,525.41
Unsecured borrowings	80.47	2,245.51	1,088.12	402.00
Amount disclosed under the head "Other financial liabilities" (note 11.4)	-	-	(2,428.35)	(1,927.41)
Net amount	3,565.38	9,764.31	-	-

Terms of repayment of Non-current and current borrowings

- Foreign Currency Loan amounting to ₹ 665.24 lakh (March 31st, 2019: ₹ 494.59 lakh) and Rupee loan amounting to ₹ Nil (March 31st, 2019: ₹ 212.90 lakh) is repayable in 69 monthly installments. The repayment of the loan commenced from August 2019
- Foreign Currency Loan amounting to ₹ 1,571.93 lakh (March 31st, 2019: ₹ 1,163.43 lakh) is repayable in 48 monthly installments. The repayment of commenced from October 2019.
- Foreign Currency Loan pertaining to External Commercial Borrowing amounting to ₹ 1,402.22 lakh (March 31st, 2019: ₹ 1,422.36 lakh) is repayable in 17 quarterly installments. The repayment started from February 2020.
- Rupee Term Loan amounting to ₹ 1,141.43 lakh (March 31st, 2019: ₹ 584.83 lakh) and Foreign Currency loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,007.70 lakh). This loan was part of borrowings of Golden Chem-Tech Limited. After merger the amount is transferred in the books of company. The loan is repayable in 20 quarterly installments. As per terms of sanction, the loan will be fully repaid by January 2023.
- Rupee Term Loan amounting to ₹ Nil (March 31st, 2019: ₹ 641.09 lakh) and Foreign Currency Loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,538.46 lakh) has been repaid in full out of the proceeds realised from sale of property and/or internal accruals of the company. The loan was otherwise repayable on 24 quarterly installment. The repayment of loan commenced from April 2017
- Foreign Currency Loan amounting to ₹ Nil (March 31st, 2019: ₹ 1,893.23 lakh) has been fully repaid out of the proceeds realised from sale of property and/or internal accruals of the company. Otherwise the loan was repayable in 84 equal monthly installments. The repayment commenced from September 2017

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 locations of the company of i) Industrial Area, Panchkula and ii) Manaktabra, Distt., Panchkula. The security is further extended to shed in the name of Golden Chem-Tech Limited, located 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 disbursement.

- Interest free Unsecured loan from bank amounting to ₹ Nil (March 31st, 2019: ₹ 1,200 lakh). The loan was part of borrowings of Golden Chem-Tech Limited. This loan is fully repaid back from internal accruals of the company.
- Interest free Unsecured loan from promoters and related parties amounting to ₹ 1,088.12 lakh (March 31st, 2019: ₹ 1,374.12 lakh) will be repaid back by the end of year 2021. This loan was initially measured at fair value using market rate of interest at the time when loan was taken. The loan includes ₹ 738.12 lakh (March 31st, 2019: ₹ 1,137.84 lakh) as part of borrowings of Golden Chem-Tech Limited.
- Interest free Unsecured loan from others for ₹ 80.47 lakh (March 31st, 2019: ₹ 73.39 lakh) will be repaid back by the end of year 2022. This loan was initially measured at fair value using market rate of interest at the time when loan was taken. The loan includes ₹ 47.80 lakh as part of borrowings of Golden Chem-Tech Limited.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

Maturity Profile

	Bank Borrowing	Vehicle loan	Unsecured Loan	₹ in lakh Total
Not later than 1 year	1,310.73	29.50	1,088.12	2,428.35
Later then one but not two years	1,398.14	14.82	80.47	1,493.42
Later then two but not three years	1,202.71	-	-	1,202.71
Later then three but not four years	776.65	-	-	776.65
Later then four but not five years	92.59	-	-	92.59
	4,780.82	44.32	1,168.59	5,993.72

10.2 Short-term borrowings

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan	-	-	2,912.33	2,851.76
Indian rupee loan from financial institutions (unsecured)			-	-
Rupee Loans	-	-	1,441.16	2,860.93
Unsecured - At Amortised Cost				
Working Capital Loans				
From Banks				
Unsecured Loan	-	-	1,500.00	1,500.00
	-	-	5,853.49	7,212.69

Terms of repayment of Current Borrowings

Working capital facilities are availed from State Bank of India, HDFC Bank Ltd and Standard Chartered Bank . Working capital facilities are repayable on demand.

Terms of Security

Secured Working Capital Loans

These are secured by a first pari-passu charge on all the current assets of the company, both present and future, wherever the same may or be held and have a second pari- passu charge on all movable and immovable fixed assets of the Company, 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.

10.3 Trade payables

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to micro and small enterprises)	-	-	-	-
Total outstanding dues of creditors	-	-	3,527.63	2,697.00
Total outstanding dues of creditors from MSME	-	-	23.60	38.35
	-	-	3,551.23	2,735.35

Refer Note 24 b for explanation on the company's liquidity risk management processes

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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 ₹ 23.60 lakh (March 31st, 2019: ₹ 38.38 lakh) as at the end of the year is Principal amount due to MSME.

10.4 Other financial liabilities

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Acceptances		-		-
Financial liabilities at fair value				
Derivative not designated as hedges	-	-	-	-
Foreign exchange forward contracts	-	-	146.21	-
	-	-	-	-
	-	-	146.21	-
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (note 11.1)	-	-	2,428.35	1,927.41
Security deposits received	-	-	-	0.11
Liability towards Capital vendors	-	-	-	21.85
Interest accrued but not due on borrowings	-	-	19.37	29.46
	-	-	2,447.72	1,978.83
	-	-	2,593.93	1,978.83

Financial liabilities at fair value through profit and loss

11. Provisions

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Provision for employee benefits				
Provision for gratuity (note 26)	115.72	90.61	10.71	9.95
Provision for compensated absences	85.20	65.54	5.91	5.86
Provision for Bonus	-	-	62.84	35.05
	200.92	156.15	79.46	50.86
Other provisions	-	-	-	-
Provision towards vendors	-	-	-	-
	-	-	-	-
Total Provisions	200.92	156.15	79.46	50.86

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

12. Other liabilities

₹ in lakh

	Non-current		Current	
	As at March 31 st , 2020	As at March 31 st , 2019	As at March 31 st , 2020	As at March 31 st , 2019
Advance from customers	-	-	450.82	165.24
Statutory dues payable	-	-	61.72	42.35
Provision for Excise duty on finished goods	-	-	-	-
Expenses Payable	-	-	398.33	513.43
Income Tax Payable	-	-	-	-
Deferred Revenue Liability (Govt. Grant)	657.84	683.57	-	-
Deferred Revenue Liability (Others)	-	-	-	-
Deferred Revenue Liability (Promoters)	-	-	-	-
Deferred Revenue Liability (Other Related Party)	-	-	-	-
Total Other liabilities	657.84	683.57	910.87	721.02

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

Deferred Revenue Liability (Govt Grants)

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 fulfillment of related export obligations.

Capital Goods and spare parts imported under EPCG Scheme in Golden Chem-Tech Limited are clubbed with liability of the company.

During the year ₹ 25.73 lakh was released from deferred income to the statement of profit and loss on fulfillment of export obligations.

13. Current tax liabilities

	Non-current		Current	
	As at	As at	As at	As at
	March 31 st , 2020	March 31 st , 2019	March 31 st , 2020	March 31 st , 2019
Liabilities for income tax (net of taxes paid)	-	-	346.08	619.98
Total tax liabilities	-	-	346.08	619.98

₹ in lakh

14. Revenue from operations

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Sale of products (including excise duty)		
Export	30,779.06	30,192.40
Domestic	15,435.78	15,869.64
	46,214.84	46,062.04

15. Other income

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Profit on sale of Fixed assets	5.32	8.69
Deferred Interest Income - Interest Free Loan	-	43.02
Government grants	25.73	91.71
Rental Income	-	-
Misc. Income	43.50	1.82
Interest on security deposit	0.37	4.47
Interest income on Bank deposits	22.52	11.98
	97.44	161.69

16. Cost of raw material consumed

	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Inventory at the beginning of the year	4,356.84	3,319.21
Add: Purchases	23,752.96	26,331.32
Freight Inward	883.40	758.31
Less: Inventory at the end of the year	(4,823.71)	(4,356.84)
	24,169.49	26,052.00

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

17. (Increase)/Decrease in inventories

	Year ended March 31 st , 2020	₹ in lakh Year ended March 31 st , 2019
Inventory at the beginning of the year		
- Work-in-progress	336.98	159.30
- Finished goods	1,467.17	1,567.46
Inventories at the end of the year		
- Work-in-progress	(86.87)	(336.98)
- Finished goods	(1,003.01)	(1,467.17)
Net (increase)/decrease in inventories	714.27	(77.39)

18. Employee benefit expense

	Year ended March 31 st , 2020	₹ in lakh Year ended March 31 st , 2019
Salaries, wages and bonus	3,398.30	2,801.05
Contribution to provident fund & Other funds	149.05	78.15
Gratuity expense (note 26)	44.49	32.32
Compensated absences	25.14	23.35
Staff welfare expenses	137.33	94.73
	3,754.31	3,029.60

19. Other expenses

	Year ended March 31 st , 2020	₹ in lakh Year ended March 31 st , 2019
Manufacturing Expenses		
Store & Spares	820.79	659.15
Packing Stores	1,042.39	1,212.70
Electric Power, Fuel & Water	3,299.54	2,915.52
Repairs and maintenance		
- Buildings	98.80	72.92
- Plant & Machinery	203.82	179.62
Excise Duty #	-	-
	5,465.34	5,039.91
Selling & Distribution Expenses		
Business promotion expenses	623.08	477.76
Distribution Expenses - Export	1,780.88	1,939.13
Distribution Expenses - Domestic	554.83	571.81
Certification Expenses	22.20	25.41
	2,980.99	3,014.11
Establishment Expenses		
Professional and consultancy fees	70.92	43.23
Rent	60.88	64.19
Rates and taxes	61.44	63.03
Insurance	70.78	68.93
Travelling and conveyance expenses	281.55	191.97
Other Repairs	244.90	193.89
Payment to Auditors	2.00	2.00
Loss on sale of Fixed Assets	8.67	27.54
Charity and Donation	2.39	1.61
Corporate Social Responsibility	48.86	53.51
Miscellaneous expenses	296.38	281.30
	1,148.77	991.20
	9,595.10	9,045.22

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

a) Details of remuneration to auditors included under professional and consultancy fees

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
As auditors		
- Audit fee	1.50	1.50
- Limited review of interim financial statements	0.25	0.25
- Tax audit fee	0.25	0.25
- Out of pocket expenses	-	-
	2.00	2.00

b) Details of CSR expenditure

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Gross amount required to be spent by the Company during the year		
i) Sanitation		
ii) Rural transformation		0.53
iii) Donation for Ambulance & Mortuary Van		29.78
vi) Child welfare	0.50	0.21
v) Social welfare	1.77	
vi) Plantation		
vii) Women Empowerment	2.25	2.25
viii) Healthcare	0.15	-
ix) Education for under-privileged children	44.19	0.74
x) Prime Minister National Relief Fund	-	20.00
	48.86	53.51

20. Depreciation and amortisation expense

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Depreciation of property, plant and equipment (note 3.1)	2,098.49	1,821.17
	2,098.49	1,821.17

21. Finance costs

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
Interest cost	866.96	752.63
Loan facility fees	62.57	8.45
Other Borrowing cost	95.68	211.67
Exchange difference	65.17	168.03
	1,090.38	1,140.78

22. Earnings per share (EPS)

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
₹ in lakh		
The following reflects the profit/(loss) and share data used in the basic and diluted EPS computations:		
Profit after tax as per Statement of Profit and Loss	1,886.86	3,881.57
(used for both calculation of basic EPS)		
Profit after tax as per Statement of Profit and Loss	1,864.05	3,881.57
(used for both calculation of diluted EPS)		
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	8,474,030	8,166,200
Basic - Par value of ₹ 10 per share (in ₹)	22.27	47.53
Diluted - Par value of ₹ 10 per share (in ₹)	22.75	47.53

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

23. Contingent Liabilities and Commitments

1 Contingent liabilities

(a) Claims against Company, disputed by the Company, not acknowledged as debt

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Income Tax	260.80	218.47
Custom Duty	2,058.72	-

₹ in lakh

(b) Guarantees

Furnished by Banks on behalf of the Company

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
GST, U.P	8.64	8.64

₹ in lakh

(c) Other Money for which the Company is contingently liable

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Liability in respect of Bill discounted with Banks	309.89	476.12

₹ in lakh

2 Commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Others	276.72	397.38

₹ in lakh

(b) Other commitments

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Export obligation under Advance License Scheme on duty free import of specific raw materials	31,863.05	33,155.40
Export obligation under EPCG License Scheme on duty free import of Capital Goods	5,877.97	4,658.28

₹ in lakh

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:

Category	Currency	Cross Currency		Amount (in lakh)	Buy/Sell
Forward Contracts					
As at March 31st, 2020	USD	INR	USD	43.00	Sell
	Euro	USD	Euro	29.50	Sell
As at March 31st, 2019	USD	INR	USD	61.00	Sell
	Euro	USD	Euro	42.00	Sell

Mark to market loss amounting to ₹ 146.20 lakh (March 31st, 2019: Nil) in respect of forward contract was charged to the Statement of Profit & Loss Account.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

Details of dues to Micro and Small Enterprises as per MSMED Act 2006

Particulars	₹ in lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
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	23.60	38.35
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.	-	-

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 an 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 of default, if any, will be negligible and accordingly no provision 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 31st, 2020

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:-

March 31 st , 2020	Contractual cash flows			Total
	Carrying amount	Within one year	More than one year	
Non-derivative financial liabilities				
Borrowings (including current maturities)	11,847.21	8,281.84	3,565.37	11,847.21
Trade payable	3,551.23	3,551.23	-	3,551.23
Other financial liabilities	165.58	165.58	-	165.58

₹ in lakh

March 31 st , 2019	Contractual cash flows			Total
	Carrying amount	Within one year	More than one year	
Non-derivative financial liabilities				
Borrowings (including current maturities)	18,904.41	9,140.10	9,764.31	18,904.41
Trade payable	2,735.35	2,735.35	-	2,735.35
Other financial liabilities	51.42	51.42	-	51.42

₹ in lakh

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, liabilities 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:

	March 31 st , 2020		March 31 st , 2019	
	USD	EUR	USD	EUR
Trade receivables	4,507.86	1,615.43	3,563.31	1,885.00
Other receivables	58.89	-	-	-
Trade payables	(2,030.19)	(1,063.44)	(1,248.22)	(647.45)
Borrowings	(1,462.65)	(5,089.07)	(6,424.10)	(3,947.44)
	1,073.91	(4,537.08)	(4,109.01)	(2,709.89)

₹ in lakh

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 31st, 2020

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the EUR and USD against the functional currency at March 31st, 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.

	Movement	Profit or Loss (before tax)	
		Strengthening	Weakening
₹ in lakh			
Year ended March 31st, 2020			
USD	1%	10.74	(10.74)
EURO	1%	(45.37)	45.37

	Movement	Profit or Loss (before tax)	
		Strengthening	Weakening
₹ in lakh			
Year ended March 31st, 2019			
USD	1%	(41.09)	41.09
EURO	1%	(27.10)	27.10

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 lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Fixed rate borrowings	5,295.49	8,532.87
Floating rate borrowings	6,551.72	10,371.54
Total borrowings	11,847.21	18,904.41

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 March 31st, 2019 would decrease / increase by ₹ 15.54 lakh (for the year ended March 31st, 2018: decrease / increase by ₹ 7.82 lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Risk due to outbreak of COVID 19 pandemic

The outbreak of COVID 19 pandemic globally and in India has severely impacted businesses and economies. There has been disruption to regular business operations due to the measures taken to curb the impact of the pandemic. The Company's plants, warehouses and offices were shut post announcement of nationwide lock down. Most of the operations have resumed post lifting of lock down. The Company has considered external and internal information in assessing the impact of COVID 19 on various elements of its financial statements, including recoverability of its assets as at the Balance Sheet date.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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 it 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 lakh	
	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Net debt	11,235.67	18,683.81
Total equity	20,422.85	18,551.14
Net debt to equity ratio	0.55	1.01

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 lakh	
	March 31 st , 2020	March 31 st , 2019
Employer's contribution to provident fund	117.77	52.14
Employer's contribution to employee state insurance	27.59	24.49
Employer's contribution to welfare funds	3.69	1.53

2 Defined Benefit Plans

Gratuity:

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 6.25% p.a. (March 31st, 2019: 7.5% 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 (March 31st, 2018: 58 years) and mortality table is as per IALM (2006-08) (March 31st, 2018: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 4% p.a. (March 31st, 2019: 5% p.a.). The rate of attrition considered in actuarial valuation is 10% (March 31st, 2019:10%).

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Present value of obligation at the beginning of the year	100.56	91.98
Current Service Cost	38.21	25.43
Interest Cost	6.29	6.90
Benefits paid	7.81	15.72
Actuarial (gain)/ loss	(10.81)	(8.02)
Present value of obligation at the end of the year	126.43	100.56

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Current Service Cost	38.21	25.43
Interest Cost	6.29	6.90
Expenses recognised in the Statement of profit & loss Account	44.49	32.32

Amount recognised in the other comprehensive income:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Actuarial (gain)/ loss due to experience variance	(10.81)	(8.02)
Net (Income)/ Expenses recognised in OCI	(10.81)	(8.02)

Sensitivity analysis

Assumption	₹ in lakh			
	March 31 st , 2020		March 31 st , 2020	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	(118.29)	135.34	(135.45)	118.29

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 lakh	
	March 31 st , 2020	March 31 st , 2019
Present value of obligation at the beginning of the year	71.39	60.56
Current Service Cost	31.58	23.98
Interest Cost	4.46	4.54
Benefits paid	5.42	12.52
Actuarial (gain)/ loss	(10.90)	(5.17)
Present value of obligation at the end of the year	91.11	71.39

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	₹ in lakh	
	March 31 st , 2020	March 31 st , 2019
Current Service Cost	31.58	23.98
Interest Cost	4.46	4.54
Actuarial (gain)/ loss	(10.90)	(5.17)
Expenses recognised in the Statement of profit & loss Account	25.14	23.35

Sensitivity analysis

Assumption	₹ in lakh			
	March 31 st , 2020		March 31 st , 2020	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	(86.28)	96.46	(96.54)	86.10

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 31st, 2020

27. Fair value Hierarchy

a) Financial instruments by category

₹ in lakh

	Note	Level of hierarchy	March 31 st , 2020			March 31 st , 2019		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Financial Assets								
Loans and advances	a		-	-	126.01	-	-	103.62
Investments	b	3	-	-	149.78	-	-	114.14
Trade and other receivables	a		-	-	8,738.75	-	-	7,892.85
Cash and cash Equivalents	a		-	-	600.22	-	-	158.77
Other bank balances	a		-	-	11.32	-	-	61.83
Other financial assets	a		-	-	0.91	-	-	6.33
Total Financial Assets			-	-	9,626.99	-	-	8,337.54
Financial Liabilities								
Borrowings (including current maturities)	c	3	-	-	11,847.21	-	-	18,904.41
Trade payables	a		-	-	3,551.23	-	-	2,735.35
Foreign Exchange contracts	d	2	146.21	-	-	-	-	-
Other financial liabilities	a		-	-	19.37	-	-	51.42
Total Financial Liabilities			146.21	-	15,417.81	-	-	21,691.18

In addition to the above the Company had investments in its subsidiary amounting to ₹ 0.07 lakh (March 31st, 2019: Nil) and had invested in shares of associate company to ₹ 35.63 lakh (March 31st, 2019: Nil), which are carried at cost.

The shares allotted to company amounting to ₹ 114.14 lakh (March 31st, 2019: ₹ 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.

- 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.
- Fair value for investments has been disclosed at fair value.
- 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.
- 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 March 31st, 2020 and March 31st, 2019.

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 to the Consolidated Financial Statements

for the year ended March 31st, 2020

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.

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

₹ in lakh

	March 31 st , 2020		March 31 st , 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and advances	126.01	126.01	103.62	103.62
Investments	149.78	149.78	114.14	114.14
Trade and other receivables	8,738.75	8,738.75	7,892.84	7,892.85
Cash and cash Equivalents	600.22	600.22	158.77	158.77
Other bank balances	11.32	11.32	61.83	61.83
Other financial assets	-	-	-	-
Total Financial Assets	9,626.08	9,626.08	8,331.20	8,331.20
Financial Liabilities				
Borrowings (including current maturities)	11,847.21	11,847.21	18,904	18,904
Trade payables	3,551.23	3,551.23	2,735	2,735
Other financial liabilities	19.37	19.37	51.42	51.42
Total Financial Liabilities	15,417.81	15,417.81	21,691.18	21,691.18

28. Business Combination

Amalgamation with Golden Chem-Tech Limited

On December 21st, 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 have received all necessary approvals and in accordance with the terms of the Scheme, September 30th, 2017 was the appointed date and effective date. Accordingly, all assets and liabilities of GCL have become assets and liabilities of the Company with effect from that date.

On March 11th, 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 has been made to the book values of the assets and liabilities of GCL when they are incorporated in the financial statements of the company except to ensure uniformity of accounting policies.

Notes to the Consolidated Financial Statements

for the year ended March 31st, 2020

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	Director
Mr. Sachin Bhatla	Director- Technical
Mr. Sanjeev Vaid	CFO
Mr. Jatin	CS (Resigned on December 4 th , 2019)
Ms. Srishty Chaudhary	CS (Appointed on January 21 st , 2020)

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	

Subsidiary (where control exists)

Wholly-owned subsidiary

Name of Company	Country of Incorporation
Stylam Asia Pacific Pte Ltd*	Singapore

*formed on September 16th, 2019

Entities where Directors/ family members of Directors having control

Name of Company	%age of shares acquired
Alca Vstyle Sdn. Bhd., Malaysia (Alca)	34%

* Company has formed Wholly owned subsidiary (WOS) in September 2019 for the purpose of trading of laminates and allied products. The activity from WOS is yet to start with.

Transactions during the year with related parties

₹ in lakh

Nature of transactions	2019-20			2018-19		
	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		536.43				
Salary Paid	339.89			229.50		
Paid for expenses			3.97			
Addition in Borrowings	355.00			2,199.00		
Borrowings repaid back	(641.01)			(1,136.79)		

* The activity from WOS is yet to begin. The company has paid incorporation expenses on behalf of WOS.

** Alca is into trade of furniture and fixtures for commercial and industrial applications. From the date of acquisition of 34% of shares company sold laminates for ₹ 536.43 lakh to Alca.

₹ in lakh

	Year ended March 31 st , 2020	Year ended March 31 st , 2019
Borrowings from Promoters and Related parties	1,088.12	1,374.12



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