



# MITTAL GOEL & ASSOCIATES

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CHARTERED ACCOUNTANTS

**Independent Auditor's Review Report on the Quarterly and Year to dated Audited Standalone Financial Results of the Company. Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To

The Board of Directors of

Stylam Industries Limited

Chandigarh

## Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Stylam Industries Limited (the "Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- I. is presented in accordance with the requirements of Regulation 33 of the listing Regulations in this regard; and
- II. gives a true and fair view in conformity with the recognition and measurement principles laid down in -the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and or the year ended March 31, 2021

## Basis-for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have filled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.



We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

The uncertainties and the impact of Covid-19 pandemic on the Company's operations and results are assessed by the Management. Due to Covid -19 Pandemic situation verification of inventory at plant was carried out by the Management of the company and it was impracticable for us to be at plant when physical verification was carried out. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the guidance provided by SA 501 "Audit Evidence- specific considerations for selected items" and have obtained sufficient Audit evidence

Our opinion is not modified in respect of the matter.

### **Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the statement as a whole is 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 this Standalone Financial Results.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

**For MITTAL GOEL & ASSOCIATES**

Chartered Accountants

Firm's Regd. No. 017577N



CA SANDEEP KUMAR GOEL

PARTNER

MEMBERSHIP NO: 099212

DATE: 27.05.2021

PLACE: Chandigarh



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CHARTERED ACCOUNTANTS

## Independent Auditor's Review Report on the Quarterly and Year to dated Audited Consolidated Financial Results of the Company. Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### Opinion

We have audited the accompanying statement of quarterly and year to date Consolidated financial results of Stylam Industries Limited (the "Holding Company") and its Subsidiary (the Holding Company and its Subsidiary together referred to as "the Group") for the quarter ended March 31, 2021 and for the year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other Auditors on separate Audited Financial Statements of the Subsidiary and management certified financial statements of one of the subsidiaries, the Statement:

- I. Includes the Financial Results of the following entity:

### Subsidiary

**Stylam Asia Pacific Pte Ltd., Singapore**

- II. is presented in accordance with the requirements of Regulation 33 of the listing Regulations in this regard; and
- III. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group Company for the quarter ended March 31, 2021 and or the year ended March 31, 2021

### Basis-for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" 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 together with the ethical requirements that are relevant



to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have filled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us & other Auditors in terms of their reports and information provided for management certified Financial Statement for one its Subsidiary are referred to in "other matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter**

The uncertainties and the impact of Covid-19 pandemic on the Company's operations and results are assessed by the Management. Due to Covid -19 Pandemic Situation verification of inventory at plant was carried out by the Management of the company and it was impracticable for use to be at plant when physical verification was carried out. Consequently, we have performed alternative Audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the guidance provided by SA 501 "Audit Evidence- specific considerations for selected items" and have obtained sufficient Audit evidence

Our opinion is not modified in respect of the matter.

### **Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the Consolidated Annual Financial Statements. The Holding Company's Board are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the listing Regulations. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement 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 Statement by the Directors of the Holding Company, as aforesaid

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

The respective Board of Directors the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group





### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the statement as a whole is 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 this statement

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

We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate Audit evidence regarding the Financial results/Financial information of the entities within the Group of which we are the independent Auditors to express an opinion on the statement. We are responsible for the direction, supervision, and performance of the Audit of the financial information of such entities included in the statement, 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

We communicate with those charged with governance of Holding Company 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulations 33(8) of the Listing Regulations, as amended, to the extent applicable

#### **Other matters**

The statement includes Audited Financial Results of Subsidiary. The financials of the subsidiary have been audited by other Independent Auditors. The Independent Auditors' reports on financial statements of the entity has been furnished to us and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of the entity, is based on the report of such Auditors and the procedures performed by us are as stated in paragraph above.

Further, subsidiary is located is outside India, and Annual Financial Statements has been prepared in accordance with Accounting principles generally accepted of that country, and which has been audited by other Auditor under generally accepted Accounting Principles applicable of that country. The Holding Company's Management has converted the financial statements of such subsidiary from accounting principles generally accepted in that country to accounting principles generally accepted in India. WE have Audited these conversation adjustments made by the Holding Company's Management. Our opinion, in so far as it relates to the amount and disclosures included in respect of these subsidiary, is based on the





Audit Report of other Auditor and the conversion adjustments prepared by the Management of Holding Company and Audited by us

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

**To The Board of Directors of  
Stylam Industries Limited  
Chandigarh**

**For MITTAL GOEL & ASSOCIATES**  
Chartered Accountants  
Firm's Regd. No. 017577N



**CA SANDEEP KUMAR GOEL**  
PARTNER  
MEMBERSHIP NO: 099212  
DATE: 27.05.2021  
PLACE: Chandigarh

**Notes to Standalone and Consolidated Financial Results**