

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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, 2021 were approved for issue in accordance with the resolution of the Board of Directors on May 27th, 2021.

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 uncertainties relating to the global pandemic from COVID-19 (COVID-19)

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.

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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;
- 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

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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 estimated useful lives of intangible assets are assessed as 10 years.

(d) De-recognition

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

(e) Non-current assets held for sale

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

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

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

Once classified as held-for sale, property, plant and equipment are no longer 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 on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. These balances with banks are unrestricted for withdrawal and usage.

- Other bank balances include balances and deposits with banks that are restricted for withdrawal and usage

Recoverability of trade receivable

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

Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as forwards

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

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

Impairment of financial assets

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

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Derecognition

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

(i) Impairment of non-financial assets

At each balance sheet date, the carrying amount of fixed assets is reviewed by the

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

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

(j) Valuation of deferred tax liabilities

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

(k) Provision and contingent liabilities

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

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

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

(l) Revenue recognition

Sale of products

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied

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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.

(m) Expenditure

Expenses are accounted on accrual basis.

(n) Employee benefits

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

Short-term employee benefits

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short term employee

benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

Defined contribution plans

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

Retirement benefit obligations

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

Defined Gratuity Plans

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

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in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Actuarial valuation

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

Re-measurement

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

(o) Income Taxes

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

Current tax

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

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial

statements and the corresponding tax bases used in the computation of taxable profit.

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

(p) Finance costs

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

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

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

(q) Foreign currencies transactions and translation

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

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(r) Earnings per share

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

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

(s) Business Combination

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

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

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

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

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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
At amortised Cost										
Cost/Deemed cost as at April 1st, 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	0.00	0.00	0.00	1,613.58	1.98	0.00	41.65	12.26	0.00	1,669.46
Disposals	0.00	0.00	0.00	-270.47	0.00	0.00	-51.31	0.00	0.00	-321.78
Ind AS Measurements										0.00
Cost/Deemed cost as at March 31st, 2021	2,014.73	4,730.07	369.11	19,608.24	1,143.15	282.52	820.80	213.94	475.72	29,658.30
Additions										0.00
Accumulated Depreciation										
Accumulated depreciation as at April 1st, 2020	0.00	742.93	33.83	6,720.66	529.43	138.36	322.27	156.40	171.43	8,815.32
Charge for the Year	0.00	164.84	5.86	1,859.62	119.78	25.40	65.04	26.83	47.57	2,314.95
Disposals				-208.42	0.00		-45.50			-253.92
Ind AS Measurements										0.00
Total accumulated depreciation as at March 31st, 2021	0.00	907.78	39.69	8,371.86	649.22	163.77	341.81	183.22	219.00	10,876.34
Net Block										
Net carrying value as at April 1st, 2020	2,014.73	3,987.14	335.28	11,544.47	611.74	144.16	508.19	45.28	304.29	19,495.29
Net carrying value as at March 31st, 2021	2,014.73	3,822.30	329.43	11,236.38	493.94	118.76	478.99	30.72	256.72	18,781.96

Notes :

(a) The Company has adjusted exchange gains arising on long-term foreign currency loans amounting to INR 2,319 million (March 31st, 2016 : loss of INR 4,338 million) to the cost of property, plant and equipment. The Company does not have any other long-term foreign currency monetary items and hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is Nil (March 31st, 2016 : Nil).

(a) 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 has been recognised as assets of the company.

(Refer Note No.28 Business combination)

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	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)
Ind AS Measurements	-	-	-	-	-	-	-	-	-	-
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 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	1,514.44	119.01	26.35	59.47	20.43	47.57	1,947.67
Disposals	-	-	-	(15.53)	(21.39)	-	-	-	-	(36.93)
Ind AS Measurements	-	-	-	150.82	-	-	-	-	-	150.82
Total accumulated depreciation as at March 31st, 2020	-	742.93	33.83	6,720.66	529.43	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	11,544.47	611.74	144.16	508.19	45.28	304.29	19,495.29

Notes :

(a) The Company has adjusted exchange gains arising on long-term foreign currency loans amounting to INR 2,319 million (March 31st, 2016 : loss of INR 4,338 million) to the cost of property, plant and equipment. The Company does not have any other long-term foreign currency monetary items and hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is Nil (March 31st, 2016 : Nil).

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

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	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	1,968.91	8.53	14.09	41.17	1.89	291.26	2,632.30
Disposals	(8.76)	-	-	(60.08)	-	-	(88.92)	(0.94)	-	(158.70)
Ind AS measurements	-	-	-	375.64	-	-	-	-	-	375.64
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 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	1,285.76	105.05	25.22	58.09	30.24	33.01	1,690.38
Disposals	-	-	-	(37.55)	-	-	(53.86)	(0.69)	-	(92.10)
Ind AS measurements	-	-	-	130.79	-	-	-	-	-	130.79
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 :

(a) The Company has adjusted exchange gains arising on long-term foreign currency loans amounting to INR 2,319 million (March 31st, 2016 : loss of INR 4,338 million) to the cost of property, plant and equipment. The Company does not have any other long-term foreign currency monetary items and hence, the amount of exchange loss deferred in the "Foreign Currency Monetary Item Translation Difference Account" is Nil (March 31st, 2016 : Nil).

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

The Block of Fixed Assets includes the Assets of the company 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.

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4. Investment Property

At Fair Market Value

	INR In Lakh	
	As at March 31 st , 2021	As at March 31 st , 2020
Property held for Sale	-	-
Total	-	-

5. Financial assets

5.1 Non-current investments

Un-quoted investment

	INR In Lakh		
	Nos of shares as at March 31 st , 2021	As at March 31 st , 2021	As at March 31 st , 2020
Investment carried at fair value			
Equity Investment			
-Un-quoted			
-Serrano Limited, Singapore* (fair value SGD 0.031 per share)	6575711	102.37	102.37
-Serrano Limited, Singapore** (fair value SGD 0.031 per share)	756199	11.77	11.77
-Un-quoted, Fully paid-up			
Subsidiary			
-Stylam Asia Pacific Pte Ltd - Equity shares of US\$ 1 each	100	0.07	0.07
Investment in Equity Instruments (at Cost)			
-Un-quoted, Fully paid-up			
Associate			
-Alca Vstyle Sdn. Bhd, Malaysia	340000	35.63	35.63
Total investment		149.85	149.85

- A. The company has formed wholly owned subsidiary with an authorised capital of USD100
- B. The company has acquired 34% stake in Associate company. This company is engaged in to trading of commercial and industrial
- Furnitures and fixtures
- C. Others

*The company had trade arrangement with Serrano Ltd, Singapore (Serrano). Serrano owed INR 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 31-03-2020 6,575,711 Nos) were allotted to the company. These shares are listed on Singapore Stock Exchange. As trading of shares were suspended these were considered as unquoted investment. When trading was suspended the share was valued at SGD 0.031 per share (as on 31-03-2020 SGD 0.031 per share), the same value is considered for arriving fair value of share.

** Under the Scheme 756,199 Nos of shares were allotted to Golden Chem-Tech Limited (as on 31-03-2020 756,199 Nos). Pursuant to approval of Scheme of Amalgamation by Hon'ble NCLT, Chandigarh Bench, all investments of Golden Chem-Tech Limited will be treated as investments of the company.

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When the distribution of shares were made, company did not have any presence in Singapore, but as per procedure in Singapore, allotment of Shares is allowed in dematerialised form, for which company needs to 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 concern shall hold shares as custodian on behalf of the company. Now as the company has formed WOS in Singapore, the company has initiated to get the shares registered in the name of WOS.

5.2 Loans and advances

(at amortised cost)

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Unsecured and considered good				
Security deposits	139.71	126.01	-	-
	139.71	126.01	-	-

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

5.3 Other financial assets

(at amortised cost)

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Interest accrued	-	-	2.43	0.91
	-	-	2.43	0.91

5.4 Trade receivables

(at amortised cost)

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Unsecured, considered good				
Trade receivables	-	-	9,864.27	8,738.75
	-	-	9,864.27	8,738.75

5.5 Cash and cash equivalents

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Cash in hand	0.00	0.00	0.65	1.00
Balances with banks:				
- On current accounts	0.00	0.00	449.93	544.38
- Deposits with original maturity of upto 3 months	0.00	0.00	57.82	54.84
	0.00	0.00	508.40	600.22

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

5.6 Other bank balances

	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
- Deposits with original maturity of upto 3 months (pledged with Bank)	-	-	11.97	9.81
- Deposits with original maturity of more than 3 months	-	-	810.20	1.51
- other Balances with Bank	-	-	183.17	0.00
	-	-	1,005.34	11.32

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.

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:-

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	Other movements during the year	Recognised in OCI	Closing balance
Deferred tax assets					
Compensated absences & retirement benefits	63.35	14.25		-0.00	77.60
Expenses allowed for tax purposes when paid	8.65	-3.70		0.00	4.95
Derivative contracts fair valued on transition	0.00	0.00	0.00	0.00	
MAT credit entitlement/ (Utilisation)	0.00		0.00		0.00
Unabsorbed Depreciation	0.00		0.00		0.00
Adjustment due to change in Tax Rate in unabsorbed depreciation	0.00		0.00		0.00
Total deferred tax assets	71.99	10.55	0.00	-0.00	82.55
Deferred tax liabilities					
Property, plant and equipment and intangible assets	1,397.03	-110.44			1,286.59
Others	18.30	-4.92			13.38
Total deferred tax liabilities	1,415.34	-115.36	0.00	0.00	1,299.98
Deferred tax assets/ (liabilities) (net)	-1,343.34	125.91	0.00	-0.00	-1,217.43

Reflected in Balance Sheet

	31-Mar-21	31-Mar-20
Deferred Tax assets	82.55	71.99
Deferred Tax Liabilities	1,299.98	1,415.34
Deferred Tax Liabilities (net)	1,217.43	1,343.34

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

7. Other Assets

	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Unsecured and considered good				
Capital advances	231.50	123.28	40.00	0.00
Advance to Suppliers	0.00	0.00	267.13	231.32
Staff Advances	0.00	0.00	5.25	2.25
Other Advances	30.14	30.72	37.34	28.17
Prepaid expenses	0.00	0.00	19.66	29.69
Balances with statutory/government authorities bodies	3.22	1.03	0.00	0.00
Export incentive receivable	0.00	0.00	3.73	56.74
GST Recoverable	0.00	0.00	2164.99	1995.38
Unrealised exchange	0.00	0.00	154.50	0.00
Income tax Refundable	0.00	0.00	56.31	68.06
Income tax paid under Appeal	0.00	0.00	69.02	36.02
VAT Recoverable	8.78	8.78	0.00	0.00
Recoverable from others	9.35	3.90	0.00	0.00
	282.99	167.70	2817.93	2447.63

Advance with statutory / government bodies relate to input credit entitlements

8. Inventories

	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Raw materials	-	-	4,602.70	4,823.71
Work-in-progress	-	-	260.52	86.87
Finished goods	-	-	1,322.67	1,003.01
Material In Transit	-	-	756.79	563.63
Fuel Coal & Diesel	-	-	31.98	80.51
Packing & Stores	-	-	210.20	115.32
Total	-	-	7,184.86	6,673.05

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

9. Equity share capital

	As at March 31 st , 2021	As at March 31 st , 2020
Authorised *		
9,704,000 (March 31 st , 2020 : 9,704,000) Equity shares of INR 10/-each	970.40	970.40
Issued, subscribed and fully paid up shares		
8,474,300 (March 31 st , 2020, 8,474,300) Equity shares of INR 10/-each	847.40	847.40
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 INR 10/- each to 9,704,000 shares of shares of INR 10/-each for March 31st, 2021 and ,March 31st, 2020

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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

	As at March 31 st , 2021		As at March 31 st , 2020	
	Number	Amount	Number	Amount
At the beginning of the year	8474030	847.40	8166200	816.62
Issued during the year	-	-	307,830	30.78
Approval Pending	-	-	-	-
Outstanding at the end of the year	8474030	847.40	8474030	847.40

(b) Terms/ rights attached to equity shares

- a) The company has single class of shares referred to as equity shares having par value of INR 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.

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

	As at March 31 st , 2021		As at March 31 st , 2020	
	Number	% of total shares	Number	% of total shares
Equity shares of INR 10 each fully paid				
Jagdish Gupta	1073181	12.66%	1073181	12.66%
Satish Gupta	868963	10.25%	868963	10.25%
Light House Emerging India Investor Ltd	850000	10.03%	850000	10.03%
Usha Gupta	714250	8.43%	714250	8.43%
Pushpa Gupta	785539	9.27%	785539	9.27%

Detail of last five years Share transactions:-

	INR In Lakh				
	2020-21	2019-20	2018-19	2017-18	2016-17
Share Issue as Bonus	-	-	-	-	-
Preferential allotment	-	-	-	850000	-
Scheme of Amlagamtion	-	307,830	-	-	-
Shares forfeited	-	-	-	-	-
ESOP	-	-	-	-	-

Financial Liabilities

10.1 Long-term borrowings

(at amortised cost)

	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Secured - At Amortised Cost				
From Banks				
Foreign Currency Loans				
Foreign Currency Loans -(1)	381.44	532.81	136.48	132.43
Foreign Currency Loans -(2)	745.35	1144.18	444.95	427.74
Foreign Currency Loans -(3)	729.31	1051.67	364.65	350.56
Foreign Currency Loans -(4)	0.00	0.00	0.00	0.00
Foreign Currency Loans -(5)				
Foreign Currency Loans -(6)	0.00	0.00	0.00	
Rupee Loans				
Rupee Loan -(1)	293.32	741.43	372.53	400.00

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Rupee Loan -(4)	0.00		0.00	
Rupee Loan -(5)	0.00	0.00	0.00	
Vehicle Loans	0.00	14.82	13.13	29.50
Unsecured - At Amortised Cost				
Rupee Loans				
From Banks -(7)	0.00	0.00	0.00	0.00
From Directors -(8)	0.00	0.00	45.20	239.78
From Related Parties -(8)	0.00	0.00	222.40	848.34
From others -(9)		80.47	55.49	0.00
	2149.42	3565.37	1654.83	2428.35
The above amount includes				
Secured borrowings	2149.42	3484.90	1387.23	1340.23
Unsecured borrowings	0.00	80.47	267.60	1088.12
Amount disclosed under the head "Other financial liabilities" (note 10.4)	0.00	0.00	-1654.83	-2428.35
Net amount	2149.42	3565.37	0.00	0.00

Terms of repayment of Non-Current and Current borrowings

- Foreign Currency loan amounting to INR 517.92 lakh (March 31st, 2020 665.24 lakh) is repayable in 69 Monthly Instalments
The repayment of the loan commenced from August 2019.
- Foreign Currency loan amounting to INR 1190.29 lakh (March 31st, 2020: INR 1571.93 lakh) is repayable in 48 monthly instalments.
The repayments commenced from October 2019.
- Foreign Currency loan pertaining to External commercial Borrowing amounting to INR 1093.96 lakh (March 31st, 2020: INR 1402.22 lakh) is repayable in 17 quarterly instalments. The repayment started from February 2020)
- Rupee term loan amounting to INR 665.85 (March 31st, 2020: INR 1141.43 lakh) This loan was part of borrowing of Golden Chem-Tech Limited After merger the amount was transferred in the books of the company. The loan is repayable in 20 quarterly instalments. As per the terms of sanction, the loan will be fully repaid by January 2023

Terms of Security

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

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

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

Vehicle loans are secured against Hypothecation of respective vehicles. The same are repayable in five years from the date of respective disbursements

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

5. Interest free unsecured loan from promoters and related parties amounting to INR 267.60 lakh (March 31st, 2020: 1088.12 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 INR Nil

(March 31st, 2020: 738.12 lakh) as part of borrowings of Golden Chem- Tech limited

6. Interest free Unsecured loan from others for INR 55.49 lakh (March 31st, 2020: 80.47 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.

10.2 Short-term borrowings

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan	-	-	1,695.59	2,912.33
Indian rupee loan (unsecured)			-	-
Indian rupee loan from financial institutions (unsecured)				
Rupee Loans	-	-	415.40	1,441.16
Unsecured - At Amortised Cost				
Working Capital Loans				
From Banks				
Unsecured Loan	-	-	-	1,500.00
	-	-	2,110.99	5,853.49

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

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 23 for details of dues to micro and small enterprises)	-	-	-	-
Total outstanding dues of creditors	-	-	4,913.39	3,527.62
Total outstanding dues of creditors from MSME	-	-	235.92	23.60
	-	-	5,149.31	3,551.23

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

Refer note 24b for explanations 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 INR 235.92 lakh (March 31st, 2020 INR 23.60 lakh) as at the end of the year is Principal amount due to MSME.

10.4 Other financial liabilities

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
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 10.1)	-	-	1,654.83	2,428.35
Liability towards Capital vendors	-	-	-	-
Interest accrued but not due on borrowings	-	-	5.60	19.37
	-	-	1,660.43	2,447.72
	-	-	1,660.43	2,593.93

Financial liabilities at fair value through profit and loss

11. Provisions

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Provision for employee benefits				
Provision for gratuity (Note 26)	135.43	115.72	12.79	10.71
Provision for compensated absences	99.64	85.20	7.30	5.91
Provision for Bonus	-	-	53.17	62.85
	235.07	200.92	73.25	79.46
Other provisions				
Provision towards vendors	-	-	-	-
	-	-	-	-
Total Provisions	235.07	200.92	73.25	79.46

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

	INR In Lakh			
	Non-current		Current	
	As at March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Advance from customers	-	-	359.29	450.82
Statutory dues payable	-	-	86.10	61.72
Security deposits received*	9.60	-	-	-
Expenses Payable	-	-	750.77	398.33
Deferred Revenue Liability (Govt. Grant)	644.63	657.84	-	-
Total Other liabilities	654.23	657.84	1,196.17	910.87

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

Deferred Revenue Liability (Govt Grants)

- i Deferred Revenue Liability (Govt Grants) relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.
- ii During the year INR 13.21 lakh (2019-20: INR 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 March 31 st , 2021	As at March 31 st , 2020	As at March 31 st , 2021	As at March 31 st , 2020
Liabilities for income tax (net of taxes paid)	-	-	323.29	346.08
Total tax liabilities	-	-	323.29	346.08

14. Revenue from operations

	As at March 31 st , 2021	As at March 31 st , 2020
	Sale of products	
Export	32,846.49	30,779.06
Domestic	14,738.09	15,435.78
	47,584.58	46,214.84
	47,584.58	46,214.84

15. Other income

	As at March 31 st , 2021	As at March 31 st , 2020
	Profit on sale of Fixed assets	14.12
Insurance claims received	57.11	0.00
Government grants	13.21	25.73
Misc. Income	1.79	43.50
Exchange gain Foreign Currency	368.90	0.00
Interest on security deposit	7.46	0.36
Interest income on Bank deposits	16.35	22.52
	478.93	97.43

16. Cost of raw material consumed

	As at March 31 st , 2021	As at March 31 st , 2020
	Inventory at the beginning of the year	4823.71
Add: Purchases	23894.17	23752.96
Freight Inward	1005.16	883.40
Less: Inventory at the end of the year	-4602.70	-4823.71
	25120.33	24169.49

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

17. (Increase)/Decrease in inventories

	As at March 31 st , 2021	As at March 31 st , 2020
	Inventory at the beginning of the year	
-Work-in-progress	86.87	336.98
- Finished goods	1003.01	1467.17
Inventories at the end of the year		
-Work-in-progress	-260.52	-86.87
- Finished goods	-1322.67	-1003.01
Net (increase)/decrease in inventories	-493.30	714.27

18. Employee benefit expense

	As at March 31 st , 2021	As at March 31 st , 2020
	Salaries, wages and bonus	3462.09
Contribution to provident fund & Other funds	163.71	149.05
Gratuity expense (Note No.26)	48.89	44.49
Compensated absences	26.45	25.14
Staff welfare expenses	124.34	137.33
	3825.49	3754.31

19. Other expenses

	As at March 31 st , 2021	As at March 31 st , 2020
	Manufacturing Expenses	
Store & Spares	818.07	820.78
Packing Stores	1153.86	1042.39
Electric Power, Fuel & Water	2362.77	3299.54
Repairs and maintenance		
- Buildings	232.86	98.80
- Plant & Machinery	400.69	203.82
Excise Duty #	0.00	0.00
	4968.25	5465.34
Selling & Distribution Expenses		
Business promotion expenses	658.92	623.08
Distribution Expenses - Export	2643.55	1780.88
Distribution Expenses - Domestic	478.27	554.83
Certification Expenses	24.21	22.20
	3804.95	2980.99
Establishment Expenses		
Professional and consultancy fees	55.31	70.92
Rent	61.10	60.88
Rates and taxes	52.74	57.48
Insurance	70.09	70.78
Travelling and conveyance expenses	82.95	281.55
Other Repairs	210.79	244.90
Payment to Auditors	5.75	2.00
Loss on sale of Fixed Assets	6.65	8.67
Charity and Donation	0.82	2.39
Corporate Social Responsibility	117.72	48.86
Miscellaneous expenses	132.33	296.39
	796.25	1144.81
	9569.45	9591.14

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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

	INR In Lakh	
	Year ended March 31 st , 2021	Year ended March 31 st , 2020
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
Internal Audit fees	3.00	0.00
GST Audit fees	0.75	0.00
	5.75	2.00

b) Details of CSR expenditure

	INR In Lakh	
	Year ended March 31 st , 2021	Year ended March 31 st , 2020
Gross amount required to be spent by the Company during the year		
i) Sanitation		
ii) Rural transformation		
iii) Donation for Ambulance & Mortuary Van		0.50
vi) Child welfare	0.50	1.77
v) Social welfare		
vi) Plantation		2.25
vii) Women Empowerment		
viii) Healthcare	101.22	0.15
ix) Education for under-privileged children		44.19
x) Prime Minister National Relief Fund		0.00
xi) Sports	2.20	
xii) Old Age Home	6.81	
xiii) School	2.11	
xiv) Restoration of Building for historical importance	4.88	
	117.72	48.86

20. Depreciation and amortisation expense

	INR In Lakh	
	As at March 31 st , 2021	As at March 31 st , 2020
Depreciation of property, plant and equipment (note 3.1)	2314.95	2098.49
	2314.95	2098.49

21. Finance costs

	INR In Lakh	
	As at March 31 st , 2021	As at March 31 st , 2020
Interest cost	325.91	866.95
Loan facility fees	23.83	62.57
Other Borrowing cost	112.24	95.68
Exchange difference	139.88	65.17
	601.86	1090.38

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

22. Earnings per share (EPS)

	INR In Lakh	
	As at March 31 st , 2021	As at March 31 st , 2020
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)	5,530.42	1,890.84
Profit after tax as per Statement of Profit and Loss (used for both calculation of diluted EPS)	5,530.42	1,868.02
Weighted average number of equity shares of INR 5.00 each in calculating basic and diluted EPS (in million)	16948060	16948060
Basic - Par value of INR 5 per share (in INR)	32.63	11.16
Diluted - Par value of INR 5 per share (in INR)	32.63	11.40

Share split was implemented on 16-04-2021, which occurred after the Balance Sheet date but before the date on which the financial statement are approved by the Board. The calculation for basic and diluted earning per share has accordingly been adjusted for all the periods presented to reflect the share split.

23. Contingent Liabilities and Commitments

I Contingent liabilities

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

	INR In Lakh	
	31-03-2021	31-03-2020
Income Tax	1,696.00	260.80
Custom Duty	2,058.72	2,058.72

(b) Guarantees

Furnished by Banks on behalf of the Company

	INR In Lakh	
	31-03-2021	31-03-2020
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
GST, U.P	-	8.64
Tamil Nadu Small Industrial Corporation	1.85	-

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

	INR In Lakh	
	31-03-2021	31-03-2020
Liability in respect of Bill discounted with Banks	-	309.89

2 Commitments

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

	INR In Lakh	
	31-03-2021	31-03-2020
Others	-	276.72

(b) Other commitments

	INR In Lakh	
	31-03-2021	31-03-2020
Export obligation under Advance License Scheme on duty free import of specific raw materials	15,756.22	31,863.05
Export obligation under EPCG License Scheme on duty free import of Capital Goods	8,835.67	5,877.97

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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 31 st , 2021	USD	INR	USD 44.50	Sell
	Euro	USD	Euro 39.00	Sell
As at March 31 st , 2020	USD	INR	USD 43.00	Sell
	Euro	USD	Euro 29.50	Sell

Mark to market profit (loss) amounting to INR 154.50 lakh (March 31st, 2020: (146.20 LAKH) 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	INR In Lakh	
	31-03-2021	31-03-2020
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	235.92	23.60
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:

- credit risk
- liquidity risk
- market risk

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company performs an on-going assessment and monitoring of the financial position and the risk of default. Based on the aforesaid checks, monitoring and historical data, the Company does not perceive any significant credit risk on trade receivables.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

The Company based on internal assessment which is driven by the historical experience/ current facts available, the management believes the strong opinion of recovery from trade receivables and where risk 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 , 2021	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	5,915.24	3,765.82	2,149.42	5,915.24
Trade payable	5,149.31	5,149.31	-	5,149.31
Other financial liabilities	5.60	5.60	-	5.60

March 31 st , 2020	Contractual cash flows			
	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

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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 , 2021		March 31 st , 2020	
	USD	EUR	USD	EUR
	INR In Lakh			
Trade receivables	4,462.85	1,579.24	4,507.86	1,615.43
Other receivables	-	-	58.89	-
Trade payables	(1,763.11)	(690.88)	(2,030.19)	(1,063.44)
Borrowings	(936.54)	(3,915.85)	(1,462.65)	(5,089.07)
	1,763.20	(3,027.49)	1,073.91	(4,537.08)

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, 2021 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
		INR In Lakh	
Year ended March 31 st , 2021			
USD	1%	17.63	(17.63)
EURO	1%	(30.27)	30.27
Year ended March 31 st , 2020			
USD	1%	10.74	(10.74)
EURO	1%	(45.37)	45.37

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

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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:

	INR In Lakh	
	31-03-2021	31-03-2020
Fixed rate borrowings	1,062.85	5,295.49
Floating rate borrowings	4,852.39	6,551.72
Total borrowings	5,915.24	11,847.21

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.

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 its can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company plan either to raise fresh debt or to repay it, to raise fresh equity or sell those assets which have little contribution in the company's overall performance, when to pay dividends etc.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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).

	INR In Lakh	
	31-03-2021	31-03-2020
Net debt	4,401.50	11,235.67
Total equity	25,968.15	20,426.83
Net debt to equity ratio	0.17	0.55

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

	INR In Lakh	
	31-03-2021	31-03-2020
Employer's contribution to provident fund	120.59	117.77
Employer's contribution to employee state insurance	28.03	27.59
Employer's contribution to welfare funds	5.16	3.69

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 p.a.6.25% (March 31st, 2020: 6.25% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (March 31st, 2020: 58 years) and mortality table is as per IALM (2012-14)Ult (March 31st, 2020: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 4% p.a. (March 31st, 2020: 4% p.a.). The rate of attrition considered in actuarial valuation is 10% (March 31st, 2020: 10%)

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

	INR In Lakh	
	31-03-2021	31-03-2020
Present value of obligation at the beginning of the year	126.43	100.56
Current Service Cost	40.99	38.21
Interest Cost	7.90	6.29
Benefits paid	12.55	7.81
Actuarial (gain)/ loss	(14.56)	(10.81)
Present value of obligation at the end of the year	148.21	126.43

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

	INR In Lakh	
	31-03-2021	31-03-2020
Current Service Cost	40.99	38.21
Interest Cost	7.90	6.29
Expenses recognised in the Statement of profit & loss Account	48.89	44.49

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

Amount recognised in the other comprehensive income:

	INR In Lakh	
	31-03-2021	31-03-2020
Actuarial (gain)/ loss due to experience variance	(14.56)	(10.81)
Net (Income)/ Expenses recognised in OCI	(14.56)	(10.81)

Sensitivity analysis

Assumption	31-03-2021		31-03-2020	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	139.15	158.40	158.54	138.85

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):

	INR In Lakh	
	31-03-2021	31-03-2020
Present value of obligation at the beginning of the year	91.11	71.39
Current Service Cost	43.62	31.58
Interest Cost	5.69	4.46
Benefits paid	10.62	5.42
Actuarial (gain)/ loss	(22.86)	(10.90)
Present value of obligation at the end of the year	106.94	91.11

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

	INR In Lakh	
	31-03-2021	31-03-2020
Current Service Cost	43.62	31.58
Interest Cost	5.69	4.46
Actuarial (gain)/ loss	(22.86)	(10.90)
Expenses recognised in the Statement of profit & loss Account	26.45	25.14

Sensitivity Analysis

Assumption	31-03-2021		31-03-2020	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	101.51	160.20	160.35	101.59

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 Standalone Financial Statements

for the year ended March 31st, 2021

27. Fair value Hierarchy

a) Financial instruments by category

	Note	Level of hierarchy	31-03-2021			31-03-2020		
			FVPI	FVOCI	Amortised Cost	FVPI	FVOCI	Amortised Cost
Financial Assets								
Loans and advances	a		-	-	139.71	-	-	126.01
Investments	b	3	-	-	149.85	-	-	149.85
Trade and other receivables	a		-	-	9,864.27	-	-	8,738.75
Cash and cash Equivalents	a		-	-	508.40	-	-	600.22
Other bank balances	a		-	-	1,005.34	-	-	11.32
Other financial assets	a		-	-	2.43	-	-	0.91
Total Financial Assets			-	-	11,670.00	-	-	9,627.06
Financial Liabilities								
Borrowings (including current maturities)	c	3	-	-	5,915.24	-	-	11,847.21
Trade payables	a		-	-	5,149.31	-	-	3,551.23
Foreign Exchange contracts	d	2	-	-	-	146.21	-	-
Other financial liabilities	a		-	-	5.60	-	-	19.37
Total Financial Liabilities			-	-	11,070.15	-	-	15,417.81

In addition to the above the Company has investments in its subsidiary amounting to INR 0.07 lakh (March 31st, 2020 : 0.07 lakh) and has investment in shares of associate company to INR 35.63 lakh (March 31st, 2020 : 35.63 lakh), which are carried at cost.

The shares allotted to company amounting to INR 114.14 lakh (March 31st, 2020 : INR 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

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

There are no transfers between level 1, Level 2 and Level 3 during the year ended March 31st, 2021 and March 31st, 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. Currently, the Company does not have any such financial instruments.

b) Financial assets and liabilities measured at amortised cost

Fair value of financial assets and liabilities measured at amortised cost

	31-03-2021		31-03-2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and advances	139.71	139.71	126.01	126.01
Investments	149.85	149.85	149.85	149.85
Trade and other receivables	9,864.27	9,864.27	8,738.75	8,738.75
Cash and cash Equivalents	508.40	508.40	600.22	600.22
Other bank balances	1,005.34	1,005.34	11.32	11.32
Other financial assets	2.43	2.43	0.91	0.91
Total Financial Assets	11,670.00	11,670.00	9,627.06	9,627.06
Financial Liabilities				
Borrowings (including current maturities)	5,915.24	5,915.24	11,847.21	11,847.21
Trade payables	5,149.31	5,149.31	3,551.23	3,551.23
Other financial liabilities	5.60	5.60	19.37	19.37
Total Financial Liabilities	11,070.15	11,070.15	15,417.81	15,417.81

Notes to the Standalone Financial Statements

for the year ended March 31st, 2021

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 had 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 had become assets and liabilities of the Company with effect from that date.

On 11th March, 2020 the Company had allotted 307,830 Equity Shares of INR 10/- each to the shareholders who were holding shares of GCL as on the record date.

No adjustment had been made to the book values of the assets and liabilities of GCL when they were incorporated in the financial statements of the company except to ensure uniformity of accounting policies.

29. Related Party Disclosures

Key Management Personnel (KMP) and their relatives

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Key Managerial Personnel (KMP)

Name	Designation
Mr.Jagdish Gupta	Managing Director
Mr.Manav Gupta	Whole Time Director
Mr.Manit Gupta	Director
Mr.Sachin Bhatla	Director- Technical
Mr.Sanjeev Vaid	CFO
Ms. Srishty Chaudhary	CS (Resigned on March 17 th , 2021)
Mr. Karan Mehra	CS (Appointed on May 18 th , 2021)

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	

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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 had 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

Nature of transactions	2020-21			2019-20		
	Key Managerial Personnel/ Relative	Entities where control exists**	Wholly-owned subsidiary*	Key Managerial Personnel/ Relative	Entities where control exists	Wholly-owned subsidiary
Sale of Goods	0.72	-	-		536.43	
Salary Paid	338.31	-	-	339.89		
Paid for expenses	-	-	-			3.97
Addition in Borrowings	-	-	-	355.00		
Borrowings repaid back	820.52	-	-	(641.01)		

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

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

Balances as at	31-03-2021	31-03-2020
Borrowings from Promoters and Related parties	267.60	1,088.12