



SIL/BSE/2020-21/290620

Dated: 29<sup>th</sup> June, 2020

The Manager,  
BSE Limited,  
Department of Corporate Services,  
Floor 25, P.J. Towers, Dalal Street,  
Mumbai – 400 001

BSE Scrip: 526951

Trading Symbol: STYLAMIND

SUB: Annual Audited Financial Results for the Quarter & Year ended March 31, 2020

Dear Sir/ Madam,

Pursuant to the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is informed that Audited Standalone & Consolidated Financial Results for the quarter and year ended March 31<sup>st</sup>, 2020 along with Statement of Assets and Liabilities as at March 31<sup>st</sup>, 2020 and Cash Flow Statement for the year ended March 31<sup>st</sup>, 2020 has been considered and duly approved by the Board of Directors in its Board Meeting held on Monday i.e. 29<sup>th</sup> June, 2020.

With respect to the above, please find enclosed the following documents and information:

- (i) Audited Standalone & Consolidated Financial Results for the quarter and year ended March 31<sup>st</sup>, 2020.
- (ii) Statement of Assets and Liabilities as at March 31<sup>st</sup>, 2020, pursuant to Regulation 33(3)(f) of SEBI (LODR) Regulations, 2015
- (iii) Cash Flow Statement for the year ended 31<sup>st</sup> March, 2020, pursuant to Regulation 33(3)(g) of SEBI (LODR) Regulations, 2015
- (iv) The Independent Auditor's Report with unmodified opinion(s) issued by M/s Mittal Goel & Associates, in respect of Audited Standalone & Consolidated financial Results for the quarter and year ended March 31<sup>st</sup>, 2020
- (v) Pursuant to Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015, Declaration by the Chief Financial Officer of the Company to the effect that Auditors have submitted their Report with unmodified opinion.

The above Audited Financial Results along with the Auditor's Report are being made available on the website of the Company 'www.stylam.com'.

You are requested to take the above information on record.

## **Stylam Industries Limited**

**Regd. Office:** SCO 14, Sector 7 C, Madhya Marg, Chandigarh (INDIA)-160019 **T:** +91-172 - 5021555/5021666 **F:** +91-172-5021495

**Works I:** Plot No. 192 - 193, Industrial Area Phase -1 Panchkula (Haryana) INDIA - 134109 **T:** +91-172-2563907/2565387

**Works II:** Village Manak Tabra towards Raipur Rani, Mattewala Chowk, Distt. Panchkula (Haryana)

**W:** www.stylam.com **CIN:** L20211CH1991PLC011732 (Govt. of India recognised Star Export House)

Thanking You.

For Stylam Industries Limited



*[Handwritten Signature]*  
Srishti Chaudhary

Company Secretary and Compliance Officer

**STATEMENT OF AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020-STANDALONE**

(Rs. in Lakh)

S.No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Audited	Audited	Audited	Audited
1	Income from operations					
	(a) Revenue from operations	10,507.04	12,682.78	12,533.08	46,214.84	46,062.04
	(b) Other income	48.62	12.74	116.85	97.43	161.69
	Total income from operations	10,555.66	12,695.52	12,649.93	46,312.28	46,223.73
2	Expenses					
	(a) Cost of materials consumed	5,359.11	6,651.58	7,635.91	24,169.49	26,052.00
	(b) Purchases of stock-in-trade	6.00	9.03	6.05	22.35	23.88
	(c) Changes in inventories	6.63	72.38	(1,109.40)	714.27	(77.39)
	(d) Employee benefits expense	1,025.33	1,023.16	877.34	3,754.31	3,029.60
	(e) Finance Costs	256.30	355.16	344.59	1,090.38	1,140.78
	(f) Depreciation and amortisation expense	603.13	669.61	648.92	2,098.49	1,821.17
	(g) Other expenses	2,252.56	2,680.96	2,996.96	9,591.14	9,045.22
	Total expenses	9,509.06	11,461.88	11,400.37	41,440.42	41,035.26
3	Profit / (Loss) from operations before exceptional items	1,046.60	1,233.64	1,249.56	4,871.85	5,188.47
4	Exceptional items	(1,521.25)	-	-	(1,521.25)	-
5	Profit / (Loss) from ordinary activities before tax	(474.65)	1,233.64	1,249.56	3,350.60	5,188.47
6	Tax					
	-Current Tax	389.66	339.08	424.97	1,460.69	1,412.83
	-Deferred Tax	55.19	(35.02)	115.83	(0.91)	(105.94)
7	Net Profit / (Loss) after Tax from continuing operations	(919.50)	929.58	708.76	1,890.82	3,881.58
8	Extraordinary items (net of Tax)	-	-	-	-	-
9	Net Profit / (Loss) for the period	(919.50)	929.58	708.76	1,890.82	3,881.58
10	Share of Profit/(Loss) of associates and joint ventures	(38.04)	15.22	-	(22.82)	-
11	Other Comprehensive Income (net of Tax)	2.58	(2.10)	19.69	7.66	10.82
12	Total Comprehensive Income for the period (net of Tax)	(954.96)	942.70	728.45	1,875.66	3,892.40
13	Paid-up equity share capital (Face Value of Rs.10/- each)	847.40	816.62	816.62	8.47	8.16
14	EPS of Rs. 10/- each (Not annualised)/ (annualised)				847.40	816.62
	-Basic	(10.85)	11.38	8.68	22.31	47.53
	-Diluted	(10.66)	11.20	8.68	22.80	47.53

For Stylam Industries Limited


 Date: 29th June 2020  
 Place: Chandigarh

  
 Jagdish Gupta  
 Managing Director

<b>Statement of Assets and Liabilities-Standalone</b>		
	Rs in Lakh	
Particulars	As at	
	31-Mar-20	31-Mar-19
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	19,495.29	18,448.83
Capital work in progress	1,118.63	1,268.02
	<b>20,613.93</b>	<b>19,716.84</b>
<b>Investment Property</b>	-	4,898.25
<b>Financial Assets</b>		
Investments	149.85	114.14
Loan and Advances	126.01	103.62
Other Bank Balances	-	936.40
Other Non-Current Assets	167.70	735.04
	<b>443.56</b>	<b>1,889.21</b>
<b>Total Non-Current Assets</b>	<b>21,057.49</b>	<b>26,504.30</b>
<b>Current Assets</b>		
Inventories	6,673.05	6,622.81
<b>Financial Assets</b>		
Trade receivables	8,738.75	7,892.84
Cash and cash equivalents	600.22	158.77
Other Bank Balance	11.32	61.83
Other Financial Assets	0.91	6.33
Other current assets	2,447.63	2,568.12
<b>Total Current Assets</b>	<b>18,471.88</b>	<b>17,310.71</b>
<b>TOTAL ASSETS</b>	<b>39,529.37</b>	<b>43,815.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	847.40	847.40
Other Equity	19,579.43	17,703.74
	<b>20,426.83</b>	<b>18,551.14</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial Liabilities		
Borrowings	3,565.37	9,764.31
Provisions	200.92	156.15
Deferred Tax Liabilities	1,343.34	1,341.10
Other Non-current liabilities	657.84	683.57
	<b>5,767.48</b>	<b>11,945.13</b>
<b>Current Liabilities</b>		
Borrowings	5,853.49	7,212.69
Trade Payables	3,551.23	2,735.35
Other Financial Liabilities	2,593.93	1,978.83
Other Current Liabilities	910.87	721.02
Provisions	79.46	50.86
Current Tax Liabilities	346.08	619.98
	<b>13,335.06</b>	<b>13,318.74</b>
<b>Total Equity and Liabilities</b>	<b>39,529.37</b>	<b>43,815.01</b>

For Stylam Industries Limited

Date: 29th June 2020  
Place: Chandigarh

Jagdish Gupta  
Managing Director



# STYLAM INDUSTRIES LIMITED

Statement of Cash Flow for the period ended March 31, 2020- Standalone

Rs. in Lakhs

	Year ended March 31, 2020	Year ended March 31, 2019
<b>A Cash Flow from operating activities:</b>		
Profit/(loss) before extraordinary & exceptional items and tax	4,871.86	5,188.46
Adjustments for:		
- Unrealized foreign exchange loss/(gain) (net)	(109.05)	-
- Finance costs	929.52	761.08
- Depreciation and amortisation expense	2,098.49	1,821.17
- Interest Income	(22.88)	(16.45)
- Loss/ (Gain) on sale of Fixed Assets (net)	3.35	18.85
<b>Operating Profit before working capital changes</b>	<b>7,771.28</b>	<b>7,773.11</b>
Movements in working capital:		
Adjusted for:		
Trade & Other Receivables	(719.99)	(2,310.48)
Inventories	(50.24)	(532.68)
Trade & Other Payables	1,323.90	(1,229.49)
<b>Net cash generated from operations</b>	<b>8,324.96</b>	<b>3,700.46</b>
Payment of direct taxes (net)	(1,734.59)	(854.47)
<b>Net cash from operating activities (A)</b>	<b>6,590.37</b>	<b>2,845.99</b>
<b>B Cash Flow from investing activities:</b>		
Payment for Tangible Assets (including capital work in progress and capital advances)	(2,444.87)	(4,561.54)
Proceeds from sale of PPE	13.30	38.98
Proceeds from sale of Investment Property	3,377.00	-
Payment for investments in subsidiary and joint venture	(58.52)	-
Maturity/ (Investment) in fixed deposits	986.90	(886.13)
Proceeds/(Investment) from/ in other assets	(22.39)	(108.53)
Proceeds/(Investment) from/ in other activities	19.05	246.49
Interest received	22.88	16.45
<b>Net cash from/ (used in) investing activities (B)</b>	<b>1,893.36</b>	<b>(5,254.28)</b>
<b>C Cash Flow from financing activities:</b>		
Proceeds of long-term borrowings	-	4,633.92
Repayment of long term borrowings	(5,753.55)	(1,174.29)
Proceeds/ (Repayment) from short-term borrowings	(1,359.20)	(453.04)
Borrowing costs paid		
- Interest paid	(929.52)	(761.08)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(8,042.28)</b>	<b>2,245.52</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>441.45</b>	<b>(162.77)</b>
Cash and cash equivalents at the beginning of the period	158.77	321.54
Cash and cash equivalents at the closing of the period	600.22	158.77



For STYLAM INDUSTRIES LIMITED

JAGDISH GUPTA  
MANAGING DIRECTOR

**STATEMENT OF AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2020-CONSOLIDATED**

(Rs. in Lakh)

S.No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Audited	Audited	Audited	Audited
1	Income from operations					
	(a) Revenue from operations	10,507.04	12,682.78	12,533.08	46,214.84	46,062.04
	(b) Other income	48.62	12.74	116.85	97.43	161.69
	Total income from operations	10,555.66	12,695.52	12,649.93	46,312.28	46,223.73
2	Expenses					
	(a) Cost of materials consumed	5,359.11	6,651.58	7,635.91	24,169.49	26,052.00
	(b) Purchases of stock-in-trade	6.00	9.03	6.05	22.35	23.88
	(c) Changes in inventories	6.63	72.38	(1,109.40)	714.27	(77.39)
	(d) Employee benefits expense	1,025.33	1,023.16	877.34	3,754.31	3,029.60
	(e) Finance Costs	256.30	355.16	344.59	1,090.38	1,140.78
	(f) Depreciation and amortisation expense	603.13	669.61	648.92	2,098.49	1,821.17
	(g) Other expenses	2,256.54	2,680.96	2,996.96	9,591.14	9,045.22
	Total expenses	9,513.04	11,461.88	11,400.37	41,440.41	41,035.27
3	Profit / (Loss) from operations before exceptional items	1,042.62	1,233.64	1,249.56	4,871.86	5,188.46
4	Exceptional items	(1,521.25)	-	-	(1,521.25)	-
5	Profit / (Loss) from ordinary activities before tax	(478.63)	1,233.64	1,249.56	3,350.61	5,188.46
6	Tax					
	-Current Tax	389.66	339.08	424.97	1,460.69	1,412.83
	-Deferred Tax	55.19	(35.02)	115.83	(0.91)	(105.94)
7	Net Profit / (Loss) after Tax from continuing operations	(923.48)	929.58	708.76	1,890.84	3,881.57
8	Extraordinary items (net of Tax)	-	-	-	-	-
9	Net Profit / (Loss) for the period	(923.48)	929.58	708.76	1,890.84	3,881.57
10	Share of Profit/(Loss) of associates and joint ventures	(38.04)	15.22	-	(22.82)	-
11	Other Comprehensive Income (net of Tax)	2.58	(2.10)	19.69	7.66	10.82
12	Total Comprehensive Income for the period (net of Tax)	(958.94)	942.70	728.45	1,875.68	3,892.40
13	Paid-up equity share capital (Face Value of Rs.10/- each)	847.40	816.62	816.62	8.47	8.16
14	EPS of Rs. 10/- each (Not annualised)/ (annualised)				847.40	816.62
	-Basic	(10.90)	11.38	8.68	22.31	47.53
	-Diluted	(10.71)	11.20	8.68	22.80	47.53

**For Stylam Industries Limited**

  
**Jagdish Gupta**  
 Managing Director



Date: 29th June 2020  
Place: Chandigarh

Statement of Assets and Liabilities-Consolidated		
Particulars	Rs in Lakh	
	As at	As at
	31-Mar-20	31-Mar-19
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	19,495.29	18,448.83
Capital work in progress	1,118.63	1,268.02
	<b>20,613.93</b>	<b>19,716.84</b>
<b>Investment Property</b>	-	4,898.25
<b>Financial Assets</b>		
Investments	149.78	114.14
Loan and Advances	126.01	103.62
Other Bank Balances	-	936.40
Other Non-Current Assets	163.80	735.04
	<b>439.59</b>	<b>1,889.21</b>
<b>Total Non-Current Assets</b>	<b>21,053.52</b>	<b>26,504.30</b>
<b>Current Assets</b>		
Inventories	6,673.05	6,622.81
<b>Financial Assets</b>		
Trade receivables	8,738.75	7,892.84
Cash and cash equivalents	600.22	158.77
Other Bank Balance	11.32	61.83
Other Financial Assets	0.91	6.33
Other current assets	2,447.63	2,568.12
<b>Total Current Assets</b>	<b>18,471.88</b>	<b>17,310.71</b>
<b>TOTAL ASSETS</b>	<b>39,525.39</b>	<b>43,815.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	847.40	847.40
Other Equity	19,575.45	17,703.74
	<b>20,422.85</b>	<b>18,551.14</b>
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	3,565.37	9,764.31
Provisions	200.92	156.15
Deferred Tax Liabilities	1,343.34	1,341.10
Other Non-current liabilities	657.84	683.57
	<b>5,767.48</b>	<b>11,945.13</b>
<b>Current Liabilities</b>		
Borrowings	5,853.49	7,212.69
Trade Payables	3,551.23	2,735.35
Other Financial Liabilities	2,593.93	1,978.83
Other Current Liabilities	910.87	721.02
Provisions	79.46	50.86
Current Tax Liabilities	346.08	619.98
	<b>13,335.06</b>	<b>13,318.74</b>
<b>Total Equity and Liabilities</b>	<b>39,525.39</b>	<b>43,815.01</b>

For Stylam Industries Limited

Date: 29th June 2020  
Place: Chandigarh

Jagdish Gupta  
Managing Director



# STYLAM INDUSTRIES LIMITED

Statement of Cash Flow for the period ended March 31, 2020- Consolidated

Rs. in Lakhs

	Year ended March 31, 2020	Year ended March 31, 2019
<b>A</b>	<b>Cash Flow from operating activities:</b>	
	<b>Profit/(loss) before extraordinary &amp; exceptional items and tax</b>	4,867.89
	<b>Adjustments for:</b>	5,188.46
	- Unrealized foreign exchange loss/(gain) (net)	(109.05)
	- Finance costs	-
	- Depreciation and amortisation expense	929.52
	- Interest Income	761.08
	- Loss/ (Gain) on sale of Fixed Assets (net)	2,098.49
		1,821.17
		(22.88)
		(16.45)
		3.35
		18.85
	<b>Operating Profit before working capital changes</b>	<b>7,767.31</b>
	<b>Movements in working capital:</b>	<b>7,773.11</b>
	<b>Adjusted for:</b>	
	Trade & Other Receivables	(719.99)
	Inventories	(50.24)
	Trade & Other Payables	(2,310.48)
		(532.68)
		1,323.90
		(1,229.49)
	<b>Net cash generated from operations</b>	<b>8,320.98</b>
	Payment of direct taxes (net)	(1,734.59)
		(854.47)
	<b>Net cash from operating activities (A)</b>	<b>6,586.40</b>
		<b>2,845.99</b>
<b>B</b>	<b>Cash Flow from investing activities:</b>	
	Payment for Tangible Assets	(2,440.97)
	(including capital work in progress and capital advances)	(4,561.54)
	Proceeds from sale of PPE	13.30
	Proceeds from sale of Investment Property	38.98
	Payment for investments in subsidiary and joint venture	3,377.00
	Maturity/ (Investment) in fixed deposits	-
	Proceeds/(Investment) from/ in other assets	(58.45)
	Proceeds/(Investment) from/ in other activities	986.90
	Interest received	(886.13)
		(22.39)
		(108.53)
		19.05
		246.49
		22.88
		16.45
	<b>Net cash from/ (used in) investing activities (B)</b>	<b>1,897.33</b>
		<b>(5,254.28)</b>
<b>C</b>	<b>Cash Flow from financing activities:</b>	
	Proceeds of long-term borrowings	-
	Repayment of long term borrowings	4,633.92
	Proceeds/ (Repayment) from short-term borrowings	(5,753.55)
	Borrowing costs paid	(1,174.29)
	- Interest paid	(1,359.20)
		(453.04)
		(929.52)
		(761.08)
	<b>Net cash from/ (used in) financing activities (C)</b>	<b>(8,042.28)</b>
		<b>2,245.52</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>441.45</b>
		<b>(162.77)</b>
	<b>Cash and cash equivalents at the beginning of the period</b>	<b>158.77</b>
		<b>321.54</b>
	<b>Cash and cash equivalents at the closing of the period</b>	<b>600.22</b>
		<b>158.77</b>

For STYLAM INDUSTRIES LIMITED



JAGDISH GUPTA  
MANAGING DIRECTOR



## **Notes to Standalone and Consolidated Financial Results**

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on June 29, 2020. Audit of these financial results for the quarter and year ended March 31, 2020 has been carried out by the Statutory Auditors, as required under Regulation 33 of SEBI (LODR) Regulation, 2015.

2. The figures of the previous periods have been regrouped, reclassified and re-casted wherever necessary.

3. As, the company had filed Scheme of Amalgamation between Golden Chem-Tech Limited (Transferor company) and Stylam Industries Limited (Transferee Company), in December 2017, the transferor Company prepared financial results in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP'/ 'IGAAP'). 30<sup>th</sup> September, 2017 was determined as the appointed date of the scheme.

The scheme of amalgamation got approval of the Hon'ble NCLT, Chandigarh Bench on February 11, 2020 and pursuant to filing of NCLT order with the MCA, the scheme came into effect on February 25, 2020.

In accordance with Ind AS 103, the figures for the year ended 31 March 2019 included in the standalone and consolidated financial statements for the year ended 31 March 2020, have been restated to reflect the effect of the scheme of amalgamation. Similarly comparative information for the quarter ended on March 31<sup>st</sup>, 2019 and December 31<sup>st</sup>, 2019 and year ended on March 31<sup>st</sup>, 2020 have been restated to give effect to the scheme of amalgamation.

4. The Segment Reporting is not applicable to Company as per Ind AS 108.

5. The consolidated financial results include the financial results of our wholly owned subsidiary company i.e. Stylam Asia Pacific Pte. Ltd. However, the financial performance of the company both on standalone and consolidated basis is the same as business operations and activities of the wholly owned subsidiary are to yet to commence.

6. EPS calculated for the Quarter and Year ended March 31<sup>st</sup>, 2020 has been derived after taking into account the shares issued at the Board Meeting held on 11<sup>th</sup> March, 2020, pursuant to approval of scheme of amalgamation vide NCLT order dated 11<sup>th</sup> February, 2020. Therefore the effect of the same was not taken while calculating EPS for the FY ended on 31<sup>st</sup> March, 2019 and Quarter & nine months ended on 31<sup>st</sup> December, 2020.

7. The Company has not discontinued any of its operations during the period under review/audit.

8. The property that was held for sale and categorized as 'Investment Property' at the value Rs.4,898.25 Lakh has been disposed off in last quarter of FY20 at the value of Rs.3,377.00 lakh. The loss of 1521.25 Lakh on sale has been booked under Exceptional Item which is being reflected in the Profit & Loss Account for the quarter ended on March 31<sup>st</sup>, 2020.

9. Moratorium offered by banks in the wake of disruptions on account of COVID-19 was not availed by the company.



### **Stylam Industries Limited**

**Regd. Office:** SCO 14, Sector 7 C, Madhya Marg, Chandigarh (INDIA)-160019 T: +91-172 - 5021555/5021666 F: +91-172-5021495

**Works I:** Plot No. 192 - 193, Industrial Area Phase -1 Panchkula (Haryana) INDIA - 134109 T: +91-172-2563907/2565387

**Works II:** Village Manak Tabra towards Raipur Rani, Mattewala Chowk, Distt. Panchkula (Haryana)

**W:** www.stylam.com **CIN:** L20211CH1991PLC011732 (Govt. of India recognised Star Export House)

10. The Liquidity position of the company remains steady, despite of discontinuation of operations during lockdown. As far as current status is concerned, the business seems to be reviving now.

11. By the end of March, 2020, new process line and short cycle machine had got ready for the commercial production, but as a result of outbreak of COVID-19, production came to a halt. However, pursuant to relaxation in the restrictions imposed due to lockdown, production resumed at its normal pace in the month of May, 2020.

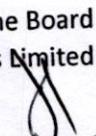
12. In order to combat the prejudicial impact of COVID-19, our focus now mainly revolves around boosting sales and simultaneously taking measure to control the cost of the business, the result of which will be apparent in the near future.

13. 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 affect on the future performance of the company. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment to its financial and non-financial assets.

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

Place: Chandigarh  
Date: 29<sup>th</sup> June, 2020



behalf of the Board  
of Stylam Industries Limited  
  
Jagdish Gupta  
Managing Director  
DIN: 00115113



# MITTAL GOEL & ASSOCIATES

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CHARTERED ACCOUNTANTS

**Independent Auditor's Report on the Quarterly and Year to Date 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**

**Report on the audit of the Standalone Financial Results  
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, 2020 and for the year ended March 31, 2020 {"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 loss and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

## **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 related lock-down restrictions imposed by the Govt., physical verification of inventory at plant was carried out by the management of the Company when the permission for resumption of work was given by nodal officer of the region. Due to lockdown imposed by the Government 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 loss 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 the Statement.

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.

**Other matters**

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

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

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

- II. Pursuant to Business Combination in accordance under IndAS 103, the un-audited financial results of the earlier quarters of the current financial year will differ from published financial results, which were subjected to a limited review by us, as required under the listing Regulations. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and therevised financial results of the earlier quarters.

*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: June 29<sup>th</sup> 2020

PLACE: Chandigarh



# MITTAL GOEL & ASSOCIATES

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CHARTERED ACCOUNTANTS

**Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated 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**

**Report on the audit of the Consolidated Financial Results**

### **Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Stylam Industries Limited ("Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("the 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 ("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 for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as 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 fulfilled 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 statements for one its subsidiary as referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Statement.

#### **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 related lock-down restrictions imposed by the Govt., physical verification of inventory at plant was carried out by the management of the Company when the permission for resumption of work was given by nodal officer of the region. Due to lockdown imposed by the Government 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 Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit/(loss) and other comprehensive Income/(loss) 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 of the companies included in the Group and 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 of 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 the Statement.

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.
- 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 of which we are the independent auditors. For the other 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 the 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 Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matters**

The Statement include the audited Financial Results of subsidiary. The business of subsidiary has not commenced as at March 31, 2020. The financials of the subsidiary have been audited by other independent auditors. 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 solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Further, subsidiary is located 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 conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts 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 the Holding Company and audited by us.



Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of respective independent auditors and the financial information certified by the Board of Directors.

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

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

- II. Pursuant to Business Combination in accordance under IndAS 103, the un-audited financial results of the earlier quarters of the current financial year will differ from published financial results, which were subjected to a limited review by us, as required under the listing Regulations. The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the revised financial results of the earlier quarters.

*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: June 29<sup>th</sup> 2020

PLACE: Chandigarh





SIL/BSE/2020-21/290620

Dated: 29<sup>th</sup> June, 2020

The Manager,  
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Department of Corporate Services,  
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Mumbai – 400 001

BSE Scrip: 526951

Trading Symbol: STYLAMIND

SUB: Declaration regarding the Auditor's Report with unmodified opinion(s) pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Pursuant to the Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016, the Company hereby declares that the Auditor of the Company, M/s Mittal Goel & Associates has furnished its Report with unmodified opinion(s) in respect of both the Standalone & Consolidated Financial Results for the financial year 2019-20.

Thanking You.

For Stylam Industries Limited



*Sanjeev Vaid*  
Sanjeev Vaid  
Chief Financial Officer

## Stylam Industries Limited

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