



SIL/BSE/2020-21/240720

Dated: 24<sup>th</sup> July, 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: Un- audited Financial Results for the Quarter ended on June 30th, 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 Un-audited Standalone & Consolidated Financial Results for the quarter ended June 30<sup>th</sup>, 2020 has been considered and duly approved by the Board of Directors in its Board Meeting held on Friday i.e. 24<sup>th</sup> July, 2020.

Further, the statutory Auditors of the company have carried out "Limited Review" of the above results and the "Limited Review Report" is attached for your records.

The above Un-audited Standalone and Consolidated Financial Results along with the Limited Review Report thereon are being made available on the website of the Company at [www.stylam.com](http://www.stylam.com).

Kindly take the above information on your records.

Thanking You.

For Stylam Industries Limited



Srishty Chaudhary

Company Secretary and Compliance Officer

## Stylam Industries Limited

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

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



# MITTAL GOEL & ASSOCIATES

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CHARTERED ACCOUNTANTS

## Independent Auditor's Report

To The Board of Directors of  
Stylam Industries Limited  
Chandigarh

## Report on the audit of the Consolidated Interim 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 June 30, 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 June 30, 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.

#### **Management's Responsibilities for the Consolidated Interim 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 Interim 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 June 30, 2020. The financials of the subsidiary have been provided by the Management of the Company.

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.

1. Pursuant to Business Combination in accordance under Ind AS 103, the un-audited financial results of the earlier quarter ended June 30, 2019 will differ from published financial results, which were subjected to a limited review by us, as required under the listing Regulations.

*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: July 24<sup>th</sup> 2020

PLACE: Chandigarh

**STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE 2020**

		<b>Consolidated</b>			
		(Rs. in Lakh)			
S. No	Particulars	Quarter Ended			Yearly Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Un-audited			Audited
1	Income from operations				
	(a) Revenue from operations	7,031.20	10,507.04	11,284.14	46,214.84
	(b) Other income	3.74	48.62	11.31	97.43
	Total income from operations	7,034.94	10,555.66	11,295.45	46,312.27
2	Expenses				
	(a) Cost of materials consumed	3,290.40	5,359.11	5,918.07	24,169.49
	(b) Purchases of stock-in-trade	7.14	6.00	79.75	22.35
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	422.72	6.63	405.27	714.27
	(d) Employee benefits expense	632.96	1,025.33	790.82	3,754.31
	(e) Finance Costs	177.60	256.30	254.50	1,090.38
	(f) Depreciation and amortisation expense	534.23	603.13	409.66	2,098.49
	(g) Other expenses	1,224.06	2,256.54	2,232.24	9,595.12
	Total expenses	6,289.11	9,513.04	10,090.31	41,444.39
3	Profit / (Loss) from operations before exceptional items	745.83	1,042.62	1,205.14	4,867.88
4	Exceptional items	-	(1,521.25)	-	(1,521.25)
5	Profit / (Loss) from ordinary activities before tax	745.83	(478.63)	1,205.14	3,346.63
6	Tax				
	-Current Tax	186.29	389.66	377.68	1,460.69
	-Deferred Tax	2.65	55.19	28.85	(0.91)
7	Net Profit / (Loss) after Tax from continuing operations	556.89	(923.48)	798.61	1,886.86
8	Extraordinary items (net of Tax)	-	-	-	-
9	Net Profit / (Loss) for the period	556.89	(923.48)	798.61	1,886.86
10	Share of Profit/(Loss) of associates and joint ventures	(17.08)	(38.04)	-	(22.82)
11	Other Comprehensive Income (net of Tax)	1.97	2.58	(2.96)	7.66
12	Total Comprehensive Income for the period (net of Tax)	541.78	(958.94)	795.65	1,871.70
13	Paid-up equity share capital (Face Value of Rs.10/-	847.40	847.40	847.40	847.40
14	Earnings per share of Rs. 10/- each (Not annualised)/ (annualised)				
	-Basic	6.57	(10.90)	9.42	22.27
	-Diluted	6.37	(10.71)	9.42	22.75

Date: 24th July 2020  
Place: Chandigarh



For Stylam Industries Limited

*Jagdish Gupta*  
Jagdish Gupta  
Managing Director

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 July 24, 2020. The Statutory Auditors have carried out limited review of above results.

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

3. As 30<sup>th</sup> September, 2017 was decided to be the appointed date for implementing the Scheme of Amalgamation of Golden Chem-Tech Limited (Transferor company) with Stylam Industries Limited (Transferee Company), therefore pursuant to approval of the said Scheme by the Hon'ble NCLT, Chd Bench, the figures for the period ended 30<sup>th</sup> June 2019 included in the standalone and consolidated financial statements, have been restated to give effect to the scheme of amalgamation in accordance with Ind AS 103 notified under the Companies (Indian Accounting Standards) Rules, 2015.

4. The separate Segment Reporting is not required in accordance with Ind AS 108.

5. The consolidated financial results include the financial results of subsidiary Stylam Asia Pacific Pte. Ltd. The business from subsidiary is yet to begin.

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

7. Following the lockdown announced by Government of India, company had shut-down its plants, due to which operational revenue of the company de-grew by 37% on Y-o-Y basis. However, later in April 2020, business operations recommenced in a phased manner after taking into account directives issued by the Government authorities.

8. 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.





CHARTERED ACCOUNTANTS

# MITTAL GOEL & ASSOCIATES

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**Website:** www.mgacaindia.com

## Independent Auditor's Report

To The Board of Directors of  
Stylam Industries Limited  
Chandigarh

## Report on the audit of the Standalone Interim Financial Results

### Opinion

We have audited the accompanying statement of quarter standalone financial results of Stylam Industries Limited (the "Company") for the quarter ended June 30, 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 June 30, 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.



## **Management's Responsibilities for the Standalone Interim 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 Interim 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**

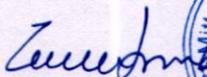
1. Pursuant to Business Combination in accordance under Ind AS 103, the un-audited financial results of the earlier quarter ended June 30, 2019 will differ from published financial results, which were subjected to a limited review by us, as required under the listing Regulations.

*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: July 24<sup>th</sup> 2020

PLACE: Chandigarh

**STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED 30TH JUNE 2020**

		<b>Standalone</b>			
		(Rs. in Lakh)			
S. No	Particulars	Quarter Ended			Yearly Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Un-audited			Audited
1	Income from operations				
	(a) Revenue from operations	7,031.20	10,507.04	11,284.14	46,214.84
	(b) Other income	3.74	48.62	11.31	97.43
	Total income from operations	7,034.94	10,555.66	11,295.45	46,312.27
2	Expenses				
	(a) Cost of materials consumed	3,290.40	5,359.11	5,918.07	24,169.49
	(b) Purchases of stock-in-trade	7.14	6.00	79.75	22.35
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	422.72	6.63	405.27	714.27
	(d) Employee benefits expense	632.96	1,025.33	790.82	3,754.31
	(e) Finance Costs	177.60	256.30	254.50	1,090.38
	(f) Depreciation and amortisation expense	534.23	603.13	409.66	2,098.49
	(g) Other expenses	1,221.44	2,252.56	2,232.24	9,591.14
	Total expenses	6,286.49	9,509.06	10,090.31	41,440.41
3	Profit / (Loss) from operations before exceptional items	748.45	1,046.60	1,205.14	4,871.86
4	Exceptional items	-	(1,521.25)	-	(1,521.25)
5	Profit / (Loss) from ordinary activities before tax	748.45	(474.65)	1,205.14	3,350.61
6	Tax				
	-Current Tax	186.29	389.66	377.68	1,460.69
	-Deferred Tax	2.65	55.19	28.85	(0.91)
7	Net Profit / (Loss) after Tax from continuing operations	559.51	(919.50)	798.61	1,890.83
8	Extraordinary items (net of Tax)	-	-	-	-
9	Net Profit / (Loss) for the period	559.51	(919.50)	798.61	1,890.83
10	Share of Profit/(Loss) of associates and joint ventures	(17.08)	(38.04)	-	(22.82)
11	Other Comprehensive Income (net of Tax)	1.97	2.58	(2.96)	7.66
12	Total Comprehensive Income for the period (net of Tax)	544.40	(954.96)	795.65	1,875.67
13	Paid-up equity share capital (Face Value of Rs.10/-	847.40	847.40	847.40	847.40
14	Earnings per share of Rs. 10/- each (Not annualised)/ (annualised)				
	-Basic	6.60	(10.85)	9.42	22.31
	-Diluted	6.40	(10.66)	9.42	22.80

Date: 24th July 2020  
Place: Chandigarh



For Stylam Industries Limited

*Jagdish Gupta*  
Jagdish Gupta  
Managing Director

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 July 24, 2020. The Statutory Auditors have carried out limited review of above results.

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

3. As 30<sup>th</sup> September, 2017 was decided to be the appointed date for implementing the Scheme of Amalgamation of Golden Chem-Tech Limited (Transferor company) with Stylam Industries Limited (Transferee Company), therefore pursuant to approval of the said Scheme by the Hon'ble NCLT, Chd Bench, the figures for the period ended 30<sup>th</sup> June 2019 included in the standalone and consolidated financial statements, have been restated to give effect to the scheme of amalgamation in accordance with Ind AS 103 notified under the Companies (Indian Accounting Standards) Rules, 2015.

4. The separate Segment Reporting is not required in accordance with Ind AS 108.

5. The consolidated financial results include the financial results of subsidiary Stylam Asia Pacific Pte. Ltd. The business from subsidiary is yet to begin.

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

7. Following the lockdown announced by Government of India, company had shut-down its plants, due to which operational revenue of the company de-grew by 37% on Y-o-Y basis. However, later in April 2020, business operations recommenced in a phased manner after taking into account directives issued by the Government authorities.

8. 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.

