

INDEPENDENT AUDITOR'S REPORT

**To the Members of
ABS SEATING PRIVATE LIMITED
Report on the Audit of Financial Statements**

Opinion

We have audited the accompanying financial statements of **ABS SEATING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020 and its Profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.



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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



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Auditor's Responsibilities for the Audit of Financial Statements

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

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

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



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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.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet , Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Company (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2)of the Act.
- f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure- A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **A.B. BANSAL & COMPANY**
Chartered Accountants
Firm Registration No. 010538N



Place: New Delhi
Date: 21-08-2020
UDIN: 20513283AAAAAK2282

(**SUNNY KOHLI**)
PARTNER
M.No. 513283

ANNEXURE-A TO THE AUDITOR'S REPORT OF EVEN DATE

Re.: **ABS SEATING PRIVATE LIMITED, NEW DELHI**

- (I) In respect of the Company's fixed assets:
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. All the assets have been physically verified by the management during the year as per regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records, the company does not own any immovable property.
- (II) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No discrepancies has been noticed on verification between the physical stocks and the book records.
- (III) According to the information and explanations given to us, the company has not granted any loans Secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
- (IV) In our opinion and according to the information and explanations give to us , the company has not given any loans, investments, guarantees, and security to directors and other entities in which directors are interested, hence provisions of sections 185 and 186 or any other provision of the Companies Act 2013 and rules framed there under, are not applicable
- (V) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits hence provisions of sections 73 to 76 or any other provision of the Companies Act and rules framed there under, are not applicable.
- (VI) As per information given to us, the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 is not applicable to Company
- (VII) According to the information and explanations given to us , in respect of statutory dues:
- a. In the year under report, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, GST etc. dues wherever applicable on it.
 - b. There were no undisputed amounts payable in respect of Income Tax, GST etc, in arrears, as at 31st March, 2020 for a period of more than six months from the date of they became payable.



-: 2 :-

- c. There are no dues of sales tax, Income Tax, GST etc., which have not been deposited on account of any dispute.
- (VIII) In our opinion and according to the information and explanations given to us, the company has not taken any loans or borrowings from financial institutions, banks and governments or has not issued any debentures, hence reporting under such clause is not applicable to the company.
- (IX) In our opinion and according to the information and explanations given to us, The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans, hence reporting under such clause is not applicable to the company.
- (X) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or on the company by its officer or employees has been noted or reported during the year.
- (XI) The company is a Deemed Public Company, the provisions of Section -197 or any other provision of the Companies Act 2013 and rules framed thereunder read with Schedule -V of the Companies Act, 2013 are complied with.
- (XII) The company is not nidhi company, hence reporting under such clause is not applicable to the company.
- (XIII) Section 177 of the Companies Act 2013 not applicable to the company and hence no Audit committee has been formed. All the transactions with the related parties are in compliance with section 188 of the Companies Act 2013 and details of all such transactions have been disclosed in Note No. 19-C-4 of Financial statements.
- (XIV) According to the information and explanations given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures hence provisions of section 42 of the Companies Act, 2013 is not applicable.
- (XV) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him in relation to provisions of section 192 of Companies Act, 2013.
- (XVI) In our opinion and according to the information and explanations given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A. B. BANSAL & COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No. 010538N



(SUNNY KOHLI)

PARTNER

M. No. 513283

PLACE: New Delhi
DATED 21-08-2020
UDIN: 20513283AAAAAK2282

ABS SEATING PRIVATE LIMITED
NEW DELHI

Balance Sheet as at 31st March, 2020

Particulars	Note No	Amounts as on 31.03.2020	Amounts as on 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2,964,000	2,964,000
(b) Reserves and Surplus	2	23,404,398	17,511,250
(2) Non Current Liabilities			
(a) Long Term Provision	3	2,276,594	-
(2) Current Liabilities			
(a) Trade payables	4	6,364,387	592,043
(b) Other current liabilities	5	26,849,603	8,266,420
(c) Short-term provisions	6	270,797	627,684
Total		62,129,780	29,961,397
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	7	3,073,739	621,073
(ii) Intangible assets	7	281,476	-
(b) Deferred tax assets		474,600	460,000
(2) Current assets			
(a) Inventories	8	33,110,647	9,807,556
(b) Trade receivables	9	328,911	224,159
(c) Cash and Bank Balance	10	19,621,343	16,896,763
(d) Other current assets	11	5,239,063	1,951,846
Total		62,129,780	29,961,397

**SIGNIFICANTS ACCOUNTING
POLICIES AND OTHER
DISCLOSURES**

19

Note 1 to 19 are an integral part of the financial statement

As per our Report of even date annexed.
For **A.B. BANSAL AND COMPANY**
CHARTERED ACCOUNTANTS
Firm Registration No. 0105399

(SUNNY KOHLI)
PARTNER
M.No. 513283



Bhupinder Singh Chawla

Bhupinder Singh Chawla
(Director)

DIN: 00064995

Haneet Singh Chawla

Haneet Singh Chawla
(Director)

DIN: 00065005

PLACE : New Delhi
DATED : 21-08-2020

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

**STATEMENT OF PROFIT AND LOSS
Profit and Loss Statement for the Year Ending 31.03.2020**

Particulars	Note No	Amounts as on 31.03.2020	Amounts as on 31.03.2019
I. Revenue from operations	12	115,400,125	110,582,372
II. Other Income	13	780,988	4,186,055
III. Total Revenue (I+II)		116,181,113	114,768,427
IV. Expenses:			
Purchases of Stock-in-Trade	14	97,085,836	80,660,853
Changes in Inventories of Stock-in-Trade	15	(23,303,091)	(1,527,146)
Employee benefits expense	16	8,596,960	4,470,432
Finance costs	17	291,031	155,165
Depreciation	7	758,889	266,881
Other expenses	18	24,313,652	10,720,024
Total Expenses		107,743,275	94,746,208
V. Profit before exceptional and extraordinary items and VI. Exceptional Items		8,437,838	20,022,219
VII. Profit before extraordinary items and tax (V - VI)		8,437,838	20,022,219
VIII. Extraordinary Items			
IX. Profit before tax (VII - VIII)		8,437,838	20,022,219
X. Tax expense:			
(1) Current tax		2,609,705	5,591,097
(2) Deferred tax		(14,600)	84,900
XI. Profit for the Year (IX - X)		5,842,732	14,346,222
XII. Earning per equity share:			
(1) Basic		19.71	48.40
(2) Diluted		19.71	48.40

**SIGNIFICANTS ACCOUNTING POLICIES AND
OTHER DISCLOSURES**

19

Note 1 to 19 are an integral part of the
financial statement

As per our Report of even date annexed.
For A.B. BANSAL AND COMPANY
CHARTERED ACCOUNTANTS
Firm Registration No. 01053889

(SUNNY KOHLI)
PARTNER
M.No. 513283



PLACE : New Delhi
DATED : 21-08-2020


Bhupinder Singh Chawla
(Director)
DIN: 00064995


Haneet Singh Chawla
(Director)
DIN: 00065005

ABS SEATING PRIVATE LIMITED
NEW DELHI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020


Particulars	Rupees	Rupees
	FY -2019-20	FY -2018-19
A Cash Flow from Operating Activities		
Profit Before Tax	8,437,838	20,022,219
Adjustment for:		
Loss on Discard of Fixed Asset	94	42,128
Reversal of provision for Bad & Doubtful Debts	88,100	
Depreciation	758,889	266,881
B. Operating Profit before Working Capital changes	9,284,921	20,331,228
C. Changes in Working Capital (Excluding Cash & Bank Balance)		
Increase / (Decrease) in Current liability and Provision	26,275,234	(2,400,484)
(Increase) / Decrease in Inventories	(23,303,091)	(1,527,146)
Increase / (Decrease) in current assets	(3,391,969)	7,329,093
D. Cash Generated from Operations (B+C)	8,865,095	23,732,689
E. Less : Taxes paid	2,647,389	5,598,490
F. Net Cash flow before Exceptional / Extraordinary Items (D-E)	6,217,706	18,134,200
Less : Exceptional / Extraordinary Items	-	-
Net Cash from Operating Activities (F-G)	6,217,706	18,134,200
G. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(3,493,426)	(215,681)
Sale of Fixed Asset	300	
Net Cash used in Investing Activities	(3,493,126)	(215,681)
H. Cash Flow From Financing Activities		
Dividend Paid Including DDT	-	(23,583,503)
Net Cash Flow from Financing Activities	-	(23,583,503)
I. Net Increase/(Decrease) in Cash and Cash Equivalents (F+G+H)	2,724,580	(5,664,984)
Cash and Cash Equivalents at the beginning of the year	16,896,763	22,561,747
Cash and Cash Equivalents at the end of the year	19,621,344	16,896,763


In terms of our attached audit reports of even date
For **A.B. BANSAL AND COMPANY**
CHARTERED ACCOUNTANTS
Firm Registration No. 040538N

(SUNNY KOHLI)
PARTNER
M.No. 513283

Place : New Delhi
Date : 21-08-2020




Bhupinder Singh Chawla
(Director)
DIN: 00064995


Haneet Singh Chawla
(Director)
DIN: 00065005

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTES FORMING PART OF BALANCE SHEET

NOTE - 1

SHARE CAPITAL	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
AUTHORISED SHARE CAPITAL		
310000 Equity Shares Of Rs.10/- Each (P.Y. 300000 Equity Shares Of Rs.10/- Each)	3,100,000	3,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
296400 Equity Share of Rs.10/- Each (P.Y. 296400 Equity Shares Of Rs.10/- Each)	2,964,000	2,964,000
TOTAL	2,964,000	2,964,000

I.1 AGGREGATE NUMBER OF BONUS SHARES ALLOTTED AS FULLY PAID UP SHARES DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE REPORTING DATE: NIL

I.2 SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES

	As on 31.03.2020		As on 31.03.2019	
	%	Number of Shares	%	Number of Shares
Equity Shares				
Name of the Shareholder				
M/s. Stanley Lifestyle Ltd.	67%	198,588	67%	198,588
Mr. Bhupinder Singh Chawla	17%	50,388	17%	50,388
Mr. Haneet Singh Chawla	16%	47,424	16%	47,424
TOTAL	100%	296,400	100%	296,400



Bhupinder Singh Chawla
(Director)



Haneet Singh Chawla
(Director)



**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 2

RESERVE AND SURPLUS	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Profit & Loss A/c		
Opening Balance	17,511,250	26,755,923
Add: Current Year Profit after tax	5,842,732	14,346,222
+ (-) Appropriations:		
(-) Earlier Year tax exp	(37,684)	(7,393)
(+) Provision for Doubtfull Debts Write Back	88,100	-
(-) Interim Dividend - 1 & 2	-	(19,562,400)
(-) Dividend Distribution Tax on above	-	(4,021,103)
	23,404,398	17,511,250

NOTE - 3

LONG TERM PROVISION	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Gratuity Liability (Slump Sale)	619,613	-
Provision for Gratuity	1,656,981	-
	2,276,594	-

NOTE - 4

TRADE PAYABLE	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Trade Payables	6,364,387	592,043
TOTAL	6,364,387	592,043



Bhupinder Singh Chawla
Bhupinder Singh Chawla
(Director)

Haneet Singh Chawla
Haneet Singh Chawla
(Director)

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 5

OTHER CURRENT LIABILITIES	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
(a) Statutory Liability		
TDS Payable	326,849	169,242
GST Payable - Delhi	8,510	345,759
GST Payable - Faridabad	-	396,501
Leave Encashment Payable	26,607	-
(b) Expenses Payable	1,196,811	487,709
(c) Advance From Customers	19,490,826	6,867,209
(d) Slump Sale Payable to Stanley Retail Ltd.	5,800,000	-
TOTAL	26,849,603	8,266,420

NOTE - 6

SHORT TERM PROVISIONS	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Provision for Income Tax (Net of Advance Tax & TDS)	270,797	627,684
TOTAL	270,797	627,684




Bhupinder Singh Chawla
(Director)


Haneet Singh Chawla
(Director)

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE NO. 7

**DETAILS OF FIXED ASSETS AS ON 31ST MARCH, 2020
AS PER SCHEDULE II OF THE COMPANIES ACT, 2013**

Assets	Useful Life	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As on 01.04.2019	Addition during the year	Deduction during the year	As on 31.03.2020	Life upto 01.04.2019	Dep. For the Year	Dep Deduction during the year	As on 31.03.2020	As on 31.03.2019	
(A) Tangible Assets											
Furniture & Fittings	10	4,797,614	2,879,297	-	7,676,911	4,530,103	501,590	5,631,693	2,645,218	267,511	
Motor Vehicles											
Motor Cycle and Scooter	10	121,666	-	-	121,666	48,762	18,073	66,834	34,832	72,904	
Motor Cars	8	1,225,026	-	-	1,225,026	1,095,167	40,674	1,135,841	89,185	129,359	
Office Equipments	5	329,586	111,919	7,875	433,631	229,235	79,165	300,920	132,711	100,151	
Computer & Data Processing Equip User Devices such as Desktop, Laptop etc-	3	109,345	220,733	-	530,078	258,898	119,387	378,285	151,793	50,447	
TOTAL - A		6,783,237	3,211,950	7,875	9,987,312	6,162,165	758,889	7,481	6,913,573	3,073,739	621,873
(B) Intangible Assets											
Goodwill - Grandtotal Under Stamp Sale		-	281,476	-	281,476	-	-	-	-	281,476	-
TOTAL - B		-	281,476	-	281,476	-	-	-	-	281,476	-
TOTAL (A+B)		6,783,237	3,493,426	7,875	10,268,788	6,162,165	758,889	7,481	6,913,573	3,355,215	621,873
Previous Year		7,229,888	215,681	662,332	6,783,237	6,515,489	266,881	620,205	6,162,165	621,873	714,399

Bhupinder Singh Chawla
Bhupinder Singh Chawla
(Director)

Harender Singh Chawla
Harender Singh Chawla
(Director)



[Signature]

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 8

INVENTORIES	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Stock in Hand (Trading Furniture)		
Delhi Office	15,624,469	6,238,754
Haryana Office	17,486,178	3,568,802
TOTAL	33,110,647	9,807,556

NOTE - 9

TRADE RECEIVABLES	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
(Unsecured & Considered good)		
Debts Exceeding Six Month	-	176,200
Other Debts	328,911	136,059
Less : Provision for Doubtful Debts	-	(88,100)
TOTAL	328,911	224,159

NOTE - 10

CASH & CASH EQUIVALENTS	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
<u>Balances with Banks in Current Account</u>		
ICICI Bank Ltd.	3,453,747	212,692
State Bank Of India	6,810,841	12,433,110
Cash in hand	770,808	519,224
<u>Other Bank Balance</u>		
<u>In FDR's Account (Include Interest Accrued on FDR's)</u>	8,585,947	3,731,736
* (Including FDR with int. Accrued of Rs 2.34 Lacs earmarked as security for Bank Guarantee to Haryana Commercial Tax Deptt)		
TOTAL	19,621,343	16,896,763



[Signature]
Bhupinder Singh Chawla
(Director)

[Signature]
Haneet Singh Chawla
(Director)

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 11

OTHER CURRENT ASSET	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
(RECOVERABLE IN CASH OR KIND OR VALUE TO BE RECEIVED)		
Salary/Staff Advance	68,861	50,000
Prepaid Advertisement	-	12,133
Prepaid Insurance	41,205	27,003
Advances to Suppliers	118,258	-
Security Deposits	2,600,734	1,144,500
Income Tax Refundable A.Y. 2018-2019	-	187,230
VAT Refundable (F.Y. 2013-14)	-	119,339
GST Refundable - Sales to SEZ Unit -Delhi	322,169	322,169
GST - Recoverable - Delhi	84,140	-
GST - Recoverable - Haryana	2,003,696	89,472
	<u>5,239,063</u>	<u>1,951,846</u>



Bhupinder Singh Chawla

**Bhupinder Singh Chawla
(Director)**

Haneet Singh Chawla

**Haneet Singh Chawla
(Director)**

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTES FORMING PART OF PROFIT AND LOSS A/C

NOTE - 12

I. REVENUE FROM OPERATIONS	AMOUNT AS ON	AMOUNT AS ON
	31.03.2020	31.03.2019
SALES (TRADING)		
Delhi		
Sales	108,272,684	110,582,372
Less :Inter-branch Stock Transfer	4,155,233	-
	104,117,451	110,582,372
Haryana		
Sales	102,605,028	83,451,841
Less :Inter-branch Stock Transfer	91,322,355	83,451,841
	11,282,674	-
TOTAL	115,400,125	110,582,372


NOTE - 13

OTHER INCOME	AMOUNT AS ON	AMOUNT AS ON
	31.03.2020	31.03.2019
Interest from FDR	393,119	635,226
Discount Received	379,801	3,529,407
Liability No Longer payable hence written back (Net)	8,068	21,422
TOTAL	780,988	4,186,055

NOTE - 14

PURCHASES OF STOCK-IN-TRADE	AMOUNT AS ON	AMOUNT AS ON
	31.03.2020	31.03.2019
Purchases of Traded Goods	96,922,301	80,460,930
(+) Expenses Incurred for Purchases of Traded Goods		
ECG (Green Tax)	-	62,400
Labour Charges	83,197	68,600
Packing & Forwarding	80,338	68,923
Total	97,085,836	80,660,853




Bhupinder Singh Chawla
(Director)


Haneet Singh Chawla
(Director)

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 15

CHANGES IN INVENTORIES OF TRADING GOODS	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Opening Stock:-		
Delhi Office	6,238,754	4,441,454
Haryana Office	3,568,802	3,838,956
	<u>9,807,556</u>	<u>8,280,409</u>
Less:- Closing Stock		
Delhi Office	15,624,469	6,238,754
Haryana Office	17,486,178	3,568,802
	<u>33,110,647</u>	<u>9,807,556</u>
Change in Inventories	<u>(23,303,091)</u>	<u>(1,527,146)</u>

NOTE - 16

EMPLOYEE BENEFITS EXPENSES	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Salary, Bonus & Incentives	6,694,255	4,318,155
Leave Encashment	26,607	-
Staff Welfare Expenses	162,742	88,027
Staff Uniform Expenses	56,375	64,250
Gratuity Provision	1,656,981	-
TOTAL	<u>8,596,960</u>	<u>4,470,432</u>

NOTE - 17

FINANCE COSTS	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Bank and Credit Card Charges	291,031	155,165
TOTAL	<u>291,031</u>	<u>155,165</u>



Bhupinder Singh Chawla
Bhupinder Singh Chawla
(Director)

Haneet Singh Chawla
Haneet Singh Chawla
(Director)

**ABS SEATING PRIVATE LIMITED
NEW DELHI**

NOTE - 18

OTHER EXPENSES	AMOUNT AS ON 31.03.2020	AMOUNT AS ON 31.03.2019
Rent		
Showrooms Rent	12,783,749	3,885,000
Warehouse Rent	774,385	568,080
Common Area Maintenance - Showroom	1,025,754	
Auditor's Remuneration -		
Audit Fee	380,000	112,500
Tax Audit Fee	100,000	60,000
Repair & Maintenance		
Showroom	248,005	197,293
Warehouse	17,400	15,375
Commission Paid	676,984	799,040
Advertisement Expenses	19,133	23,512
Directors Remuneration	1,680,000	1,680,000
Transportation/Canter/Carrriage Charges	1,384,796	1,048,600
Delivery Charges	16,605	50,452
Conveyance (Net)	87,350	92,156
Electricity & Water Expenses	1,079,126	509,497
Interest on Income Tax and TDS	4,226	896
Interest on GST	2,908	-
Input Not reversed in FY 2017-18 FBD	-	13,320
Packing Material	60,295	57,874
Postage and Courier (Net)	29,386	17,954
Legal & Professional Charges	388,500	238,500
Loss on Discard of Fixed Asset	94	42,128
MCD Trade Licence Fee	36,335	31,742
Membership Fee	25,800	22,551
Insurance	96,605	102,343
Business Development/Promotion Expenses	61,280	49,037
Provision for Doubtful Debts	-	88,100
Bad Debt Written off	186,320	-
Recharge of Common Expenses Via HO (Bangalore)	1,937,000	-
Diwali & Pooja Expenses	61,182	32,050
Software Upgradation Exp(Tally)	13,983	13,983
Travelling Expenses (Directors)	176,710	120,525
Travelling Expenses (Staff)	55,530	19,678
Filing Fees	9,900	-
Donation	2,200	-
Generator Running & Maintance Expenses	121,295	119,557
GST Paid - GST Audit FY 2017-2018	40,900	-
Prior Period Dvat Demand FY 2007-2008	10,058	-
House Keeping	162,863	140,170
Misc. Expenses	26,813	18,013
Printing & Stationery	104,237	130,901
Share Dematerialisation Expenses	22,810	-
Increase in Authorised Share Capital Exp	3,150	-
News Paper & Periodicals	2,786	2,224
Telephone Expenses	122,464	94,351
Vehicle Running & Maintenance	274,735	322,622
Total	24,313,652	10,720,024

Bhupinder Singh Chawla
(Director)




Hanceet Singh Chawla
(Director)



ABS SEATING PVT. LTD.
NEW DELHI

NOTE - 19

SIGNIFICANT ACCOUNTING POLICIES AND OTHER DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2020.

A. BREIF NOTE ON COMPANY

The Company is into Trading of all types of Furniture and Lifestyle Products. It is having Registered Office at 369, CRC Building, Sultanpur Crossing, MG Road, New Delhi -110030. During the year, it was operating from three showrooms at

- (i) CRC Building, Sultanpur Crossing, MG Road, New Delhi
- (ii) Kirti Nagar, Delhi from 15th July, 2019.
- (iii) Grand Mall, Gurugram, Haryana from 16th Oct, 2019.

B. SIGNIFICANT ACCOUNTING POLICIES

1. The Financial Statement has been prepared on the basis of historical cost convention and in accordance with the accepted accounting standards and applicable Income Computation Disclosure Standard issued by CBDT of India.
2. All items of income and expenditure are recognized on accrual basis.
3. Depreciation on Fixed Assets has been provided as per Useful Lives method prescribed under Schedule – II Companies Act, 2013 i.e Depreciable Amount (Cost Less 5% Residual Value) is to be charged over useful life of Fixed Asset Under WDV Method of Depreciation.
4. Revenue from sale of goods is recognized when all significant risks and rewards of ownership are transferred to the buyer (usually at the point of dispatch to customers). Gross Sales are exclusive of GST and Sales Return.
5. Interest is recognised on accrual basis but Interest on refund or cess is recognised on receipt basis.
6. Inventories (Comprising of Trading Goods) are valued at the lower of cost or Net Realisable Value. Cost of inventories is ascertained on the Cost basis.
7. Provision for taxation is made on total income after considering various relief admissible and disallowance under the provisions of the Income Tax Act, 1961.

Deferred tax has been provided for all timing differences as required under the provisions of Accounting Standards- 22 issued by the Institute of Chartered Accountants of India.



Contd..P/2

8. From FY 2018-2019, Provision for Doubtful Debts is being made as per the following norms:
Trade Receivable Outstanding for Upto 6M – Nil
Trade Receivable Outstanding for 6M to 12M – 50%
Trade Receivable Outstanding for More than 12M– 100%
9. From Current year FY 2019-2020, The Company has started making provision of Gratuity Liability as per The Payment of Gratuity Act, 1972 .

C. OTHER DISCLOSURES

1. Contingent Liabilities not provided for- Bank Guarantee of Rs. 1 Lac given to Haryana Sales Tax Deptt.
2. Dues to Micro, Small & Medium Enterprises
The company has not received information from vendors regarding their status under the Micro, Small and medium Enterprise Development Act,2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act has not been given.
3. Information pursuant to provision of Schedule III of the Companies Act, 2013, wherever applicable is as follows:-

(Rs. In Lacs)

	<u>2019-2020</u>	<u>2018-2019</u>
(a) Value of Import on CIF basis	NIL	NIL
(b) Expenses in Foreign Currency	NIL	NIL
(c) Earning in Foreign Currency	NIL	NIL

4. Disclosure of Related Parties/ Related Party Transactions:-

- A) **Related Parties with Whom Transaction Made during the year**
- I) Key Management Personal
(a) Sh. Haneet Singh Chawla - Director
- II) Relative of Key Management Personal
(a) Ms. Suchit Kaur Chawla
(b) Mrs. Rupinder Chawla
- III) Holding Company and Entities controlled through Director/ Associates
(a) M/s Stanley Lifestyle Ltd. – Holding Company
(b) M/s Aldous (Delhi)
(c) M/s Stanley Retails Ltd.
(d) M/s Stanley OEM Sofas Ltd.



B) The Company's related party transactions during the year and outstanding as on 31st March, 2020

(Rs. In Lacs)

Nature of Transaction	Key Management Personal	Relative of Key Management Personal	Entities Controlled through Directors/ Holding Company	Total
Remuneration/ /Salary/Commission	16.80 (16.80)	20.63 (22.09)	Nil (Nil)	37.43 (38.89)
Purchases of Trade Goods /Rentals/ H.O Common Expenses /Other Expenses	Nil (Nil)	Nil (Nil)	899.54 (801.81)	899.54 (801.81)
Purchase of Running Unit under Slump Sale	Nil (Nil)	Nil (Nil)	58.00 (Nil)	58.00 (Nil)
Sales	0.29 (Nil)	0.37 (Nil)	2.12 (0.64)	2.78 (0.64)
Loan Given	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Loan Received back	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Discount/Commission Received	Nil (Nil)	Nil (Nil)	3.80 (35.29)	3.80 (35.29)
Closing Balance Payable	1.16 (1.16)	1.13 (1.07)	115.37 (2.93)	117.66 (5.16)
Closing Balance Receivable	Nil (Nil)	Nil (Nil)	1.01 (Nil)	1.01 (Nil)

(Previous year figures are in brackets)



5. COVID -19 IMPACT

After taking into account the current position of the business of the company, the management of the company is of the view that the effects of COVID -19 will be only for short term period and should not affect the long term viability of the business.

For **A.B.BANSAL AND COMPANY**
CHARTERED ACCOUNTANTS
Firm Registration No.010538N

(**SUNNY KOHLI**)
PARTNER
M.No.513283
PLACE: NEW DELHI
DATED: 21-08-2020




Bhupinder Singh Chawla
(Director)


Haneet Singh Chawla
(Director)