

INDEPENDENT AUDITOR'S REPORT

To The Members of Shrasta Décor Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Shrasta Décor Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, 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 (SAs) specified under Section 143(10) of the Act. Our responsibilities under these Standards are further described in the Auditor's Responsibility 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 obtained by us 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 other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- 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's 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

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Accounting Standards and other accounting principles generally accepted in India. 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 judgments and estimates that are reasonable and prudent; and 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 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 related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the 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 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 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 the 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.

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- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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, 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration is not applicable.



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- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 22.17 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, disclosed in the note 22.18 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



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2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 0080725)



Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 22220411ARDUOL2065

Place: Bengaluru
Date: September 06, 2022
SK/TG/2022

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (l) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Shrasta Décor Private Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of



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unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)



Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 22220411ARDUOL2065

Place: Bengaluru
Date: September 06, 2022
SK/TG/2022

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of Property, plant and equipment and intangible assets-
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - B. The Company does not hold any intangible assets, reporting under clause 3(i)(a)(B) of the Order is not applicable.
 - (b) The Property, plant and equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
 - (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
 - (d) The Company has not revalued any of its property, plant, and equipment during the year. The Company does not have any intangible assets.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
 - (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
 - (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
 - (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
 - (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013.

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(vii) In respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Income-tax, Sales Tax, Service Tax, duty of Custom, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provision of excise duty are not applicable to the Company.

Undisputed amounts payable in respect of Goods and Service tax, Income-tax, Sales Tax, Service Tax, duty of Custom, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable as given below:

Name of Statute	Nature of the Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of payment
Employees Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	929,144	April 2018-September 2020	May 2018-October 2020	Not Paid
The Employees State Insurance Act, 1948	Employees State Insurance	9,835	April 2018-September 2020	May 2018-October 2020	Not Paid

- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessment under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)

- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, *prima facie*, not been used during the year for long-term purpose of the Company.

- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x)

- (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

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- (xi)
- (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) To the best of our knowledge, no report under Sub-Section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and up to the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The Company is an private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv)
- (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
 - (b) The Company did not have an internal audit system for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
 - (b) The Group ("Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions) does not have any CIC (Core Investment Company) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling

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- due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.008072S)



Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 22220411ARDUOL2065

Place: Bengaluru
Date: September 06, 2022
SK/TG/2022

Shrasta Décor Private Limited
CIN-U74999KA2017PTC104758

Balance Sheet as at 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
A) EQUITY AND LIABILITIES			
1 Shareholder's funds			
a) Share capital	3	47,900	47,900
b) Reserves and surplus	4	43,490	18,520
		91,390	66,420
2 Non-current liabilities			
a) Long-term borrowings	5	40,000	-
b) Long-term provisions	6	556	314
		40,556	314
3 Current Liabilities			
a) Trade payables	7		
(i) total outstanding dues of micro enterprises and small enterprises;		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		79,670	19,935
b) Other current liabilities	8	28,452	19,179
c) Short-term provisions	9	762	797
		1,08,884	39,911
Total		2,40,830	1,06,645
B) ASSETS			
1 Non current assets			
a) Property, plant and equipment and Intangible assets			
i) Property, plant and equipment	10A	29,404	19,641
ii) Capital work in progress	10C	7,904	-
b) Deferred tax assets (net)	22.10	963	613
c) Long term loans and advances	11	21,850	5,732
		60,121	25,986
2 Current assets			
a) Inventories	12	1,21,725	55,864
b) Trade receivables	13	873	1,445
c) Cash and cash equivalents	14	35,390	22,035
d) Short-term loans and advances	15	22,721	1,315
		1,80,709	80,659
Total		2,40,830	1,06,645
See accompanying notes forming part of the financial statements	1-22		

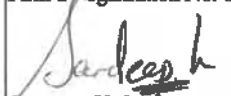
See accompanying notes forming part of the financial statements

As per our report of even date

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration No. 008072S



Sandeep Kukreja
 Partner
 Membership No. 220411

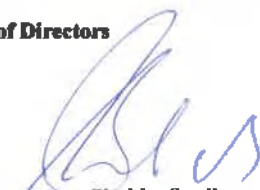


Place: Bangalore

Date: 6 September 2022

For and on behalf of the Board of Directors
 Shrasta Décor Private Limited


Sunil Suresh
 Director
 DIN : 01421517


Shubha Sunil
 Director
 DIN: 01363687

Place: Bangalore

Date: 6 September 2022



Shrasta Décor Private Limited
CIN-U74999KA2017PTC104758

Statement of Profit and Loss for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Particulars	Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
I Revenue from operations	16A	2,54,774	1,16,244
II Other income	16B	279	295
III Total Income (I+II)		2,55,053	1,16,539
IV Expenses			
a) Purchases of stock-in-trade (traded goods)	17	2,16,892	85,000
b) Changes in inventories of stock in trade	18	(65,861)	(12,968)
c) Employee benefits expense	19	20,979	9,918
d) Finance costs	20	894	-
e) Depreciation expense	10B	3,547	2,690
f) Other expenses	21	44,101	20,900
Total Expenses (IV)		2,20,552	1,05,540
V Profit before tax (III-IV)		34,501	10,999
VI Tax expense			
a) Current tax expense		9,610	3,263
b) Tax relating to earlier years	22.10	271	42
c) Deferred tax credit		(350)	(405)
Total tax expense (VI)		9,531	2,900
VII Profit for the year (V-VI)		24,970	8,099
Earnings per share (EPS)(In Rs.)			
Basic & diluted (nominal value of Rs. 10 per share)	22.7	5.21	1.69
See accompanying notes forming part of the financial statements	1-22		

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 008072S


Sandeep Kulkarni
Partner
Membership No. 220411



Place: Bangalore
Date: 6 September 2022

For and on behalf of the Board of Directors
Shrasta Décor Private Limited


Sunil Suresh
Director
DIN : 01421517

Place: Bangalore
Date: 6 September 2022


Shubha Sunil
Director
DIN: 01363687



Shrasta Décor Private Limited
CIN-U74999KA2017PTC104758


Cash Flow Statement for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities :		
Profit before tax	34,501	10,999
Adjustment for:		
Depreciation expense	3,547	2,690
Finance costs	894	-
Provision for bad & doubtful debts	-	631
Loss on sale of property, plant and equipment	266	-
Liability no longer required	-	(295)
Operating profit / (loss) before working capital changes	39,208	14,025
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(65,861)	(12,968)
Trade receivables	572	(798)
Short term loans and advances and other current assets	(21,406)	(948)
Long term loans and advances	(16,118)	(3)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	59,735	7,390
Other current liabilities	9,273	12,875
Long term provisions	241	(60)
Cash generated from operations	5,644	19,511
Net income tax paid	(9,916)	(2,887)
Net cash flow used in operating activities (A)	(4,272)	16,624
Cash flow from investing activities :		
Purchase of property plant and equipment	(21,479)	(4,031)
Net cash flow used in investing activities (B)	(21,479)	(4,031)
Cash flow from financing activities :		
Long term borrowings	40,000	-
Finance cost paid	(894)	-
Net cash flow from financing activities (C)	39,106	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	13,355	12,593
Cash and cash equivalents at beginning of year	22,035	9,442
Cash and cash equivalents at the end of year (Refer note 14)	35,390	22,035

See accompanying notes forming part of the financial statements 1-22

As per our report of even date
For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 008072S


Sandeep Kukreja
Partner
Membership No. 220411




Place: Bangalore
Date: 6 September 2022

For and on behalf of the Board of Directors
Shrasta Décor Private Limited


Santhi Suresh
Director
DIN : 01421517

Place: Bangalore
Date: 6 September 2022


Shubha Sunil
Director
DIN: 01363687



1. Company overview

Shrasta Decor Private Limited ("the Company") was incorporated on 18 July 2017 as a Private Limited company under the provisions of the Companies Act, 2013 with its registered office in Bengaluru, India. The Company is primarily engaged in the business of trading of furniture and leather products.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention on the accrual basis of accounting and comply with the accounting standards prescribed under Section 133 of Companies Act, 2013 ("the Act"). The accounting policies have been consistently applied by the Company. The financial statements are presented in Indian rupees (Rs.). The Company is a Small and Medium Sized Company as defined in the General Instructions in respect of Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

2.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumption that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of the financial statements. The management believes that the estimates used in preparation of financials statements are prudent and reasonable. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

2.3 Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle to be 12 months for the purposes of classification of assets and liabilities as current and non-current as per the requirement of Schedule III of the Act.

2.4 Cash and cash equivalents

Cash comprises cash on hand, cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Other bank balances comprises of balances other than cash equivalents which is expected to be realised within twelve months from the reporting date.

2.5 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Inventories

Inventories are valued at lower of cost (weighted average method) and net realisable value after providing for obsolescence and other losses, where considered necessary. For traded goods purchases costs include cost of purchase and other costs bringing inventory to the point of sale.



2. Significant accounting policies

2.7 Property, plant and equipment, capital work in progress, depreciation and amortisation

(a) Property, plant and equipment and capital work in progress

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/ or accumulated impairment, if any. The cost includes its purchase price, including import duties and other non-refundable taxes or levies (for Leasehold improvements and Vehicles, Goods and Services Tax is not availed but added to the cost of acquisition or construction), freight and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of property, plant and equipment not ready for their intended use at the balance sheet date are disclosed as capital work in progress. Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are disclosed as 'capital advances' under 'long-term loans and advances'.

(b) Depreciation and amortisation

Leasehold improvements are being amortised over the duration of the lease, or estimated useful life of the assets, whichever is lower.

Depreciation is provided on the straight line method over the estimated useful life of fixed assets as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Assets individually costing up to Rupees five thousand are fully depreciated in the year of capitalisation.

2.8 Revenue recognition

Revenue from operations

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods:

Revenue from sale of goods in the course of ordinary activities is recognised when the property in the goods and all significant risks and rewards of their ownership are transferred to the customer which generally coincides with delivery to the customers and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods and regarding its collection. The amount recognised as revenue is exclusive of Goods and Services Tax and net of trade and quantity discounts.

Interest

Interest income is recognised using the time-proportion method, based on underlying interest rates.

2.9 Foreign currency transactions and translations

Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.



2. Significant accounting policies

2.10 Employee benefits

Employee benefits include gratuity

Short-term employee benefits:

All employee benefits payable wholly within 12 months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for service rendered by employees is recognised as an expense during the year. Benefits such as salaries and wages, etc. and the expected cost of the statutory bonus are recognised in the period in which the employee renders the related service.

Post-employment employee benefits:

Defined contribution schemes

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee's provident fund and employee's state insurance to Government administered provident fund scheme and state insurance scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefits plans

The Company's gratuity benefit scheme is defined benefit plan. Considering the number of employees and their completed service years the Company does not anticipate the gratuity liability to be significant. Hence, the Company's net obligation in respect of a defined benefit plan is calculated by estimating half of the last drawn basic salary and multiplying it by the number of years served by the employees.

2.11 Leases

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

2.12 Earnings/ (Loss) per share

Basic earnings/ (loss) per share is computed by dividing the net profit/(loss) for the year attributable to the equity shareholders with the weighted average number of equity shares outstanding during the year.

Diluted earnings/ (loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share or increase the net loss per share from continuing ordinary operations.

2.13 Taxes on income

Income-tax expense comprises of current tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in the future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. If there is no virtual certainty of realisation of such assets the Deferred tax assets is created to the extent of Deferred tax liabilities. Deferred tax assets are reviewed as at each Balance Sheet date and written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.



2. Significant accounting policies

2.14 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset (including goodwill) or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined, if no impairment loss had been recognised.

2.13 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.



Note No	Particulars	As at 31 March 2022		As at 31 March 2021		
		No of shares	Amount	No of shares	Amount	
3	Share Capital					
	Authorised Capital					
	Equity Shares of Rs. 10/- each	50,00,000	50,000	50,00,000	50,000	
	Issued, subscribed and fully paid					
	Equity Shares of Rs. 10/- each	47,90,000	47,900	47,90,000	47,900	
	Total	47,90,000	47,900	47,90,000	47,900	
(a) Reconciliation of the shares outstanding at the beginning and at the end of the year						
	Particulars			As at 31 March 2022	As at 31 March 2021	
	Shares outstanding at the beginning of the year			47,90,000	47,90,000	
	Shares issued during the year			-	-	
	Shares outstanding at the end of the year			47,90,000	47,90,000	
(b) Details of shareholders holding more than 5% shares in the Company						
	Particulars	As at 31 March 2022		As at 31 March 2021		
		No of shares	% Holding	No of shares	% Holding	
	Stanley Retail Limited, the Holding company	26,80,000	55.95%	26,80,000	55.95%	
	Sharmila Manghani	10,75,000	22.44%	10,75,000	22.44%	
	Rajesh Manghani	10,35,000	21.61%	10,35,000	21.61%	
	Total	47,90,000	100.00%	47,90,000	100.00%	
(c) Details of shares held by the promoters at the end of the year						
Promoter Name	As at 31 March 2022			As at 31 March 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Stanley Retail Limited	26,80,000	55.95%	-	26,80,000	55.95%	-
Sharmila Manghani	10,75,000	22.44%	-	10,75,000	22.44%	-
Rajesh Kishaldeo Manghani	10,35,000	21.61%	-	10,35,000	21.61%	-
(d) Terms/ rights attached to equity shares						
The Company has only one class of equity share having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
(e) For the period of five years immediately preceding the Balance Sheet date, there are no shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or shares allotted as fully paid up by way of bonus shares or shares bought back.						



Note No	Particulars	As at 31 March 2022	As at 31 March 2021			
4	Reserves and Surplus					
(i)	Surplus in statements of profit and loss					
	Opening balance	18,520	10,421			
	Add: Profit for the year	24,970	8,099			
	Closing balance	43,490	18,520			
5	Long-term borrowings					
	Unsecured, considered good					
	Intercompany borrowings (Refer note 22.5)	40,000	-			
		40,000	-			
	Aggregate secured loans	-	-			
	Aggregate Unsecured loans	40,000	-			
	The Company during the year ended March 31, 2022, has taken intercompany borrowings from Stanley Retail Limited without specifying any terms or period of payment at the rate of interest 6% pa. accrued on monthly basis.					
6	Long-term provisions					
	Provision for employee benefits					
	- Gratuity (Refer note 22.3.b)	556	314			
	Total	556	314			
7	Trade payables					
	-total outstanding dues of micro enterprises and small enterprises; (Refer note 22.2)	-	-			
	-total outstanding dues of creditors other than micro enterprises and small enterprises	79,670	19,935			
	Total	79,670	19,935			
A. Trade payables analysis schedule for the year ended as on 31 March 2022						
Particulars	Outstanding for following periods from due date of payment					Total
	Net due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of other than micro enterprises and small enterprises	3,706	72,612	-	44	3,308	79,670
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-	-
Total Trade Payable as at 31 March 2022	3,706	72,612	-	44	3,308	79,670
B. Trade payables analysis schedule for the year ended as on 31 March 2021						
Particulars	Outstanding for following periods from due date of payment					Total
	Net due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of other than micro enterprises and small enterprises	933	15,651	44	-	3,308	19,935
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of other than micro enterprises and small enterprises	-	-	-	-	-	-
Total Trade Payable as at 31 March 2021	933	15,651	44	-	3,308	19,935
8	Other current liabilities					
	Advances from customers	26,327	17,403			
	Statutory dues	2,125	1,776			
	Total	28,452	19,179			
9	Short term provisions					
	Provision for income taxes					
	(net of advance income tax of Rs. 12,487 thousand (31 March 2021: Rs. 2,562 thousand))	762	797			
	Total	762	797			



Shrasta Décor Private Limited
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Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 10A: Property Plant & Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 01-Apr-21	Additions	Disposals	As at 31-Mar-22	As at 01-Apr-21	Depreciation for the year	Disposals	As at 31-Mar-22	As at 31-Mar-22	As at 31-Mar-21
Tangible Assets (Owned)										
Leasehold improvements	21,435	11,954	-	33,389	5,335	2,620	-	7,955	25,434	16,100
Office equipment	2,544	1,008	-	3,552	1,370	534	-	1,904	1,648	1,174
Computers	187	149	-	336	123	54	-	176	160	64
Electrical fittings	2,642	390	-	3,032	821	272	-	1,093	1,939	1,821
Furniture and fixtures	653	90	450	293	171	67	167	70	223	482
Total	27,461	13,591	450	40,602	7,820	3,547	167	11,198	29,404	19,641

Property Plant & Equipment (Opening Balance)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 01-Apr-20	Additions	Disposals	As at 31-Mar-21	As at 01-Apr-20	Depreciation for the year	Disposals	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
Tangible Assets (Owned)										
Leasehold improvements	17,470	3,965	-	21,435	3,486	1,849	-	5,335	16,100	13,984
Office equipment	2,544	-	-	2,544	887	483	-	1,370	1,174	1,657
Computers	121	66	-	187	78	45	-	123	64	43
Electrical fittings	2,642	-	-	2,642	570	251	-	821	1,821	2,072
Furniture and fixtures	653	-	-	653	109	62	-	171	482	544
Total	23,430	4,831	-	27,461	5,130	2,690	-	7,820	19,641	18,300

Note: There has been no revaluation of property, plant and equipment during the financial year 2021-22 and 2020-21.

Note 10B: Depreciation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on tangible assets as per note 10	3,547	2,690
	3,547	2,690

Note 10C: Capital work-in-progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	7,904	-	-	-	7,904
Projects temporarily suspended	-	-	-	-	-



Notes No	Particulars	As at 31 March 2022	As at 31 March 2021			
11	Other Non Current Assets (Unsecured, considered good) Security deposits Total	 21,850 21,850	 5,732 5,732			
12	Inventories (lower of cost and net realizable value) Stock in trade Total	 1,21,725 1,21,725	 35,864 55,864			
13	Trade Receivables Unsecured, considered good Unsecured, considered doubtful Less: Provision for doubtful trade receivables Total	 873 631 (631) 873	 1,445 631 (631) 1,445			
A. Trade receivables ageing schedule for the year ended as on 31 March 2022						
Particular		Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables- considered good		873	-	-	-	873
Undisputed Trade Receivables- considered doubtful		-	-	631	-	631
Disputed Trade Receivables- considered good		-	-	-	-	-
Disputed Trade Receivables- considered doubtful		-	-	-	-	-
Total		873	-	631	-	1,504
Provision for doubtful trade receivables		-	-	-	-	631
Total Trade Receivable as at 31 March 2022		873	-	631	-	873
B. Trade receivables ageing schedule for the year ended as on 31 March 2021						
Particular		Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables- considered good		1,445	-	-	-	1,445
Undisputed Trade Receivables- considered doubtful		-	631	-	-	631
Disputed Trade Receivables- considered good		-	-	-	-	-
Disputed Trade Receivables- considered doubtful		-	-	-	-	-
Total		1,445	631	-	-	2,077
Provision for doubtful trade receivables		-	-	-	-	631
Total Trade Receivable as at 31 March 2021		1,445	631	-	-	1,445
14	Cash and cash equivalents Cash on Hand Balances with Banks: -in current accounts Total	 48 35,342 35,390	 5 22,030 22,035			
15	Short Term Loans and Advances (Unsecured, considered good) Balances with government authorities Prepaid expenses Advance to suppliers Advance to employees Total	 2,129 159 20,291 142 22,721	 1,190 114 1 10 1,315			



Shrasta Décor Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note No.	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
16A	A. Revenue from operations		
	Sale of products (traded goods)	2,54,164	1,16,244
	Total	2,54,164	1,16,244
	Note: The Company operates in one category, namely trading of furniture, fixtures and accessories.		
	B. Other operating income		
Commission income	610	-	
Total	610	-	
	Note: The Company has earned a commission from Stanley Retail Limited for selling kitchen sets.		
	Total (A+B)	2,54,774	1,16,244
16B	Other Income		
	Subsidy	279	-
	Liabilities no longer required written back	-	295
Total	279	295	
17	Purchases of stock-in-trade		
	Traded goods	2,16,892	85,000
	Total	2,16,892	85,000
	Note: The purchases fall under one category, namely trading of furniture, fixtures and accessories.		
18	Changes in inventories of stock in trade		
	Opening Stock	55,864	42,896
	Less: Closing Stock	(1,21,725)	(55,864)
Total	(65,861)	(12,968)	
19	Employee benefits expense		
	Salaries and wages	19,243	9,517
	Gratuity (Refer note 22.3.b)	241	(61)
	Contributions to Provident and other funds	857	340
	Staff welfare expenses	638	122
Total	20,979	9,918	
20	Finance costs		
	Interest on borrowings from related party (Refer note 22.5)	894	-
Total	894	-	
21	Other expenses		
	Advertisement and business promotion	63	13
	Rent including lease rentals (Refer note 22.6)	27,162	10,211
	Carriage outwards	3,181	1,255
	Power and fuel	2,255	1,185
	Travelling and conveyance	376	21
	Repairs and maintenance		
	-Buildings	1,828	1,089
	-Others	674	162
	Legal and professional charges	433	186
	Provision for bad and doubtful debts	-	631
	Rates and taxes	490	659
	Bank charges	949	482
	Security charges	991	510
	Communication expenses	181	177
	Insurance expenses	115	101
	Sales commission	2,846	2,669
	Payments to the auditors (Refer note below)	122	100
	Loss on sale of property, plant and equipment	266	-
	Printing and stationery	101	53
	Common Expenses	748	791
Miscellaneous expenses	1,320	605	
Total	44,101	20,908	
	Note:		
	Auditor's remuneration (Inclusive of GST)		
	As Auditors		
	- For statutory audit	100	100
	- For reimbursement of expenses/ levies	22	-
	Total	122	100



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Notes forming part of the financial statements for the year ended 31 March 2022
(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 22 Additional information to the financial statements

Note	Particulars		
22.1	Contingent liabilities and commitments (to the extent not provided for)		
	Particulars	As at 31 March 2022	As at 31 March 2021
	Contingent liabilities	-	-
	Commitments	-	-
22.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March 2022	As at 31 March 2021
	(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	-	-
	(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
	(iii) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
	(iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
	(v) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006.	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.			



Note 22 Additional information to the financial statements

Note	Particulars		
22.3 22.3.a	Employee benefit plans Defined contribution plans The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to the government authorities. The Company has recognised Rs. 746 thousand (March 31, 2021: Rs. 325 thousand) as Provident Fund contributions, and Rs. 111 thousand (March 31, 2021: Rs 15 thousand) as Employee State Insurance Scheme contributions in the Statement of Profit and Loss.		
22.3.b	Defined benefit plans The Company offers gratuity to eligible employees, which is a defined benefit plan.		
	i. Gratuity		
	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
		Gratuity	Gratuity
	Components of employer's expense		
	Current service cost	241	(61)
	Total expense recognised in the Statement of Profit and Loss	241	(61)
	Net asset / (liability) recognised in the Balance Sheet		
	Present value of defined benefit obligation	556	314
	Funded status [Surplus / (Deficit)]	(556)	(314)
	Unrecognised past service costs	-	-
	Net asset / (liability) recognised in the Balance Sheet	(556)	(314)
	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
		Gratuity	Gratuity
	Change in defined benefit obligations (DBO) during the year		
	Present value of DBO at beginning of the year	314	375
	Current service cost	241	(61)
	Present value of DBO at the end of the year	556	314
	Experience adjustments		
	Gratuity	2021-2022	2020-2021
		2019-2020	
	Present value of DBO	(556)	(375)
	Funded status [Surplus / (Deficit)]	(556)	(375)
	Present value of DBO	-	-

Note: The details of experience adjustment of earlier years is provided to the extent available with the Company.



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Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 22 Additional information to the financial statements

Note	Particulars														
22.4	<p>Segment information The Company operates in one business segment, namely trading of furniture and leather products. In line with Accounting Standard 17, as the relevant information is available from balance sheet and the statement of profit and loss itself, and the Company's operations are predominantly in the domestic market in India, no other disclosure is considered necessary.</p>														
22.5	<p>Related party transactions</p>														
22.5.a	<p>Details of related parties:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Description of relationship</th> <th style="text-align: center;">Names of related parties</th> </tr> </thead> <tbody> <tr> <td>Ultimate Holding Company</td> <td>Stanley Lifestyles Limited</td> </tr> <tr> <td>Holding Company</td> <td>Stanley Retail Limited</td> </tr> <tr> <td>Entity having the significant influence</td> <td>Stanley OEM Sofas Limited ABS Seating Private Limited</td> </tr> <tr> <td>Fellow Subsidiaries</td> <td>Scheek Home Interiors Limited Sana Lifestyles Limited Staras Seating Private Limited</td> </tr> <tr> <td>Key Management Personnel (KMP)</td> <td>Sunil Suresh- Director Shubha Sunil- Director Rajesh Manghnani- Director Sharmila Manghnani- Director Rajagopal S- Group CFO (Upto 31 March 2021)</td> </tr> <tr> <td>Entities in which KMP / Relatives of KMP can exercise significant influence</td> <td>Design Eight Seating World</td> </tr> </tbody> </table>	Description of relationship	Names of related parties	Ultimate Holding Company	Stanley Lifestyles Limited	Holding Company	Stanley Retail Limited	Entity having the significant influence	Stanley OEM Sofas Limited ABS Seating Private Limited	Fellow Subsidiaries	Scheek Home Interiors Limited Sana Lifestyles Limited Staras Seating Private Limited	Key Management Personnel (KMP)	Sunil Suresh- Director Shubha Sunil- Director Rajesh Manghnani- Director Sharmila Manghnani- Director Rajagopal S- Group CFO (Upto 31 March 2021)	Entities in which KMP / Relatives of KMP can exercise significant influence	Design Eight Seating World
Description of relationship	Names of related parties														
Ultimate Holding Company	Stanley Lifestyles Limited														
Holding Company	Stanley Retail Limited														
Entity having the significant influence	Stanley OEM Sofas Limited ABS Seating Private Limited														
Fellow Subsidiaries	Scheek Home Interiors Limited Sana Lifestyles Limited Staras Seating Private Limited														
Key Management Personnel (KMP)	Sunil Suresh- Director Shubha Sunil- Director Rajesh Manghnani- Director Sharmila Manghnani- Director Rajagopal S- Group CFO (Upto 31 March 2021)														
Entities in which KMP / Relatives of KMP can exercise significant influence	Design Eight Seating World														



Shrasta Décor Private Limited

CIN-U74999KA2017PTC104758

Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 22 Additional information to the financial statements

Note	Particulars	Relationship	For the year ended 31 March 2022	For the year ended 31 March 2021
22.5.b	Particular of Transactions with Related parties during the year			
	<u>Rajesh Manghnani</u>	Key Managerial Personnel		
	Remuneration paid		1,800	1,613
	<u>Sharmila Manghnani</u>	Key Managerial Personnel		
	Remuneration paid		1,800	1,613
	<u>Stanley Lifestyle Limited</u>	Ultimate Holding Company		
	Sales		-	271
	Purchases		1,41,432	91,385
	<u>Stanley Retail Limited</u>	Holding Company		
	Sales		1,687	104
	Purchases		32,864	8,935
	Common expenses accrued		868	933
	Reimbursement of expenses		157	438
	Reimbursement of Statutory payments		9,810	7,871
	Collection of Customer payment received		9	-
	Long term borrowings		40,000	-
	Interest Cost		894	-
	<u>Stanley OEM Sofas Ltd.</u>	Common control		
	Purchases		-	979
	<u>Seating World</u>	Common control		
	Sales		6,872	654
	Purchases		7,642	343
	Reimbursement of Statutory payments		335	-
	<u>Design Eight Private Limited</u>	Common control		
	Purchases		20,852	2,267
	Sales		953	66
	Reimbursement of Statutory payments		81	-
	<u>Design Eight(8)</u>	Common control		
	Reimbursement of Expenses		20,184	181
	Purchases		54,807	463
	Sales		1,525	388
	Reimbursement of Statutory payments		533	-



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Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 22 Additional information to the financial statements

Note	Particulars	Account	Relationship	As at 31 March 2022	As at 31 March 2021
22.5.c	Balance outstanding as at Balance sheet date:				
	Rajesh Manghani	Other Current Liabilities	Key Managerial Personnel	116	150
	Sharmila Manghani	Other Current Liabilities	Key Managerial Personnel	116	150
	Stanley Lifestyles Limited	Trade payables*	Ultimate Holding Company	50,804	13,531
	Stanley Retail Limited	Trade payables	Holding Company	6,087	73
	Stanley Retail Limited	Loan borrowings	Holding Company	40,000	-
	Schoek Home Interiors Limited	Trade receivables	Fellow Subsidiaries	548	548
	Seating World	Trade receivables	Related Party	439	1,230
	Sharmila Manghani	Deposit amount paid recoverable	Key Managerial Personnel	1,500	-
	Design Eight	Supply advance	Related Party	9,212	2
	Design Eight Private Limited	Trade Payables	Related Party	13,408	-



Shrasta Décor Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2022

(All the amounts are in Indian Rupees thousand except for share information or as otherwise stated)

Note 22 Additional information to the financial statements

Note	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
22.6	The Company has entered into operating lease arrangements for office premises. The lease is non-cancellable during the period 1 June 2021 to 30 May 2023 and 1 September 2021 to 30 August 2024, and may be renewed based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 5% every year.		
	Future minimum lease payments		
	not later than one year	57,671	-
	later than one year and not later than five years	59,666	-
	later than five years	-	-
	Lease payments recognised in the Statement of Profit and Loss	27,162	10,211
22.7	Earnings per share		
	Profit for the year attributable to the equity shareholders (A)	24,970	8,099
	Weighted average number of equity shares (B)	4,790	4,790
	Par value per share in Rs.	10	10
	Earnings per share - Basic and diluted (A/B)	5.21	1.69
	* There are no dilutive potential equity shares.		
22.8	Value of imports calculated on CIF basis:		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Traded Goods	-	-
22.9	Expenditure in foreign currency:		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Purchases of stock-in-trade	-	-



22.10 Income tax

Income Tax recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current Tax:		
In respect of current year	9,610	3,263
Deferred Tax:		
In respect of current year	(350)	(405)
Tax relating to earlier years	271	42
Total income tax expense recognised in the Statement of Profit and Loss	9,531	2,900

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	34,502	10,999
Tax expense recognised in the statement of profit and loss	9,531	2,900
Effective tax rate	27.62%	26.37%
At statutory income tax rate of 25.17% (March 31, 2021: 25.17%)	8,684	2,768
Adjustments		
Effect on account of disallowances under income tax	847	132
Income tax expense recognised in Statement of Profit and Loss	9,531	2,900

Deferred Tax Asset

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset (Net)		
Property, plant and equipment: impact of difference between tax depreciation and depreciation charged for the financial reporting.	183	(64)
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis.	780	677
Net deferred tax (Liability) / asset	963	613

Movement in deferred tax balances

Particulars	For the year ended 31 March 2022		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Depreciation on Property, plant and equipment	(64)	247	183
Provision for gratuity	79	61	140
Provision for bonus	57	42	99
Provision for bad and doubtful debts	159	-	159
Preliminary expenses u/s 35D	1	-	1
Unpaid professional tax	382	-	382
Net deferred tax (Asset) / Liabilities	613	350	963

Particulars	For the year ended 31 March 2021		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Depreciation on Property, plant and equipment	(139)	74	(64.21)
Provision for gratuity	94	(15)	79.16
Provision for bonus	141	(85)	56.63
Provision for bad and doubtful debts	-	159	158.93
Preliminary expenses u/s 35D	2	(1)	0.82
Unpaid professional tax	109	272	381.64
Net deferred tax (Asset) / Liabilities	208	405	613



Note 22 Additional information to the financial statements

22.11 Significant Accounting

Particulars	Numerator	Denominator	As at March 31,		Variance in %	Remarks
			2022	2021		
Current Ratio	Current Assets	Current Liabilities	1.66	2.02	-18.0%	NA
Debt Equity Ratio	Total Debt	Shareholder's Equity	0.44	-	100.0%	Refer note a
Debt Service Coverage Ratio	Earnings available for debt service (1)	Debt Service (2)	32.01	-	100.0%	Refer note a
Return on Equity (ROE)	Net Profit after Taxes	Average shareholder's equity	0.31	0.13	142.4%	Refer note b
Inventory turnover ratio (refer note below)	Cost of Goods Sold (3)	Average Inventory	1.70	1.46	16.6%	NA
Trade receivables turnover ratio	Revenue (4)	Average trade receivable	219.20	85.32	156.9%	Refer note a
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	3.93	5.67	-30.7%	Refer note d
Net capital turnover ratio	Revenue (4)	Working Capital (5)	3.55	2.85	24.3%	NA
Net Profit Ratio	Net Profit	Revenue (4)	0.10	0.07	40.1%	Refer note b and c
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital employed (6)	0.27	0.17	62.9%	Refer note e
Return on Investment (ROI)	Income generated from investments	Time weighted average investments	-	-	-	-

- (1) Earnings for debt service includes net profit after taxes and non-cash operating expenses like depreciation, profit/ loss on sale of property, plant and equipment, etc.
 (2) Debt service includes interest
 (3) Net credit purchases means gross credit purchases after deducting purchase return. Gross credit purchases includes other expenses
 (4) Net sales means total sales after deducting sales return
 (5) Working capital is calculated by deducting current liabilities from current assets
 (6) Capital employed includes tangible net worth, total debt and deferred tax liability

Reasons for variance in ratios

- a. Increase in debt and finance cost in current year as compared to the previous year has resulted in this ratio.
 b. Increase in net profit after tax in current year as compared to the previous year has resulted in movement in this ratio.
 c. Increase in revenue in current year as compared to the previous year has resulted in movement in this ratio.
 d. Increase in trade payables in current year as compared to the previous year has resulted in movement in this ratio.
 e. Increase in earning before interest and tax in current year as compared to the previous year has resulted in movement in this ratio.

22.12 The rapid outbreak of covid-19 pandemic presents alarming health crisis and its impacts are unfolding in real time. As a result of lockdown by Government of India, the Company's offices, showrooms were temporarily closed from May, 2021. The Company has undertaken various steps in order to manage the cash flow considering no sales were made during the mandate period. The results of these steps have helped the Company in sustaining during these unprecedented times. In Management's estimate, there has not been a significant change in the carrying value of receivables or property, plant and equipment, Inventory and other assets as a result of the pandemic or the temporary closures of operations. The Company has started operations from June, 2021. The impact of global health pandemic and any additional government mandate in response to the pandemic, the Company's financial position may change following the date of approval of these standalone financial statements. Management will continue to closely monitor any material changes to the Company's financial positions as a result of changes in future economic conditions, and government actions.

22.13 Relationship with struck off companies

The Company does not have any transactions with companies which are struck off except following:

Trade payables balance outstanding as on March 31, 2022 and March 31, 2021

Name of struck off company	Nature of transactions	Balance Outstanding as at		Relationship with the struck off Company
		March 31, 2022	March 31, 2021	
Chella Health Art Homes Pvt Ltd	Payables	-	-	Vendor

Transaction takes place during the year ended March 31, 2022 and March 31, 2021

Name of struck off company	Nature of transactions	Transaction takes place during the year		Relationship with the struck off Company
		March 31, 2022	March 31, 2021	
Chella Health Art Homes Pvt Ltd	Purchases	215	-	Vendor

22.14 The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

22.15 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.



- 22.16 **Corporate Social Responsibility**
The Company does not get covered under section 135 of Companies Act, 2013, hence no disclosures regarding the same has been made in the financial statements.
- 22.17 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 22.18 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 22.19 The Company has not taken any borrowing from bank or financial institutions on the basis of security of current assets, hence no disclosures regarding the same has been made in the financial statements.
- 22.20 The Company do not have any investment in any Companies, hence no disclosure regarding the provisions for losses of subsidiary companies has been made in the financial statements.
- 22.21 The Company not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 22.22 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 22.23 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 22.24 The Code on Social Security, 2020('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 22.25 The Company evaluated all events or transactions that occurred after March 31, 2022 up through September 06, 2022, the date the financial statements were authorized for issue by the Board of Directors. Based on this evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements other than below:
e. Subsequent to March 31, 2022, Company has entered the business transfer agreement with Design Eight on June 27, 2022 for acquisition of property, plant and equipment, inventories etc. for consideration of Rs 1,02,719 thousand.
- 22.26 **Previous period comparatives**
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors
Shrasta Décor Private Limited

Small Suresh
Director
DIN: 01421517

Shubhin Shakti
Director
DIN: 01363687

Place: Bangalore
Date: 6 September 2022

