

INDEPENDENT AUDITOR'S REPORT

To The Members of Stanley Lifestyles Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Stanley Lifestyles Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2022, and the Consolidated Statement of Profit and Loss, and the Consolidated 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 consolidated 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 consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



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- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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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 consolidated 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 Parent 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.



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We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

- (a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 1,187 lakhs as at 31st March 2022, total revenues of Rs. 1,866 lakhs and net cash inflows amounting to Rs. 78 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.



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- e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 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 and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the auditors' reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies during the year is in accordance with the provisions of Section 197 of the Act.
- 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) there were no pending litigations which would impact the consolidated financial position of the Group.
 - ii) the Group entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies.
 - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 28.20 to the consolidated 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 Parent/ Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities.
 - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 28.21 to the consolidated financial statements, no funds have been received by the Parent/ Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries 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.



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- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors 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 final dividend proposed in the previous year, declared and paid by the Parent whose financial statements have been audited under the Act, where applicable, during the year is in accordance with Section 123 of the Act, as applicable.

As stated in note 28.26 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with Section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Monisha Parikh
Partner
(Membership No. 048740)
UDIN: 22047840ARCTUS3165

Place: Bengaluru
Date: September 06, 2022
MP/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 (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Stanley Lifestyles Limited (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (ICAI)". 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 the respective 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 internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, 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, and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

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

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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 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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, 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 respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Monisha Parikh
Partner
(Membership No. 048740)
UDIN: 22047840ARCTUS3165

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

STANLEY LIFESTYLES LIMITED

CIN: U19116KA2007PLC044090

Consolidated Balance Sheet as at 31 March 2022

(All amounts are in Indian rupees lakhs 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	737	737
b) Reserves and surplus	4	20,935	18,888
		21,672	19,625
2 Minority Interest	5	749	563
3 Non-current liabilities			
a) Long-term borrowings	6	64	16
b) Long-term provisions	7	95	132
		159	148
4 Current liabilities			
a) Short-term borrowings	8	553	14
b) Trade payables			
(A) total outstanding dues of micro and small enterprises;	9	464	58
(B) total outstanding dues of creditors other than micro and small enterprises		4,445	4,244
c) Other current liabilities	10	2,709	2,085
d) Short-term provisions	11	299	328
		8,470	6,729
Total		31,050	27,065
B) ASSETS			
1 Non-current assets			
a) Property, plant and equipment and Intangible assets			
i) Property, plant and equipment	12A	5,126	3,663
ii) Intangible assets	12B	80	87
iii) Capital work-in-progress	12C	79	-
iv) Goodwill on consolidation	12D	269	256
b) Deferred tax assets (net)	30.9	191	180
c) Long-term loans and advances	13	2,111	1,778
		7,856	5,964
2 Current assets			
(a) Inventories	14	11,817	9,530
(b) Trade receivables	15	2,087	1,585
(c) Cash and cash equivalents	16	7,474	8,653
(d) Short-term loans and advances	17	1,527	1,266
(e) Other current assets	18	289	67
		23,194	21,101
Total		31,050	27,065
See accompanying notes forming part of the consolidated financial statements	1-30		

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Monisha Parikh
Partner
Membership No.47840



Place: Bengaluru
Date: 6 September 2022

For and on behalf of the Board of Directors
Stanley Lifestyles Limited

Sunil Suresh
Director
DIN : 01421517

Shubha Sunil
Director
DIN: 01363687

Akash Shetty
Company Secretary
FSC No: 11314

Place: Bengaluru
Date: 6 September 2022



STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

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

(All amounts are in Indian rupees lakhs 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	19	29,214	19,578
II	Other income	20	491	528
III	Total Income (I+II)		29,705	20,106
IV	Expenses			
a)	Cost of materials consumed	21	14,561	9,020
b)	Purchases of stock-in-trade (traded goods)	22	2,013	529
c)	Changes in inventories of finished goods, work-in-progress and stock in trade	23	(2,169)	205
d)	Employee benefits expense	24	3,321	2,603
e)	Finance costs	25	133	92
f)	Depreciation and amortisation expense	26	646	555
g)	Other expenses	27	7,349	5,633
	Total Expenses (IV)		25,854	18,637
V	Profit before tax (III-IV)		3,851	1,469
VI	Tax expense			
a)	Current tax expense		1,035	486
b)	Tax relating to earlier years		24	283
c)	Deferred tax charge/(credit)	28.9	(11)	(132)
	Total (VI)		1,048	637
VII	Profit for the year (V-VI)		2,803	832
VIII	Profit after tax before minority interest		2,803	832
IX	Share of profit attributable to minority interest (net)		256	128
X	Profit after tax attributable to the share holders of the Group (VIII-IX)		2,547	704
XI	Earnings per share (EPS) Basic and diluted (nominal value of Rs. 10 per share) (In Rs.)	28.8	35	10
See accompanying notes forming part of the consolidated financial statements		1-28		


As per our report of even date
For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm's Registration No. 117366W/W-100018



Monisha Parikh
 Partner
 Membership No.47840



Place : Bengaluru
 Date : 6 September 2022

For and On behalf of the Board of Directors
Stanley Lifestyles Limited


Sunil Suresh
 Director
 DIN : 01421517


Shubha Sunil
 Director
 DIN: 01363687


Akash Shetty
 Company Secretary
 FSC No: 11314

Place: Bengaluru
 Date: 6 September 2022



STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

Consolidated Cash Flow Statement for the year ended 31 March 2022

(All amounts are in Indian rupees lakhs 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:		
Net profit before tax	3,851	1,475
Adjustment for		
Depreciation, amortization and impairment provision	646	555
Bad debts and provision for doubtful debts	37	41
Interest income	(333)	(396)
Net gain on foreign currency transactions and translation	(107)	(32)
Liabilities no longer required written back	(39)	(50)
Provisions for warranty or written back of provision for warranty	22	0
Loss on sale of asset	79	344
Finance cost	(133)	91
Operating profit/(loss) before working capital changes	4,023	2,028
Changes in working capital:		
Increase in trade payables	754	1,241
Increase in other current liabilities	624	358
(Increase) in inventories	(2,287)	(875)
(Increase) in trade receivables	(561)	(381)
(Increase) in short term loans and advances	(261)	(443)
Decrease / (Increase) in short term provisions	(29)	200
Decrease / (Increase) in long term provisions	(318)	75
Decrease in other current assets	(222)	24
Decrease / (Increase) in long term loans and advances	(333)	235
Cash generated from operations	(2,633)	434
Less: Income tax paid	(778)	(769)
Net cash flows from Operation activities	612	1,693
Cash Flows From Investing Activities:		
Purchase of property, plant & equipment and intangible assets	(2,207)	(1,117)
Addition to Capital work in progress	(79)	-
Proceeds from sale of fixed assets	13	32
Change in Minority Interest	(71)	-
Deposits with maturity within twelve months from reporting date	992	32
Advance for purchase of investments	-	(9)
Interest income	333	396
Net cash flows from investing activities	(1,019)	(666)
Cash Flows From Financing Activities :		
(Decrease) / Increase in long term borrowings	48	(5)
(Decrease) / Increase in short term borrowings	539	(678)
Dividend and dividend tax paid	(500)	-
Finance cost	133	(91)
Net Cash from financing activities	220	(774)
Net Increase in cash and cash equivalents	(187)	253
Cash and cash equivalents at beginning of the year	1,267	1,014
Cash and cash equivalents at end of the year	1,080	1,267
Cash and cash equivalents (Refer Note 17)	7,474	8,653
- original maturity more than 3 months	6,394	7,386
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)	1,080	1,267

See accompanying notes forming part of the consolidated financial statements

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In terms of our report attached

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Monisha Parikh
Partner
Membership No.47840



Place : Bengaluru
Date : 6 September 2022

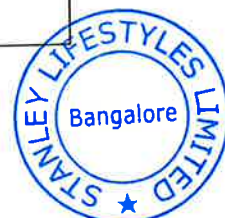
for and on behalf of the Board of Directors
Stanley Lifestyles Limited

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Director
DIN : 01421517

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Company Secretary
FSC No: 11314

Place : Bengaluru
Date : 6 September 2022



STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)

Notes forming part of the consolidated financial statements for the year
(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note No	Particulars	As at 31 March 2022		As at 31 March 2021	
		No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
3	Share capital				
	Authorised capital (equity share of Rs. 10 each)	75,00,000	750	75,00,000	750
	Issued, subscribed and fully paid - up share capital (equity share of Rs. 10 each)	73,71,024	737	73,71,024	737
	Total	73,71,024	737	73,71,024	737

(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	73,71,024	73,71,024
Shares issued during the year	-	-
Shares outstanding at the end of the year	73,71,024	73,71,024

(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
Sumil Suresh	24,82,221	33.68%	24,82,221	33.68%
Shubha Sumil	24,82,219	33.68%	24,82,219	33.68%
Oman India Joint Investment Fund II	19,80,162	26.86%	19,80,162	26.86%
Total	69,44,602	94.22%	69,44,602	94.22%

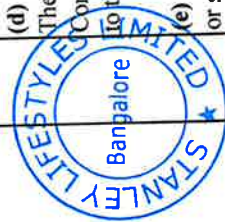
(c) Details of shareholders held by the promoters at the end of the year

Particular	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
Sumil Suresh	24,82,221	33.68%	-	24,82,221	33.68%	-
Shubha Sumil	24,82,219	33.68%	-	24,82,219	33.68%	-

(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 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.



STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

Notes forming part of the consolidated financial statements for the year

(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note No.	Particulars	As at	As at
		31 March 2022	31 March 2021
4	Reserves and surplus		
(a)	Securities premium account		
	Opening balance	11,627	11,627
	Closing balance	11,627	11,627
(b)	Surplus in Statement of profit and loss		
	Opening balance	7,261	6,557
	Add: Profit for the year	2,547	704
	Less: Dividend paid	(500)	-
	Closing balance	9,308	7,261
	Total reserves and surplus	20,935	18,888
5	Minority Interest		
	Sana Lifestyles Limited (3.05%)		
	Share in equity	0	4
	Share in profit	4	83
	Scheck Homes Interior Limited (3.53%)		
	Share in equity	0	0
	Share in loss	(3)	(1)
	Shrasta Décor Private Limited (45.48%)		
	Share in equity	211	211
	Share in profit	194	80
	ABS Seating Private Limited (33%)		
	Share in equity	10	10
	Share in profit	256	139
	Staras Seating Pvt. Ltd. (2.57%)		
	Share in equity	14	-
	Share in profit	8	-
	Stanley Retail Limited (2.56%)		
	Share in equity	13	13
	Share in profit	42	24
	Total	749	563
6	Long-term borrowings		
	Secured, considered good		
	Term loans from bank (Refer note below (a), (b), (c) & (d))	64	16
	Note:		
	a) Term loan from bank	95	25
	Less: Current maturities of term loan	31	9
	Total long term borrowings	64	16
	b) The Company during the year ended 31 March 2020, has taken term loan from Kotak Mahindra bank of Rs 25 lakhs which is repayable in 60 equated monthly installments at the rate of interest of 8.38% per annum secured by hypothecation of vehicle.		
	c) The Company during the year ended 31 March 2022, has taken term loan from HDFC bank of Rs 13 lakhs which is repayable in 36 equated monthly installments at the rate of interest of 7% per annum secured by hypothecation of vehicle.		
	d) The Company during the year ended 31 March 2022, has taken auto loan from HDFC bank for Rs 75 lakhs which is repayable in 39 equated monthly installments at the rate of interest of 7% per annum secured by hypothecation of vehicle.		
7	Long-term provisions		
	Provision for gratuity (Refer note 28.4)	58	79
	Provision for compensated absences (Refer note 28.4)	37	53
	Total	95	132



STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

Notes forming part of the consolidated financial statements for the year

(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

8	Short term borrowings		
	Overdraft facility		
	Secured, overdraft facility (Refer note (a) below)	522	5
	Term loan		
	Current maturities of term loan (Refer note (b, c & d) below)	31	9
	Total	553	14
	Note		
	a) The Company, during the year ended 31 March 2021, has taken Overdraft Facility from SBI at a rate of interest of 7.90% per annum, secured by raw materials, spares, finished goods, receivables and other current assets (present and future), hypothecation of unencumbered machinery, equipment, electrical works and personal guarantee of Mr. Sunil Suresh (Promoter) and Mrs. Shubha Sunil (Promoter) and lieu on bank deposit of Rs 1,200 lakhs of the Company.		
	b) The Company during the year ended 31 March 2022, has taken auto loan for HDFC bank of Rs 75 lakhs which is repayable in 39 equated monthly installment at the rate of interest of 7% per annum secured by hypothecation of vehicle.		
	c) The Company during the year ended 31 March 2022, has taken term loan from HDFC bank of Rs 13 lakhs which is repayable in 36 equated monthly installments at the rate of interest of 7% per annum secured by hypothecation of vehicle.		
	d) The Company during the year ended 31 March 2022, has taken auto loan from HDFC bank for Rs 75 lakhs which is repayable in 39 equated monthly installments at the rate of interest of 7% per annum secured by hypothecation of vehicle.		
9	Trade payables (refer note below)		
	-Dues of micro and small enterprises (Refer note 28.2)	464	58
	-Dues of creditors other than micro and small enterprises	4,445	4,244
	Total	4,909	4,302

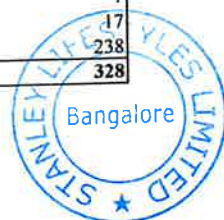
A. Trade payables ageing schedule for the year ended as on 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro and small enterprises	464	-	-	-	464
Total outstanding dues of other than micro and small enterprises	3,903	170	273	99	4,445
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of other than micro and small enterprises	-	-	-	-	-
Total trade payables as at 31 March 2022	4,367	170	273	99	4,909

B. Trade payables ageing schedule for the year ended as on 31 March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Total outstanding dues of micro and small enterprises	58	-	-	-	58
Total outstanding dues of other than micro and small enterprises	3,888	255	68	33	4,244
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of other than micro and small enterprises	-	-	-	-	-
Total trade payables as at 31 March 2021	3,946	255	68	33	4,302

10	Other current liabilities		
	Advances from customers (refer note below)	2,292	1,787
	Statutory liabilities	393	294
	Dealer deposits	4	4
	Advances received against sale of property, plant and equipment	20	-
	Total	2,709	2,085
	Note:		
	Advances from customers:		
	- Others	2,292	1,787
11	Short-term provisions		
	Provision for gratuity (Refer note 28.4)	102	66
	Provision for compensated absences (Refer note 28.4)	5	7
	Provision for warranty (Refer note 28.10)	39	17
	Provision for tax (net of advance tax of Rs. 1,645 lakhs (31 March 2021 : Rs. 140 lakhs))	153	238
	Total	299	328



STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)

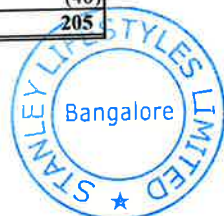
Notes forming part of the consolidated financial statements for the year
(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

16	Cash and cash equivalents		
	Cash in hand	5	22
	Cheques in hand	-	25
	Balance with banks:		
	- current accounts	1,020	1,165
	- in deposit accounts (original maturity of less than 3 months)	55	55
	Total	1,080	1,267
	Other bank balances		
	- in deposit account (original maturity more than 3 month but less than twelve months)	6,371	7,225
	- in earmarked accounts (balance held as margin money)	23	161
	Total	6,394	7,386
	Total	7,474	8,653
17	Short-term loans and advances		
	Advance income tax	8	4
	Advances to suppliers (refer note below)	929	779
	Security deposits	-	173
	Capital advances	10	3
	Balances with government authorities	367	261
	Prepaid expenses	76	23
	Advances to employees	123	17
	Other advances	14	6
	Total	1,527	1,266
	Note:		
	Advances from customers:		
	- Related parties (refer note 30.6)	-	4
	- Others	929	775
18	Other current assets		
	Other receivables	289	67
	- Interest accrued on fixed deposits		
	Total	289	67



STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)
Notes forming part of the consolidated financial statements for the year ended 31 March, 2022
(All amounts are in Indian rupees lakhs 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
19	Revenue from operations		
	Sale of products		
	-Manufactured goods	6,300	4,341
	-Raw materials	403	362
	-Traded goods	22,475	14,823
	Total (a)	29,178	19,526
	Other operating revenues	36	52
	Total (b)	36	52
	Total (c=a+b)	29,214	19,578
	Note: The Company operates in one category, namely manufacture and trading of automotive seating covers, furniture, fixtures accessories and leather hides.		
20	Other income		
	Net Gain on foreign currency transactions and translation	107	32
	Interest income		
	- on bank deposit	329	394
	- on Letter of credit margin	4	2
	Liabilities no longer required written back	39	50
	Subsidy	3	-
	Gratuity (Refer note 28.4)	7	-
	Interest on income tax	1	-
	Shifting charges recovered	-	50
	Miscellaneous income	1	0
	Total	491	528
21	Cost of materials consumed		
	Opening stock	4,289	3,210
	Purchases		
	Raw-materials - local purchase	14,680	10,099
	Less: Closing Stock	4,408	4,289
	Total	14,561	9,020
22	Purchases of stock-in-trade		
	Trading		
	Purchases	2,013	529
	Total	2,013	529
	Note: The purchases fall under one category, namely furniture, fixtures accessories and leather hides.		
23	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		
	Traded goods		
	Opening stock	4,978	4,978
	Closing stock	6,813	4,978
	Increase/(Decrease) in traded goods	(1,835)	-
	Work in progress		
	Opening stock	365	390
	Closing stock	752	365
	Increase/(Decrease) in work in progress	(387)	25
	Manufactured goods		
	Opening stock	173	313
	Closing stock	280	173
	Increase/(Decrease) in manufactured goods	(107)	140
	Less: Unrealized profits	(160)	(40)
	Total	(2,169)	205



STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)
Notes forming part of the consolidated financial statements for the year ended 31 March, 2022
(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

24	Employee benefits expense		
	Salaries, bonus and wages	2,945	2,347
	Contribution to provident and other funds (Refer note 28.4)	157	164
	Gratuity expense (Refer note 28.4)	33	10
	Staff welfare expenses	186	82
	Total	3,321	2,603
25	Finance costs		
	Interest on borrowings	128	61
	Processing fees for working capital borrowings	-	20
	Interest on income-tax & Micro, Small & Medium Enterprises (Refer note 28.2)	5	11
	Total	133	92
26	Depreciation and amortisation expense		
	Depreciation on tangible assets (Refer note 12A)	617	537
	Amortisation expense on intangible assets (Refer note 12B)	29	18
	Total	646	555
27	Other expenses		
	Advertisement and business promotion	915	864
	Rent including lease rentals (Refer Note 28.7)	2,127	1,788
	Royalty expense	104	122
	Clearing & forwarding charges	17	11
	Subcontracting expenses	389	173
	Repairs and maintenance		
	-Plant and machinery	45	57
	-Leasehold facilities	52	84
	-Others	352	165
	Carriage outwards	440	288
	Travelling and conveyance	123	49
	Commission	82	60
	IT expenses	-	4
	Bad Trade receivables written off	19	28
	Provision for doubtful debts	18	13
	Power and fuel	362	266
	Legal and professional charges	144	79
	Packing material expenses	22	13
	Security charges	147	103
	Rates and taxes	40	37
	Payments to the auditors (refer note below)	35	24
	Provisions for warranty (refer note 28.10)	22	1
	Printing and stationery	7	5
	Expenditure on Corporate Social Responsibility (CSR) (Refer note 28.11)	35	61
	Insurance expenses	75	57
	Sales commission	84	54
	Loss on write-off/ disposal of property, plant and equipment (net)	79	339
	Communication expenses	26	41
	Job work charges	1,327	637
	Bank charges & commission	126	99
	Director sitting fees	2	6
	Consumables	14	10
	Miscellaneous expenses	119	95
	Total	7,349	5,633
	Note:		
	Payment to auditors (included under legal and professional charges)		
	- Statutory audit (net of taxes)	31	24
	- Others	4	-
	Total	35	24



STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)

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

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				IMPAIRMENT		NET BLOCK	
	As at 1, April 2021	Additions	Disposals/ Adjustments (refer note below)	As at 31, March 2022	As at 1, April 2021	Depreciation for the year	Disposals/ Adjustments (refer note below)	As at 31, March 2022	As at 1, April 2021	As at 31, March 2022	As at 31, March 2021
Tangible assets (owned)											
Leasehold improvements	2,903	1,350	16	4,237	709	330	3	1,036	8	3,192	2,186
Plant & machinery	1,407	298	4	1,701	566	138	2	702	-	999	840
Electrical equipment's	394	76	1	469	132	40	0	172	-	297	262
Furniture & fixtures	306	129	22	413	186	19	8	197	22	195	99
Office equipment	246	49	3	292	149	29	1	177	10	105	87
Computers	140	54	8	186	98	26	7	117	0	70	42
Motor vehicles	301	156	6	451	153	35	5	183	0	268	147
Total	5,697	2,112	60	7,750	1,993	617	26	2,584	40	5,126	3,663

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

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION				IMPAIRMENT		NET BLOCK	
	As at 1, April 2021	Additions	Disposals/ Adjustments (refer note below)	As at 31, March 2022	As at 1, April 2021	Depreciation for the year	Disposals/ Adjustments (refer note below)	As at 31, March 2022	As at 1, April 2021	As at 31, March 2022	As at 31, March 2021
Intangible assets											
Acquired software	100	22	-	122	13	29	-	42	-	80	87
Acquired goodwill	-	-	-	-	-	-	-	-	-	-	-
Total	100	22	-	122	13	29	-	42	-	80	87

Note: There has been no revaluation of intangible assets during the financial year 2021-22 and 2020-21.

Particulars	Amount in CWIP for a period of			Total
	Less than 1 Year	1-2 Years	More than 3 Years	
Projects in progress	79	-	-	79

Note 12C: Capital work in progress

Particulars	Amount in Goodwill for a period of		As at 31 March 2021
	Less than 1 Year	1-2 Years	
Opening balance	256	13	256.00
Additions during the year	-	-	-
Closing balance	256	13	256.00

Note 12D: Goodwill on consolidation



Note 12A: Property, plant & equipment (opening balance)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			IMPAIRMENT		NET BLOCK	
	As at 1, April 2020	Additions	Disposals/ Adjustments (refer note below)	As at 31, March 2021	As at 1, April 2020	Depreciation for the year	Disposals/ Adjustments (refer note below)	As at 31, March 2021	As at 1, April 2020	As at 31, March 2021
Tangible assets (owned)										
Leasehold improvements	2,117	893	107	2,903	600	277	169	709	8	2,186
Plant & machinery	1,396	88	77	1,407	376	127	(63)	566	-	840
Electrical equipments	66	66	264	394	191	32	91	132	-	262
Furniture & fixtures	527	4	225	306	308	18	140	186	22	99
Office equipment	265	31	49	246	163	24	38	149	10	87
Computers	179	20	59	140	144	24	69	98	0	42
Motor vehicles	378	-	77	301	160	35	42	153	0	147
Total	5,453	1,102	858	5,697	1,942	537	486	1,993	40	3,663

Note 12B: Intangible assets (opening balance)

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			IMPAIRMENT		NET BLOCK	
	As at 1, April 2020	Additions	Disposals/ Adjustments (refer note below)	As at 31, March 2021	As at 1, April 2020	Depreciation for the year	Disposals/ Adjustments (refer note below)	As at 31, March 2021	As at 1, April 2020	As at 31, March 2021
Intangible assets										
Acquired software	111	11	22	100	17	18	22	13	-	87
Total	111	11	22	100	17	18	22	13	-	87

Note 12D: Goodwill on consolidation (Opening balance)

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	256	13
Additions during the year	-	243
Closing balance	256	256

Note:

- Gross block of Disposal/Adjustments of assets during the year ended 31 March 2021- Leasehold improvements: Rs 536 lakhs, Plant and Machinery: Rs 77 lakhs, Electrical equipments: Rs 264 lakhs, Furniture and fixtures: Rs. 118 lakhs, Office equipments: Rs 46 lakhs, Computers: Rs 58 lakhs and Vehicles: Rs 14 lakhs (during the year ended March 31, 2022: Rs Nil)
- Accumulated depreciation of Disposal/Adjustments of assets during the year ended 31 March 2021- Leasehold improvements: Rs 152 lakhs, Plant and Machinery: Rs 64 lakhs, Electrical equipments: Rs 91 lakhs, Furniture and fixtures: Rs. 49 lakhs, Office equipments: Rs 38 lakhs, Computers: Rs 68 lakhs and Vehicles: Rs 12 lakhs (during the year ended March 31, 2022: Rs Nil)



1. Company overview

Stanley Lifestyles Limited ("the Company" or "the Holding Company" or "SLL") was incorporated on 11 October 2007 as a public limited company under the provisions of the Companies Act with its registered office in Bengaluru, India. The Company together with its subsidiaries (collectively referred to as "the Group") is primarily engaged in the business of manufacturing and trading of furniture and leather products.

2 Basis of consolidation and significant accounting Policies

2.1 Basis of accounting and preparation of consolidated financial statements

The consolidated 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") read with Rule 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the Group. The financial statements are presented in Indian rupees (Rs.).

Principles of consolidation

The consolidated financial statements relate to Stanley Lifestyles Limited ("the Company"), its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- The standalone financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March 2022.
- The Standalone financial statements of the Company and its subsidiary companies, have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary company and such amounts are not set off between different entities. Goodwill arising on consolidation is not amortised but tested for impairment on annual basis.
- Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Group.
- Following subsidiary companies have been considered in the preparation of the consolidated financial statements

Sl. No.	Name of the entity	Relationship	Country of incorporation	Ownership at 31 March 2022 held by	% ownership held either directly or through subsidiaries	
					As at 31 March 2022	As at 31 March 2021
1	Stanley Retail Limited ("SRL")	Subsidiary	India	SLL	97.44%	96.96%
2	Stanley OEM Sofas Limited ("SOSL")	Subsidiary	India	SLL	100.00%	100.00%
3	ABS Seating Private Limited ("ABS")	Subsidiary	India	SLL	67.00%	67.00%
4	Scheek Home Interiors Limited ("Scheek")	Subsidiary	India	SRL	96.47%	99.00%
5	Shrasta Decor Private Limited ("Shrasta")	Subsidiary	India	SRL	54.52%	55.95%
6	Sana Lifestyles Limited ("Sana")	Subsidiary	India	SRL	96.95%	62.85%
7	Staras Seating Private Limited ("Staras")	Subsidiary	India	SRL	97.43%	100.00%



2. Significant accounting policies

2.2 Use of estimates

The preparation of the consolidated financial statements in conformity with Generally Accepted Accounting Principles ("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 consolidated financial statements. The Management believes that the estimates used in preparation of the financial 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 Group 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, balances with banks in current accounts and short-term investments. Cash equivalents are short-term balances 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 Group are segregated based on the available information.

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value. Cost includes cost of purchase, conversion and other costs incurred in bringing the inventory to their present condition and location. Work in progress and finished goods include appropriate portion of overheads.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of the finished goods are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the related finished products will exceed their net realisable value.

2.7 Property, plant and equipment, intangible assets, depreciation and amortisation

(a) Property, plant and equipment

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, 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 property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.



2. Significant accounting policies

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

(b) Intangible assets

Intangible assets are recorded at consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

(c) 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 to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

Asset category	Useful Life
Acquired Computer Software	6 years

The Group believes that the useful life as given above best represent the useful lives of the assets based on the internal technical assessment and these useful lives are as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing upto 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 Group 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.

Rent and sub lease :

Rental income arising from operating lease of investment properties is accounted on accrual basis based on contractual terms with the lessee and is disclosed under other operating revenue in Consolidated Statement of Profit and loss.

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 Consolidated Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Consolidated Balance Sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the Consolidated Statement of Profit and

2. Significant accounting policies

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.

Accounting for forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Consolidated Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

2.10 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within 12 months of rendering the service are classified as short-term employee benefits. These include short-term compensated absences. 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

The Group contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefits plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Consolidated Balance Sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Compensated absences:

The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

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 Consolidated 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. Significant accounting policies

2.13 Taxes on income

Income-tax expense comprises of current tax and deferred tax charge on 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 Consolidated 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 Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

2.14 Impairment of assets

The Group assesses at each Consolidated 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 Group 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 Consolidated Statement of Profit and Loss. If at the Consolidated 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.

2.15 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

2.16 Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Consolidated Statement of Profit and Loss.

2.17 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.



2. Significant accounting policies

2.18 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.19 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.20 Provisions and contingencies

Provision is recognised if, as a result of obligating events, there is a present obligation that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The disclosure of contingent liability is made if, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

No provision or disclosure is made if, as a result of obligating events, there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote.



Note 28 Additional information to the consolidated financial statements

Note No	Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
38.4	Employee benefit plans		
28.4.a	Defined contribution plans The Group makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs. 157 lakhs (Year ended 31 March, 2021 INR 164 lakhs) for Provident Fund contributions and Employee State Insurance Scheme contributions in the Consolidated Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.		
28.4.b	Defined benefit plans The Group offers the following employee benefit schemes to its employees: i. Gratuity		
		Year ended 31 March, 2022	Year ended 31 March, 2021
		Gratuity	Gratuity
	Components of employer's expense		
	Current service cost	75	74
	Interest cost	14	7
	Actuarial losses/(gains)	(63)	(71)
	Total expense recognised in the Consolidated Statement of Profit and Loss	26	10
	Actual contribution and benefit payments for the year		
	Actual benefit payments	3	30
	Net asset / (liability) recognised in the Consolidated Balance Sheet		
	Present value of defined benefit obligation	(272)	(249)
	Fair value of plan assets	112	104
	Funded status (Surplus / (Deficit))	(160)	(145)
	Net asset / (liability) recognised in the Balance Sheet	(160)	(145)
	-Non Current	58	79
	-Current	102	66
		Year ended 31 March, 2022	Year ended 31 March, 2021
	Change in defined benefit obligations (DBO) during the year		
	Present value of DBO at beginning of the year	249	243
	Current service cost	75	74
	Interest cost	14	14
	Actuarial (gains) / losses due to change in financial assumptions	-	(0)
	Actuarial (gains) / losses	(63)	(71)
	Benefits paid	(3)	(11)
	Present value of DBO at the end of the year	272	249
	Change in fair value of assets during the year		
	Plan assets at beginning of the year	104	97
	Expected return on plan assets	7	6
	Actuarial gain / (loss)	1	1
	Plan assets at the end of the year	112	104
	Actual return on plan assets	7	7
	Composition of the plan assets is as follows:		
	Insurance fund	98.93%	98.93%
	Government bonds	1.07%	1.07%
	Actuarial assumptions		
	Discount rate	6.90%	6.57%
	Expected return on plan assets	6.90%	0.00%
	Salary escalation	10.00%	10.00%
	Attrition	10.00%	10.00%
	Mortality tables	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
	Estimate of amount of contribution in the immediate next year	42	55
Note No	Particulars		
	The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.		
		2021- 2022	2020- 2021
		2019- 2020	2018- 2019
		2017- 2018	
	Gratuity		
	Present value of DBO	(272)	(249)
	Fair value of plan assets	112	104
	Funded status (Surplus / (Deficit))	(160)	(145)
	Experience gain / (loss) adjustments on plan liabilities	63	52
	Experience gain / (loss) adjustments on plan assets	1	1
	The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.		
	The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.		
28.4.c	The actuarial assumptions used for compensated absences are the same as that used in valuation of gratuity liability given in note 30.4b above.		
	Actuarial assumptions for long-term compensated absences	For the year ended 31 March, 2022	For the year ended
	Discount rate	6.90%	6.57%
	Expected return on plan assets	6.90%	0.07
	Salary escalation	10.00%	10.00%
	Attrition	10.00%	10.00%
	The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.		
	The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.		

Stanley Lifestyles Limited

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

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Note 28 Additional information to the consolidated financial statements

Note No	Particulars						
28.5	Segment information The Group operates in one business segment, namely manufacture, trading and sale of Automotive Seating Covers, Furniture, Fixtures and Accessories. 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 Group's operations are predominately in the domestic market in India, no other disclosures are considered necessary.						
28.6	Related party transactions						
28.6.a	Details of related parties: <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 style="vertical-align: top;">Key Management Personnel (KMP)</td> <td> Sunil Suresh- Managing Shubha Sunil- Joint Managing Director Kiran Bhanu Vuppapalapati- KMP (Head of OEM business) Rajagopal S- Group CFO (upto 31 March 2021) Sonakshi Sunil- Relative of KMP Sonakshi Sunil-Director (w.e.f. 9 November 2021) Yusuf Merchant Abdullah- KMP (Director of Staras Seating Private Limited) Rajesh Manghnani- KMP (Director of Shrasta Décor Private Limited) Sharmila Manghnani- KMP (Director of Shrasta Décor Private Limited) Haneet Singh Chawla- KMP (Director of ABS Seating Private Limited) Rupinder Chawla- Relative of KMP Suchit Kaur Chawla- Relative of KMP Saleem Khan- Director(Upto 30 November 2021) </td> </tr> <tr> <td style="vertical-align: top;">Entities in which KMP can exercise significant influence</td> <td> Stanley Automotive Leather Trims Limited Sass Kitchens Stanley Estates & Leisure Seating World Design eight (D8) Design Eight Pvt Limited </td> </tr> </tbody> </table>	Description of relationship	Names of related parties	Key Management Personnel (KMP)	Sunil Suresh- Managing Shubha Sunil- Joint Managing Director Kiran Bhanu Vuppapalapati- KMP (Head of OEM business) Rajagopal S- Group CFO (upto 31 March 2021) Sonakshi Sunil- Relative of KMP Sonakshi Sunil-Director (w.e.f. 9 November 2021) Yusuf Merchant Abdullah- KMP (Director of Staras Seating Private Limited) Rajesh Manghnani- KMP (Director of Shrasta Décor Private Limited) Sharmila Manghnani- KMP (Director of Shrasta Décor Private Limited) Haneet Singh Chawla- KMP (Director of ABS Seating Private Limited) Rupinder Chawla- Relative of KMP Suchit Kaur Chawla- Relative of KMP Saleem Khan- Director(Upto 30 November 2021)	Entities in which KMP can exercise significant influence	Stanley Automotive Leather Trims Limited Sass Kitchens Stanley Estates & Leisure Seating World Design eight (D8) Design Eight Pvt Limited
Description of relationship	Names of related parties						
Key Management Personnel (KMP)	Sunil Suresh- Managing Shubha Sunil- Joint Managing Director Kiran Bhanu Vuppapalapati- KMP (Head of OEM business) Rajagopal S- Group CFO (upto 31 March 2021) Sonakshi Sunil- Relative of KMP Sonakshi Sunil-Director (w.e.f. 9 November 2021) Yusuf Merchant Abdullah- KMP (Director of Staras Seating Private Limited) Rajesh Manghnani- KMP (Director of Shrasta Décor Private Limited) Sharmila Manghnani- KMP (Director of Shrasta Décor Private Limited) Haneet Singh Chawla- KMP (Director of ABS Seating Private Limited) Rupinder Chawla- Relative of KMP Suchit Kaur Chawla- Relative of KMP Saleem Khan- Director(Upto 30 November 2021)						
Entities in which KMP can exercise significant influence	Stanley Automotive Leather Trims Limited Sass Kitchens Stanley Estates & Leisure Seating World Design eight (D8) Design Eight Pvt Limited						



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(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note 28 Additional information to the consolidated financial statements

Note No	Particulars			For the year ended 31 March 2022	For the year ended 31 March 2021
28.6.b	Particulars	Relationship			
	Particular of transactions with related parties during the year				
	Sass Kitchens	Entities in which KMP can exercise significant influence			
	Sales		23		19
	Reimbursement of expenses		-		1
	Stanley Estates and Leisure	influence			
	Sales		1		212
	Advertisement & Business promotion expenses		-		1
	Reimbursement of Expenses		1		-
	Purchases		4		-
	Seating World	Entities in which KMP can exercise significant influence			
	Sales		69		654
	Purchases		77		3
	Reimbursement of Statutory payments		3		-
	Design Eight Private Limited	Entities in which KMP can exercise significant influence			
	Purchase		209		23
	Sales		10		1
	Reimbursement of Statutory payments		1		-
	Design Eight(8)	influence			
	Reimbursement of Expenses		202		18
	Purchase		548		46
	Sales		15		4
	Reimbursement of Statutory payments		5		-
	KMPs				
	Sunil Suresh	Key Managerial Personnel			
	Salary / Perquisites		140		84
	Royalty		104		107
	Sales		9		22
	Dividend		168		-
	Shubha Sunil	Key Managerial Personnel			
	Salary / Perquisites		151		83
	Dividend		168		-
	Sales		300		107
	Recovery of Expenses		-		5
	Sonakshi Sunil	Relative of Key Managerial Personnel			
	Salary / Perquisites		6		3
	Yusuf Merchant Abdullah	Key Managerial Personnel			
	Salary / Perquisites		32		27
	Rajesh Manghnani	Key Managerial Personnel			
	Salary / Perquisites		18		16
	Sharmila Manghnani	Key Managerial Personnel			
	Salary / Perquisites		18		16
	Haneet Singh Chawla	Key Managerial Personnel			
	Salary / Perquisites		16		13
	Suchit Kaur Chawla	Relative of Key Managerial Personnel			
	Salary / Perquisites		-		4
	Rupinder Chawla	Relative of Key Managerial Personnel			
	Salary / Perquisites		11		7
	Mr. Kiran Bhanu Vuppapapati	Key Managerial Personnel			
	Salary / Perquisites		62		52
	Dividend		19		-
	Saleem Khan	Key Managerial Personnel			
	Salary / Perquisites		13		-
	Advance for Salaries		-		4
	Mr. Rajagopal Sethuraman	Key Managerial Personnel			
	Salary / Perquisites		-		-



Stanley Lifestyles Limited

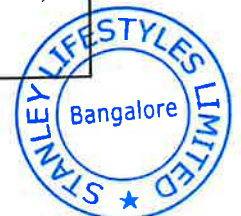
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Notes forming part of the consolidated financial statements for the year ended 31 March 2022

(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note 28 Additional information to the consolidated financial statements

Note No	Particulars			
28.6.c	Particulars	Account	As at 31 March 2022	As at 31 March 2021
	Balances outstanding as at the balance sheet date			
	Sass Kitchens	Advance to suppliers	4	4
	Stanley Estates and Leisure	Trade receivables	180	211
	Seating World	Trade receivables	4	12
	Design Eight(8)	Supply advance	92	0
	Design Eight Private Limited	Trade Payables	134	-
	Sunil Suresh			
	-Royalty payable	Trade Payables	21	3
	-Trade receivables	Trade receivables	27	1
	Shubha Sunil			
	-Salary payable	Trade Payables	7	2
	-Trade receivables	Trade receivables	23	-
	Sonakshi Sunil			
	-Salary payable	Trade Payable	1	-
	Kiran Bhanu Vuppalapati			
	-Trade receivables	Trade receivables	1	1
	-Salary payable	Trade Payable	-	2
	Rajesh Manghnani			
	-Salary Payable	Trade Payable	1	2
	Sharmila Manghnani			
	-Salary Payable	Trade Payable	1	2
	-Deposit amount paid recoverabl	Rental deposit	15	-
	Yusuf Abdullah Merchant			
	-Salary payable	Trade Payable	3	3
	Haneet Singh Chawla			
	-Salary payable	Trade Payable	1	1
	Rupinder Chawla			
	-Salary payable	Trade Payable	1	1
	Saleem Khan			
	-Salary payable	Advance for Salaries	-	4
	Guarantees - KMP	(Joint guarantee of Sunil Suresh and Subha Sunil)	1,500	1,500



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Note 28 Additional information to the consolidated financial statements

Note No	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
28.7	The Group has entered into operating lease arrangements for office premises and showrooms with initial lease period of 9 - 10 years and some of the leases are under non-cancellable for a period of 2 to 3 years. These agreements are renewable based on mutual agreement of the parties. The lease agreements provide for an increase in the lease rents by 5%-15% over a period of one year to three years.		
	Future minimum lease payments		
	not later than one year	2,392	704
	later than one year and not later than five years	3,781	776
	later than five years		
	Lease payments recognised in the Consolidated Statement of Profit and Loss	2,127	1,788
	Future minimum sublease payments expected to be received under non-cancellable subleases	NA	NA
28.8	Earnings per share		
	Basic and diluted		
	Profit for the year attributable to the equity shareholders (A)	2,547	704
	Weighted average number of equity shares (B)	73,71,024	73,71,024
	Par value per share	10	10
	Earnings per share - Basic and diluted (A/B) (In Rs.)	35	10



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28.9 Income tax

Income Tax recognised in Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current Tax:		
In respect of current year	1,035	486
Deferred Tax:		
In respect of current year	(11)	(132)
Tax relating to earlier years	24	283
Total income tax expense recognised in the Consolidated Statement of Profit and Loss	1,048	637

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 March 31, 2022	Year ended March 31, 2021
Profit before tax	3,851	1,469
Tax expense recognised in the Consolidated Statement of Profit and Loss	1,048	637
Effective tax rate	27.21%	43.36%
At statutory income tax rate of 25.17% (March 31, 2021: 25.17%)	969	370
Adjustments		
Effect on account of allowances under income tax	79	267
Total income tax expense recognised in the Consolidated Statement of Profit and Loss	1,048	637

Deferred Tax Asset

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset (Net)		
Property, plant and equipment: impact of difference between tax depreciation and depreciation charged for the financial reporting.	32	27
Impact of expenditure charged to the Consolidated Statement of Profit and Loss in the current year but allowed for tax purpose on payment basis.	159	153
Net deferred tax (liability) / asset	191	180

Movement in deferred tax balances

Particulars	For the year ended March 31, 2022		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Depreciation on property, plant and equipment	27	5	32
Provision for leave encashment	12	(5)	7
Provision for gratuity	32	1	33
Provision for bonus	42	(11)	31
PF & ESI unpaid	8	(0)	8
Provision for expense	20	23	43
Provision for doubtful debts	39	(2)	37
Net deferred tax (Asset) / Liabilities	180	11	191



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

(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Particulars	For the year ended March 31, 2021		
	Opening Balance	Recognised in profit and Loss	Closing Balance
Tax effect of items constituting deferred tax assets			
Depreciation on property, plant and equipment	(83)	110	27
Provision for leave encashment	6	6	12
Provision for incentive	4	(4)	-
Provision for gratuity	38	(6)	32
Provision for bonus	31	11	42
PF & ESI unpaid	7	1	8
Provision for expense	10	10	20
Provision for doubtful debts	35	4	39
Net deferred tax (Asset) / Liabilities	48	132	180

The Group has recognised deferred tax asset on unabsorbed depreciation and / or brought forward business losses to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax. (or) The Group has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Group. (or) No deferred tax asset has been recognised on the amount of carried forward tax losses and unabsorbed depreciation in the absence of virtual certainty.

The net deferred tax liabilities / assets should always be classified as non-current and disclosed on the face of the Consolidated Balance Sheet.



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

(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note 28 Additional information to the consolidated financial statements**28.10 Details of provisions**

The Group has made provision for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

Particulars	As at 1 April 2021	Additions	Utilisation/ Reversed	As at 31 March 2022
Provision for warranty	17	22	-	39
	(16)	(17)	(16)	(17)
Total	17	22	-	39

Note: Figures in brackets relate to the previous year.

Of the above, the following amounts are expected to be incurred within a year:

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for warranty (Short term)	39	17



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

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Note 28 Additional information to the consolidated financial statements

Note No	Particulars						
28.11	Details of Corporate Social Responsibility (CSR) expenditure						
	Particulars			As at 31 March 2022	As at 31 March 2021		
	(a) Gross amount required to be spent by the Group during the year as per Section 135 of the Act			35	61		
	(b) Amount spent during the year:						
	(i) Construction / Acquisition of any asset			-	-		
	(ii) On purposes other than (i) above (i.e. National Employment Enhancement Mission and free food to migrant workers during COVID-			7	18		
	c) Details related to spent / unspent obligation						
	(i) Construction / Acquisition of any asset			-	-		
	(ii) Unspent amount relating to						
	- Ongoing project			-	-		
	- Other than ongoing project			28	43		
	Subsequent to the year end, the Group has transferred Rs. 26 lakhs to "Unspent CSR Account" with a Bank and Rs. 12 lakhs has been incurred towards CSR expenditure from the said account in FY 21-22. Pending unspent amount of the CSR will be spent in FY 22-23.						
	Details of other than ongoing project						
	Opening balance		Amount required to be spent during the year	Amount			Closing balance
With Group	In Separate CSR Unspent Account	From Group's bank account		From Separate CSR Unspent Account	With Group	In CSR Account	Separate Unspent
-	43	35	7	43	-	28	
Movement in provision for CSR							
Particulars			As at 31 March 2022	As at 31 March 2021			
Balance at the beginning of the year			43	-			
Provision made during the year			28	43			
Provision utilised during the year			(43)	-			
Balance at the end of the year			28	43			
28.12	During the year ended 31 March 2020, Income Tax authorities conducted search under Section 132 of the Income Tax Act, 1961 ('IT Act') at all the premises of the Company. Subsequently the Company received notices under section 153A of IT Act for block assessment for the assessment years 2014-15 to 2020-21 and the block assessment was concluded during the year ended 31 March 2021 with a tax demand of Rs. 276 lakhs. No interest and penalty was payable based on the assessment concluded. The said tax demand has been recognised in the Consolidated Statement of Profit and Loss as income tax relating to earlier years and has been paid in full by the Company.						



STANLEY LIFESTYLES LIMITED

CIN: U19116KA2007PLC044090

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

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

Note 28 Additional information to the consolidated financial statements

28.12	Value of imports calculated on CIF basis:		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
		in Rs.	in Rs.
	Raw materials and traded goods	8,495	7,104
	Capital goods	8	-
28.13	A. Expenditure in foreign currency:		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Royalty	-	15
	Purchase of stock-in-trade	928	450
	Testing charges	10	5
	Professional and consultation fees	-	9
	Business Promotion expenses	17	5
	B. Earning in foreign currency:		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Export of goods calculated on FOB basis	2,043	1,339
28.14	Details of consumption of imported and indigenous items		
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
	Raw materials		
	Imported	6,338	5,526
	Indigenous	8,219	3,495
	Total	14,557	9,021
	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
		%	%
	Raw materials		
Imported	44%	61%	
Indigenous	56%	39%	
Total	100%	100%	



Stanley Lifestyles Limited
(CIN: U19116KA2007PLC044090)

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

Note 28 Additional information to the consolidated financial statements

Note No.	Particulars				
28.15	Additional information pursuant to paragraph 2 of Division II of schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statement' of Division II of Schedule III.				
		31 March 2022			
	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss after tax	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount
	Parent				
	Stanley Lifestyles Limited	87.38%	19,591	45.98%	1,171
	Indian Subsidiaries				
	Stanley Retail Limited	17.92%	4,018	27.72%	706
	Stanley OEM Sofas Limited	1.88%	420	7.11%	181
	Sana Lifestyles Limited	1.30%	291	2.24%	57
	Shrasta Décor Private Limited	4.08%	914	9.82%	250
	Scheek Home Interiors Limited	-0.93%	(209)	-2.20%	(56)
	ABS Seating Private Limited	3.58%	802	13.98%	356
	Staras Seating Private Limited	4.41%	989	11.74%	299
	Subtotal	119.61%	26,816	116.37%	2,964
	Adjustments arising out of consolidation	-22.94%	(5,144)	-26.42%	(673)
	Minority interest	3.34%	749	10.05%	256
	Total	100%	22,421	100%	2,547
		31 March 2021			
	Name of the entity	Net assets (total assets minus total liabilities)		Share in profit or loss after tax	
		As % of consolidated net assets	Amount	As % of consolidated profit	Amount
	Parent				
	Stanley Lifestyles Limited	93.73%	18,922	19.66%	138
	Indian Subsidiaries				
	Stanley Retail Limited	6.50%	1,311	25.37%	179
	Stanley OEM Sofas Limited	1.19%	239	15.75%	111
	Sana Lifestyles Limited	1.16%	233	9.70%	68
	Shrasta Décor Private Limited	3.29%	664	11.50%	81
	Scheek Home Interiors Limited	-0.76%	(153)	-0.02%	(0)
	ABS Seating Private Limited	2.22%	449	26.39%	186
	Staras Seating Private Limited	3.42%	690	16.23%	114
	Subtotal	110.74%	22,355	124.59%	877
	Adjustments arising out of consolidation	-13.52%	(2,730)	-42.77%	(301)
	Minority interest	2.79%	563	18.18%	128
	Total	100%	20,188	100%	704



Stanley Lifestyles Limited

(CIN: U19116KA2007PLC044090)

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


(All amounts are in Indian rupees lakhs except for share information or as otherwise stated)

Note 28 Additional information to the consolidated financial statements

- 28.16 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 Group offices, showrooms were temporarily closed from May 2021. The Group 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 Group 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 Group has started operations from June 2021. The impact of global health pandemic and any additional government mandate in response to the pandemic, the Group financial position may change following the date of approval of these consolidated financial statements. Management will continue to closely monitor any material changes to the Group financial positions as a result of changes in future economic conditions, and government actions.
- 28.17 **Relationship with struck off companies**
The Group does not have transactions with companies struck off under section 248 of companies Act, 2013 or Section 560 of Companies Act, 1956.
- 28.18 The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- 28.19 The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 28.20 The Group 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 Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 28.21 The Group 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 Group shall:
(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)
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 28.22 The Group 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).
- 28.23 The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 28.24 The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 28.25 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 Group 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.
- 28.26 **Subsequent events**
The Group evaluated all events or transactions that occurred after March 31, 2022 up through September 06, 2022, the date the consolidated financial statements were authorized for issue by the Board of Directors. Based on this evaluation, the Group is not aware of any events or transactions that would require recognition or disclosure in the consolidated financial statements other than as below:
(i) Subsequent to March 31, 2022, the Board of Directors declared and paid the dividend of Rs 9.50 per share vide board resolution passed on August 02, 2022 aggregating to Rs. 700 lakhs.
(ii) Subsequent to March 31, 2022, the Board of Directors have further proposed final dividend of Rs. 4.07 per share subject to approval of the shareholders at the Annual General Meeting to be held on September 06, 2022 aggregating to Rs. 300 lakhs.
- 28.27 **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
Stanley Lifestyles Limited


Sunil Suresh
Director
DIN : 01421517


Shubha Sunil
Director
DIN: 01363687


Akash Shetty
Company Secretary
PSC No: 11314

Place: Bengaluru
Date: 6 September 2022

