

INDEPENDENT AUDITOR'S REPORT

To The Members of Stanley Lifestyles Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Stanley Lifestyles Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company and its joint operation companies so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors 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. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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



Monisha Parikh
(Partner)
(Membership No. 47840)
(UDIN: 22047840AEBITP9398)

Place: Bengaluru
Date: March 3, 2022

Deloitte Haskins & Sells LLP

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")

We have audited the internal financial controls over financial reporting of Stanley Lifestyles Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Monisha Parikh
(Partner)
(Membership No. 47840)
(UDIN: 22047840AEBITP9398)

Place: Bengaluru
Date: March 3, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) In respect of fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i) (c) of the Order is not applicable.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and in respect of the unsecured loans granted to companies covered in the said register:

(iii)(a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

(iii)(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(iii)(c) There is no overdue amount remaining outstanding as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. Hence reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(vii)(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.



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(vii)(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(vii)(c) Details of dues of Income-tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Income Tax Act, 1961	Tax deducted at source	Assistant Commissioner of Income Tax	2019-20	33,136,808	26,509,447

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loan from government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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



Monisha Parikh
(Partner)
(Membership No. 47840)
(UDIN: 22047840AEBITP9398)


Place: Bengaluru
Date: March 3, 2022

STANLEY LIFESTYLES LIMITED
(CIN: U19116KA2007PLC044090)

Standalone Balance Sheet as at 31 March 2021
(All amounts in Rupees unless otherwise stated)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
A) EQUITY AND LIABILITIES			
1 Shareholder's funds			
a) Share capital	3	7,37,10,240	7,37,10,240
b) Reserves and surplus	4	1,81,84,63,452	1,80,46,22,046
		1,89,21,73,692	1,87,83,32,286
2 Non-current liabilities			
a) Long-term borrowings	5	-	-
b) Long-term provisions	6	37,03,008	15,15,376
		37,03,008	15,15,376
3 Current Liabilities			
a) Short-term borrowings	7	5,28,346	6,83,07,179
b) Trade payables	8		
(A) total outstanding dues of micro enterprises and small enterprises; and		6,17,248	8,40,217
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		32,46,17,192	23,94,22,177
c) Other current liabilities	9	5,79,35,391	3,20,27,005
d) Short-term provisions	10	2,67,62,598	1,01,20,893
		41,04,60,775	35,07,17,471
Total			
		2,30,63,37,475	2,23,05,65,133
B) ASSETS			
1 Non current assets			
a) Property, plant & equipment			
Tangible assets	11A	14,45,72,313	15,53,40,204
Intangible assets	11B	69,96,261	72,46,986
b) Non-current investments	12	9,70,08,005	9,71,08,005
c) Deferred tax assets (net)	26.12	1,02,72,747	7,52,257
d) Long-term loans and advances	13	31,15,72,478	34,11,30,872
		57,04,21,804	60,15,78,324
2 Current assets			
a) Inventories	14	53,71,24,862	53,60,50,566
b) Trade receivables	15	35,15,40,723	28,79,38,321
c) Cash and cash equivalents	16	74,77,94,417	75,42,94,499
d) Short-term loans and advances	17	5,04,70,765	4,05,33,163
e) Other current assets	18	4,89,84,904	1,01,70,260
		1,73,59,15,671	1,62,89,86,809
Total			
		2,30,63,37,475	2,23,05,65,133
See accompanying notes forming part of the standalone financial statements			
	1-26		

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: Bangalore
Date: 03-03-2022

For and on behalf of the Board of Directors


Sunil Suresh
Managing Director
DIN : 01421517


Shubha Sunil
Joint Managing Director
DIN: 01363687

Place: Bangalore
Date: 03-03-2022

STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

Standalone Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
1 Revenue from operations	19	1,25,38,97,200	1,52,55,22,424
2 Other income	20	5,77,88,974	7,28,03,950
Total Income		1,31,16,86,174	1,59,83,26,374
3 Expenses			
a) Cost of materials consumed	21A	70,83,56,974	72,83,38,581
b) Purchases of stock-in-trade (traded goods)	21B	2,62,80,378	8,13,65,036
c) Changes in inventories of finished goods, work-in-progress and stock in trade	22	8,04,15,257	12,53,87,746
d) Employee benefits expense	23	13,69,32,672	18,92,07,856
e) Finance costs	24	86,19,853	9,98,198
f) Depreciation and amortisation expense	11C	2,76,02,178	2,43,78,176
g) Other expenses	25	26,86,81,080	33,04,44,626
Total Expenses		1,25,68,88,392	1,48,01,20,219
4 Profit before tax		5,47,97,782	11,82,06,155
5 Tax expense			
a) Current tax expense		2,28,91,815	2,96,90,425
b) Tax relating to earlier years	26.15	2,75,85,050	29,74,519
c) Deferred tax charge/(credit)	26.12	(95,20,489)	25,18,646
		4,09,56,376	3,51,83,590
6 Profit for the year		1,38,41,406	8,30,22,565
Earnings per share (EPS)	26.11		
Basic & diluted (nominal value of Rs. 10 per share)		1.88	11.26
See accompanying notes forming part of the standalone financial statements	1-26		

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: Bangalore

Date: 03-03-2022

For and on behalf of the Board of Directors

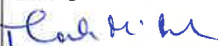



Sunil Suresh
Managing Director
DIN : 01421517



Shubha Sunil
Joint Managing Director
DIN: 01363687

Place: Bangalore

Date: 03-03-2022

STANLEY LIFESTYLES LIMITED (CIN: U19116KA2007PLC044090)		
Standalone Cash Flow Statement for the year ended 31 March 2021 (All amounts in Rupees unless otherwise stated)		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities :		
Profit before tax	5,47,97,782	11,82,06,155
Adjustment for:		
Depreciation and amortization expense	2,76,02,178	2,43,78,176
Interest income	(5,28,79,577)	(6,75,81,568)
Finance costs	86,19,853	9,98,198
Net Gain on foreign currency transactions and translation	(16,22,703)	5,15,632
Liabilities no longer required written back	(20,43,471)	(23,91,695)
Provisions for Warranty or write back of provision for warranty	35,219	(7,29,883)
Provision for doubtful trade receivables and bad debts written-off	(11,62,887)	71,14,308
Loss on write-off/ disposal of property, plant & equipment (net)	2,92,77,149	6,61,307
Operating profit before working capital changes	6,26,23,543	8,11,70,630
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(10,74,296)	10,56,19,005
Trade receivables	(6,24,39,515)	(3,78,97,249)
Other current assets	(4,24,05,196)	1,38,02,251
Short term loans and advances	(99,37,602)	(1,06,62,266)
Long term loans and advances	(1,70,64,532)	(1,57,04,539)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	8,86,38,220	56,25,743
Other current liabilities	2,67,71,974	(3,22,73,541)
Short term provisions	(20,53,212)	60,83,882
Long term provisions	21,87,632	(1,37,58,759)
Cash generated from operations	4,52,47,016	10,20,05,157
Net income tax paid	(1,48,89,976)	(4,44,75,005)
Net cash flow from operating activities (A)	3,03,57,040	5,75,30,152
Cash flow from investing activities :		
Capital expenditure on fixed assets including capital advances	(4,86,49,192)	(4,94,19,172)
Proceeds from sale of fixed assets	27,88,481	-
Proceeds from sale of non current investments	1,00,000	-
Loans and advances given to related parties	2,90,74,999	(10,18,97,959)
Fixed deposits not considered as cash and cash equivalents	2,90,25,986	(20,97,35,774)
Interest received	5,64,70,129	5,88,25,354
Net cash flow used in investing activities (B)	6,88,10,403	(30,22,27,551)
Cash flow from financing activities :		
Repayment of long term borrowings	(8,63,588)	(12,86,465)
(Repayment of) / Proceeds from short term borrowings	(6,77,78,833)	6,83,07,179
Dividends paid	-	(4,42,26,144)
Dividend tax paid	-	(90,90,814)
Finance costs paid	(79,99,117)	(9,98,195)
Net cash flow (used in) / from financing activities (C)	(7,66,41,538)	1,27,05,561
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,25,25,905	(23,19,91,838)
Cash and cash equivalents at beginning of year	2,90,47,122	26,10,38,960
Cash and cash equivalents at the end of year	5,15,73,027	2,90,47,122
Reconciliation of cash and cash equivalents with the standalone		
Cash and cash equivalents (Refer Note 16)	74,77,94,417	75,42,94,499
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements:		
(i) In other deposit accounts		
- original maturity more than 3 months	69,62,21,391	72,52,47,377
Net cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 16	5,15,73,026	2,90,47,122
See accompanying notes forming part of the standalone financial statements	1-26	
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants Firm's Registration No. 117366W/W-100018	For and on behalf of the Board of Directors	
 Monisha Parikh Partner Membership No. 47840	 Ajay Bureesh Managing Director DIN : 01421517	 Shubha Sanil Joint Managing Director DIN: 01363687
Place: Bangalore Date: 03-03-2022	Place: Bangalore Date: 03-03-2022	



STANLEY LIFESTYLES LIMITED

(CIN: U19116KA2007PLC044090)

Notes forming part of the standalone financial statements for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Note No	Particulars	As at 31 March 2021		As at 31 March 2020	
		No of shares	Amount	No of shares	Amount
3	Share Capital				
	Authorised capital (equity shares of Rs. 10 each)	75,00,000	7,50,00,000	75,00,000	7,50,00,000
	Issued, Subscribed and fully paid - up share capital (equity shares)	73,71,024	7,37,10,240	73,71,024	7,37,10,240
	Total	73,71,024	7,37,10,240	73,71,024	7,37,10,240

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2021	As at 31 March 2020
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 2021		As at 31 March 2020	
	No of shares	Percentage of holding	No of shares	Percentage of holding
Sunil Suresh	24,82,221	33.68%	24,82,221	33.68%
Shubha Sunil	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	94.21%	69,44,602	94.21%

(c) 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.

(d) 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.



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Notes forming part of the standalone financial statements for the year ended 31 March 2021
(All amounts in Rupees unless otherwise stated)

Note 11A: Property Plant & Equipment

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 01-Apr-20	Additions	Disposals/ Adjustments (refer note below)	As at 31-Mar-21	As at 01-Apr-20 for the year	Disposals/ Adjustments (refer note below)	As at 31-Mar-21	As at 01-Apr-20	As at 31-Mar-20
Tangible Assets (Owned)									
Leasehold improvements	4,99,54,497	3,56,05,732	22,81,249	8,32,78,980	1,96,40,713	1,06,83,273	1,85,15,602	6,47,63,378	3,03,13,784
Plant & machinery	10,46,03,089	86,27,177	76,67,870	52,95,62,396	3,04,96,454	1,00,57,778	4,68,91,805	5,66,70,591	7,41,06,655
Electrical equipments	2,88,16,887	28,79,624	2,64,04,075	52,92,436	92,21,605	2,70,232	4,26,839	48,65,397	1,95,95,282
Furniture & fixtures	1,79,31,860	3,75,500	1,18,27,639	64,79,721	68,59,215	5,95,164	25,57,996	39,21,725	1,10,72,645
Office equipment	82,76,042	12,61,334	45,85,351	49,52,025	48,73,766	8,03,952	19,27,289	30,24,736	34,02,276
Computers	1,20,72,798	7,64,625	58,68,126	69,69,297	1,05,34,903	12,68,038	68,29,537	19,95,893	15,37,895
Motor vehicles	2,79,25,119	-	76,58,466	2,02,66,653	1,26,13,432	25,37,816	42,14,988	93,30,395	1,53,11,687
Total	24,95,80,292	4,75,13,992	6,62,92,776	33,08,01,508	9,42,40,088	2,62,16,253	8,62,20,195	14,45,72,313	15,53,40,304

Note 11B: Intangible Assets

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK		
	As at 01-Apr-20	Additions	Disposals/ Adjustments (refer note below)	As at 31-Mar-21	As at 01-Apr-20 for the year	Disposals/ Adjustments (refer note below)	As at 31-Mar-21	As at 01-Apr-20	As at 31-Mar-20
Intangible Assets									
Acquired software	83,89,314	11,35,200	21,600	95,02,914	11,42,338	13,85,925	21,600	25,06,653	69,96,261
Total	83,89,314	11,35,200	21,600	95,02,914	11,42,338	13,85,925	21,600	25,06,653	72,46,986

Property Plant & Equipment (Opening Balance)

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 01-Apr-19	Additions	Disposals/ Adjustments (refer note below)	As at 31-Mar-20	As at 01-Apr-19 for the year	Disposals/ Adjustments (refer note below)	As at 31-Mar-20	As at 01-Apr-19	As at 31-Mar-19
Tangible Assets (Owned)									
Leasehold improvements	4,63,76,887	42,38,917	6,61,307	4,99,54,497	1,05,20,839	91,19,874	1,96,40,713	3,03,13,784	3,58,56,048
Plant & machinery	7,03,08,662	3,42,94,427	-	10,46,03,089	2,19,22,480	85,73,974	5,04,96,454	7,41,06,655	4,83,86,182
Electrical equipments	2,64,04,075	24,12,812	-	2,88,16,887	90,64,998	1,56,607	92,21,605	1,95,95,282	1,73,39,077
Furniture & fixtures	1,78,66,020	65,840	-	1,79,31,860	62,79,816	5,79,399	68,59,215	1,10,72,645	1,15,86,204
Office equipment	65,71,216	17,04,826	-	82,76,042	43,19,714	5,54,032	48,73,766	34,02,276	22,51,502
Computers	1,01,62,271	19,10,527	-	1,20,72,798	90,06,713	15,28,190	1,05,34,903	15,37,895	11,55,558
Motor vehicles	2,79,25,119	-	-	2,79,25,119	95,50,744	30,62,688	1,26,13,432	1,53,11,687	1,83,74,375
Total	20,56,14,250	4,46,27,249	6,61,307	24,95,80,292	7,06,65,304	2,35,74,784	9,42,40,088	15,53,40,304	13,49,48,946

Intangible Assets (Opening Balance)

Particulars	GROSS BLOCK			ACCUMULATED AMORTISATION			NET BLOCK		
	As at 01-Apr-19	Additions	Disposals/ Adjustments (refer note below)	As at 31-Mar-20	As at 01-Apr-19 for the year	Disposals/ Adjustments (refer note below)	As at 31-Mar-20	As at 01-Apr-19	As at 31-Mar-19
Intangible Assets									
Acquired software	35,97,498	47,91,816	-	83,89,314	3,38,936	8,03,392	11,42,338	72,46,986	32,58,562
Total	35,97,498	47,91,816	-	83,89,314	3,38,936	8,03,392	11,42,338	72,46,986	32,58,562

Note 11C: Depreciation and amortisation expense

Particulars	For the year ended		For the year ended	
	31 March 2021	31 March 2020	31 March 2020	31 March 2019
Depreciation on tangible assets as per note 11A	2,62,16,253	2,35,74,784	2,35,74,784	2,35,74,784
Amortisation on intangible assets as per note 11B	13,85,925	8,03,392	8,03,392	8,03,392
Total	4,01,12,178	3,24,14,176	3,24,14,176	3,24,14,176

Notes:

- Gross block of Disposals/ Adjustment includes reclassification of assets during the year ended 31 March 2021 - Leasehold improvements: Rs. 52,551,973; Plant and machinery: Rs. 7,667,870; Electrical equipments: Rs. 26,404,075; Furniture & fixtures: Rs. 11,827,639; Office equipment: Rs. 4,585,351; Computers: Rs. 5,778,406 and Vehicles: Rs. 1,425,423; (during the year ended 31 March 2020; Rs. Nil)
- Accumulated Depreciation of Disposals/ Adjustment includes reclassification of assets during the year ended 31 March 2021 - Leasehold improvements: Rs. 15,191,570; Plant and machinery: Rs. 6,337,573; Electrical equipments: Rs. 9,064,998; Furniture & fixtures: Rs. 4,896,383; Office equipment: Rs. 3,750,423; Computers: Rs. 6,754,584 and Vehicles: Rs. 1,199,540; (during the year ended 31 March 2020; Rs. Nil)



STANLEY LIFESTYLES LIMITED
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Notes forming part of the standalone financial statements for the year ended 31 March 2021
(All amounts in Rupees unless otherwise stated)

Note No	Particulars	As at 31 March 2021	As at 31 March 2020
4	Reserves and Surplus		
(i)	Surplus/(Deficit) in statement of profit and loss		
	Opening balance	64,62,37,243	61,65,31,636
	Add: Profit for the year	1,38,41,406	8,30,22,565
	Less:- Dividend paid	-	(4,42,26,144)
	Less:- Tax on dividend paid	-	(90,90,814)
	Closing balance	66,00,78,649	64,62,37,243
(ii)	Securities premium account		
	Opening Balance	1,15,83,84,803	1,15,83,84,803
	Add: Premium on shares issued	-	-
	Closing balance	1,15,83,84,803	1,15,83,84,803
	Total reserves and surplus (i + ii)	1,81,84,63,452	1,80,46,22,046
5	Long-term borrowings		
	Secured		
	Term loans (refer note below)		
	- From a financial institution	-	-
	- From a Bank	-	-
	Total	-	-
	Note:		
	<u>Terms of repayment and security</u>		
	From a Bank		
	Long term loans	-	-
	Current maturities of long term debt	4,22,878	12,07,628
	Hypothecation of vehicles procured from the term loan. Rate of interest: 9.55% p.a, repayable in 60 monthly instalments. The outstanding instalments as at 31 March 2021 are 6 instalments (as at 31 March 2020: 18 intallments)		
	From a financial institution		
	Long term loans	-	-
	Current maturities of long term debt	-	78,838
	Hypothecation of vehicles procured from the term loan. Rate of interest: 8.74% p.a, repayable in 36 monthly instalments. The outstanding instalments as at 31 March 2021 are Nil instalments (as at 31 March 2020: 2 installments)		
	Total - (A)	4,22,878	12,86,466
	Less: Long-term borrowings as per note 5	-	-
	Current maturities of long term debt (A-B)	4,22,878	12,86,466



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Notes forming part of the standalone financial statements for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Note No	Particulars	As at 31 March 2021	As at 31 March 2020
6	Long-term provisions		
	Provision for gratuity (Refer note 26.7)	-	-
	Provision for compensated absences (Refer Note 26.7)	37,03,008	15,15,376
	Total	37,03,008	15,15,376
7	Short-term borrowings		
	Secured		
	From Bank	5,28,346	6,83,07,179
	Hypothecation of the entire stock of raw materials, spares, finished goods, receivables and other current assets (present and future) on pari passu basis.		
	Personal guarantee of the Directors viz. Mr. Sunil Suresh and Mrs. Shubha Sunil.		
	Hypothecation of unencumbered machinery, equipment and electrical works.		
	Total	5,28,346	6,83,07,179
8	Trade payables		
	-Dues of micro enterprises and small enterprises (refer note 26.2)	6,17,248	8,40,217
	-Dues of creditors other than micro enterprises and small enterprises	32,46,17,192	23,94,22,177
	Total	32,52,34,440	24,02,62,394
9	Other current liabilities		
	Current maturities of long-term debt (Refer Note 5)	4,22,878	12,86,466
	Other payables		
	Advances from Customers (refer note below)	3,75,44,696	2,19,10,055
	Statutory dues	1,95,21,149	82,83,794
	Dealer Deposits	4,46,668	5,46,690
	Total	5,79,35,391	3,20,27,005
	Note:		
	Advances from customers:		
	- Related parties (refer note 26.9)	2,89,10,491	1,66,19,584
	- Others	86,34,206	52,90,471
10	Short term provisions		
	Provision for employee benefits		
	Provision for gratuity (Refer note 26.7)	55,13,327	78,83,784
	Provision for leave encashment (Refer note 26.7)	5,29,987	2,12,742
	Provision for warranty (Refer note 26.13)	16,82,824	16,47,605
		1,90,36,460	3,76,762
	Provision for Income taxes (net of advance income tax of Rs. 4,739,914/- on 31 March 2021 (Previous Year Rs. 71,868,988/-))		
	Total	2,67,62,598	1,01,20,893



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Notes forming part of the standalone financial statements for the year ended 31 March 2021
(All amounts in Rupees unless otherwise stated)

Note No	Particulars	As at 31 March 2021	As at 31 March 2020
12	Non Current Investments		
	Trade Investments (valued at cost unless stated otherwise)		
	Investment in equity instruments of subsidiaries:		
	Stanley Retail Limited (4,000,000 (previous year : 4,000,000) equity shares of Rs. 10 each fully paid)	4,00,00,000	4,00,00,000
	ABS Seating Private Limited (198,588 (previous year : 198588) equity shares of Rs. 10 each fully paid)	1,94,08,005	1,94,08,005
	Stanley Automotive Leather Trims Limited (Nil (previous year : 10,000) equity shares of Rs. 10 each fully paid)	-	1,00,000
	Stanley OEM Sofas Limited (3,760,000 (previous year : 3,760,000) equity shares of Rs. 10 each fully paid)	3,76,00,000	3,76,00,000
	Total	9,70,08,005	9,71,08,005
	Aggregate amount of unquoted investments	9,70,08,005	9,71,08,005
13	Long Term Loans and Advances		
	<i>(Unsecured, considered good)</i>		
	Security deposits	5,84,25,431	5,92,08,556
	Loans and advances to related parties (Refer note 26.9)	23,14,75,894	26,05,50,893
	Dues paid under protest	66,28,361	33,28,361
	Balances with government authorities	1,49,88,792	4,33,411
	Advance Income tax (net of Provision for income tax of Rs. Nil on 31 March 2021 (Previous Year Rs. 32,566,798/-))	-	1,75,47,927
	Prepaid expenses	54,000	61,724
	Total	31,15,72,478	34,11,30,872
14	Inventories		
	<i>(lower of cost and net realizable value)</i>		
	Raw materials (including Goods in transit of Rs.78,915,755/- (previous year: Rs.39,512,405/-))	36,40,89,555	28,26,00,002
	Work In Progress	2,79,77,140	3,69,78,793
	Stock in trade (acquired for trading)	13,30,46,786	19,14,60,355
	Finished Goods	1,20,11,381	2,50,11,416
	Total	53,71,24,862	53,60,50,566
15	Trade Receivables		
	Trade receivables outstanding for a period exceeding six months from the date they were due for payment (refer note below)		
	-Unsecured, considered good	5,51,44,747	3,45,47,766
	Other Trade receivables (refer note below)		
	-Unsecured, considered good	29,63,95,976	25,33,90,555
	-Unsecured, considered doubtful	96,07,186	1,08,44,339
	Less: Provision for doubtful trade receivables	(96,07,186)	(1,08,44,339)
		29,63,95,976	25,33,90,555
	Total	35,15,40,723	28,79,38,321



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Notes forming part of the standalone financial statements for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Note No	Particulars	As at 31 March 2021	As at 31 March 2020
	Note:		
	Trade receivables		
	- from related parties	28,90,88,070	21,25,72,655
	- from others	6,24,52,653	7,53,65,666
16	Cash and cash equivalents		
	Cash on Hand	1,14,871	1,79,604
	Balances with Banks:		
	-in current accounts	3,53,93,966	1,26,79,784
		3,55,08,837	1,28,59,388
	Other Bank balances		
	Fixed deposits with original maturity less than equal to twelve months	69,62,21,391	72,52,47,377
	-in earmarked accounts (balance held as margin money)	1,60,64,189	1,61,87,734
	Total	74,77,94,417	75,42,94,499
17	Short Term Loans and Advances		
	<i>(Unsecured, considered good)</i>		
	Advances to Suppliers	3,62,34,584	3,36,32,292
	Security deposits	1,01,43,120	-
	Balances with government authorities	17,49,779	29,41,547
	Prepaid expenses	8,17,889	9,83,615
	Advances to employees	15,25,393	29,75,709
	Total	5,04,70,765	4,05,33,163
18	Other current assets		
	Other Receivables (refer note 26.9)	4,24,05,196	-
	Interest accrued on		
	- Fixed Deposits	60,34,003	87,56,215
	- loans (refer note 26.9)	5,45,705	14,14,045
	Total	4,89,84,904	1,01,70,260



STANLEY LIFESTYLES LIMITED

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Notes forming part of the standalone financial statements for the year ended 31 March 2021

1. Company overview

Stanley Lifestyles Limited ("the Company") was incorporated on 11 October 2007 as a public limited company with its registered office in Bengaluru, India. The Company is primarily engaged in the business of manufacturing and trading of furniture and leather products.

2. Significant accounting policies

2.1 Basis of preparation of standalone financial statements

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

2.2 Use of estimates

The preparation of standalone financial statements in conformity with GAAP requires the management to make estimates and assumption that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosures of contingent liabilities on the date of the standalone financial statements. The management believes that the estimates used in preparation of the standalone 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 Company has ascertained its operating cycle to be 12 months for the purposes of classification of assets and liabilities as current and non-current as per the requirement of Schedule III of the Act.

2.4 Cash and cash equivalents

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

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

2.5 Cash flow statement

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



Notes forming part of the standalone financial statements for the year ended 31 March 2021

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. 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. Work in progress and finished goods include appropriate portion of overheads.

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 (for Leasehold improvements and Vehicles, Goods and Services Tax is not availed but added to the cost of acquisition or construction), freight and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

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

(b) 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:

<u>Asset category</u>	<u>Useful Life</u>
Acquired Computer Software	5 years

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 Company and the revenue can be reliably measured.



STANLEY LIFESTYLES LIMITED

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Notes forming part of the standalone financial statements for the year ended 31 March 2021

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 GST and net of trade and quantity discounts.

Interest:

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



Notes forming part of the standalone financial statements for the year ended 31 March 2021

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

Initial recognition

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

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 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

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

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 Company's 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 balance sheet date. Actuarial gains and losses are recognised in the 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 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.



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Notes forming part of the standalone financial statements for the year ended 31 March 2021

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 standalone statement of profit and loss on a straight-line basis over the lease term.

2.12 Earnings/ (Loss) per share

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

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

2.13 Taxes on income

Income-tax expense comprises of current tax and deferred tax charge 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 Balance Sheet date and written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

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



Notes forming part of the standalone financial statements for the year ended 31 March 2021

2.14 Impairment of assets

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

2.15 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 Standalone Statement of Profit and Loss.

2.17 Investments

Long-term investments, 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.

2.18 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 Standalone 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 Standalone Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

2.19 Provisions and contingencies

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



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Notes forming part of the standalone financial statements for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Note 26 Additional information to the standalone financial statements**26.3 Details on derivative instruments and unhedged foreign currency exposures**

I. The following derivative positions are open as at 31 March, 2021. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments.

(a) Forward exchange contracts and options (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and advance to creditors.

(i) Outstanding forward exchange contracts entered into by the Company as on 31 March, 2021

Currency	Amount	Buy / Sell	Cross currency
USD	\$ -	Buy	Rupees
USD	\$ -	Buy	Rupees

Note: Figures in brackets relate to the previous year

II. The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

As at 31 March 2021		As at 31 March 2020	
Advance to suppliers/ (Payable)		Advance to suppliers/ (Payable)	
in Rs.	in Foreign currency	in Rs.	in Foreign currency
91,03,440	USD 124,074	667	AED 33
1,49,80,073	EURO 173,923	3,00,816	AUD 6,500
-	-	2,26,71,342	USD 300,810
6,94,161	GBP 6,881	9,98,998	EURO 12,025
16,43,130	NOK 191,526	(13,42,340)	(YEN 1,914,592)
(13,42,320)	(Yen 2,016,000)	(5,92,69,071)	(USD 786,397)
(3,40,56,570)	(EURO 395,406.32)	(3,71,02,879)	(EURO 450,245)
(5,90,14,118)	(USD 804,323.65)	-	-

26.4 Value of imports calculated on CIF basis:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Raw materials and traded goods	55,45,80,145	62,35,37,027
Capital goods	-	-

26.5a Expenditure in foreign currency:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Royalty	15,07,938.28	52,70,626
Professional and consultation fees	8,73,673	95,60,586
Travel expenses	-	1,49,100
Business Promotion expenses	5,20,499	70,73,117



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Note 26 Additional information to the standalone financial statements

26.1	Contingent liabilities and commitments (to the extent not provided for)		
	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Contingent liabilities		
	(a) Atria mall case (refer note 1 below)	2,63,37,132	2,63,37,132
	(b) Income tax towards deemed dividend for loans to subsidiaries (refer note 2 below)	3,31,36,808	3,31,36,808
	Note 1: M/s Alif Enterprises & Ors. have filed suit against the Company for non payment of rent, hoarding and other maintenance charges for the space allocated in 'Atria Mall' which amounts to Rs. 26,337,132/-. In-turn Company has filed counter claim against M/s Alif Enterprises & Ors. for loss suffered due to the poor maintenance in 'Atria Mall'. The Management is of the opinion that the case would be settled favourably and hence there is no necessity to provide for any anticipated liability.		
	Note 2: An order u/s.201(1) & 201A of Income Tax Act, 1961 has been received invoking provision u/s.2(22)(e) of Income Tax Act, 1961 treating intercompany transaction as a deemed dividend. The demand is Rs. 33,136,808 and the Company has appealed against the same by remitting 20% i.e., Rs. 6,627,361 under dispute. Subsequent to year end, the appeal has been allowed in the favor of the Company.		
	Particulars	As at 31 March 2021	As at 31 March 2020
(ii)	Commitments		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
	Tangible and Intangible assets	-	-
26.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March 2021	As at 31 March 2020
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	6,17,248	8,40,217
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		



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Notes forming part of the standalone financial statements for the year ended 31 March 2021

(All amounts in Rupees unless otherwise stated)

Note 26 Additional information to the standalone financial statements**26.5b Earnings in foreign exchange:**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Export of goods calculated on FOB basis	-	-

26.6 Details of consumption of imported and indigenous items

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Raw materials		
Imported	56,98,76,594	70,29,33,718
Indigenous	16,47,60,758	23,21,57,647
Total	73,46,37,352	93,50,91,364
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	%	%
Raw materials		
Imported	78%	75%
Indigenous	22%	25%
Total	100%	100%



Note 26 Additional information to the standalone financial statements

Note No	Particulars						
26.7	Employee benefit plans						
26.7.a	Defined contribution plans						
	The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 6,777,015 (Year ended 31 March 2020 Rs. 11,141,517) for Provident Fund contributions, and Rs. 1,261,343 (Year ended 31 March 2020 Rs. 2,127,821) for Employee State Insurance Scheme contributions in the Standalone Statement of Profit and Loss.						
26.7.b	Defined benefit plans						
	The Company offers the following employee benefit schemes to its employees:						
	i. Gratuity (included as part of in Note 23 Employee benefits expense)						
	Particulars	Year ended 31 March, 2021		Year ended 31 March, 2020			
	Components of employer's expense						
	Current service cost	48,41,025		10,57,807			
	Interest cost	4,05,545		26,02,003			
	Actuarial losses/(gains)	(34,57,759)		11,56,808			
	Total expense recognised in the Standalone Statement of Profit and Loss	17,88,811		48,16,618			
	Actual benefit payments for the year	23,76,152		22,40,346			
	Net asset / (liability) recognised in the Standalone Balance Sheet						
	Present value of defined benefit obligation	(1,53,73,200)		(1,70,66,784)			
	Fair value of plan assets	98,59,873		91,83,000			
	Funded status [Surplus / (Deficit)]	(55,13,327)		(78,83,784)			
	Unrecognised past service costs	-		-			
	Net asset / (liability) recognised in the Standalone Balance Sheet	(55,13,327)		(78,83,784)			
	Change in defined benefit obligations (DBO) during the year						
	Present value of DBO at beginning of the year	1,70,66,784		1,44,90,512			
	Current service cost	48,41,025		10,57,807			
	Interest cost	10,07,950		26,02,003			
	Actuarial (gains) / losses due to change in financial assumptions	(12,830)		10,16,663			
	Actuarial (gains) / losses	(33,70,461)		1,40,145			
	Liability Transferred out	(17,83,116)		-			
	Benefits paid	(23,76,152)		(22,40,346)			
	Present value of DBO at the end of the year	1,53,73,200		1,70,66,784			
	Change in fair value of assets during the year						
	Plan assets at beginning of the year	91,83,000		-			
	Expected return on plan assets	6,02,405		-			
	Actual company contributions	-		91,00,000			
	Actuarial gain / (loss)	74,468		83,000			
	Plan assets at the end of the year	98,59,873		91,83,000			
	Actual return on plan assets	6,76,873		83,000			
	Composition of the plan assets is as follows:						
	Insurance fund	100.00%		100.00%			
	Actuarial assumptions						
	Discount rate	6.57%		6.56%			
	Salary escalation	10.00%		10.00%			
	Attrition	10.00%		10.00%			
	Mortality tables	Indian assured lives mortality(2006-08)		Indian assured lives mortality(2006-08)			
	Estimate of amount of contribution in the immediate next year	55,13,327		78,83,784			
	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.						
	Experience adjustments						
	Gratuity	2021-2020	2020-2019	2018-2019	2017- 2018	2016-2017	2015-2016
	Present value of DBO	(1,53,73,200)	(1,70,66,784)	(1,44,90,512)	(68,01,813)	(57,62,105)	(46,16,944)
	Fair value of plan assets	98,59,873	91,83,000	-	-	-	-
	Funded status [Surplus / (Deficit)]	(55,13,327)	(78,83,784)	(1,44,90,512)	(68,01,813)	(57,62,105)	(46,16,944)
	Fair Value of Plan Assets at the end of the year	-	-	-	-	-	-
	Experience gain / (loss) adjustments on plan liabilities	30,43,212	(1,40,145)	(25,06,501)	(9,61,137)	(6,00,045)	1,21,605
	Experience gain / (loss) adjustments on plan assets	74,468	83,000	NA	NA	NA	NA
26.7c	The actuarial assumptions used for compensated absences are the same as that used in valuation of gratuity liability given in note 26.7b above.						



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Note 26 Additional information to the standalone financial statements

Note No	Particulars
26.8	Segment information The Company 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 in the standalone balance sheet and standalone statement of profit and loss itself, and the Company's operations are predominantly in the domestic market in India, no other disclosures are considered necessary.



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Note 26 Additional information to the standalone financial statements

Note No	Particulars	
26.9	Related party transactions	
26.9.a	Details of related parties:	
	Description of relationship	Names of related parties
	Subsidiaries	Stanley Retail Limited Stanley OEM Sofas Limited ABS Seating Private Limited (from 1 January 2019) Stanley Automotive Leather Trims Limited (upto 16 October 2020)
	Step-down Subsidiaries	Staras Seating Private Limited (from 26 June 2019) Sana Lifestyles Limited Scheek Home Interiors Limited Shrasta Décor Private Limited
	Key Management Personnel (KMP)	Sunil Suresh- Managing Director Shubha Sunil- Joint Managing Director Kiran Bhanu Vuppalapati- Director Rajagopal S- Group CFO (Upto 31st March 2021)
	Entities in which KMP can exercise significant influence	Staras Seatings Private Limited (upto 25 June, 2019) ABS Seating Private Limited Saas Kitchens Stanley Estate & Leisure



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Note 26 Additional information to the standalone financial statements

Note No	Particulars	Relationship	For the year ended 31 March 2021	For the year ended 31 March 2020
26.9.b	Particular of Transactions with Related parties during the year			
	<u>Stanley Retail Limited</u>	Subsidiary		
	Sales		54,83,53,963	55,11,82,927
	Common expenses		7,85,91,669	1,96,75,320
	Purchases		47,88,107	24,71,574
	Recovery of expenses		7,12,056	3,70,455
	Reimbursement of Expenses		7,05,021	60,64,407
	Receivables converted to loan		-	10,99,16,781
	Loan given		-	6,82,84,750
	Receipt of Loan given		3,05,00,000	1,82,01,531
	Interest on loan		90,47,751	96,30,879
	Sale of SLL receivables from ABS Seating		-	44,90,627
	Transfer of gratuity liabilities on transfer of employees		17,83,116	-
	Transfer of leave encashment liabilities on transfer of employees		2,17,007	-
	<u>Stanley OEM Sofas Limited</u>	Subsidiary		
	Sales		4,66,62,082	3,25,66,855
	Common expenses		50,80,488	99,88,752
	Purchases		2,52,83,570	42,20,377
	Recovery of expenses		33,18,715	27,36,222
	Reimbursement of Expenses		4,75,229	1,59,563
	Loan given		-	10,10,96,596
	Interest on loan		57,58,910	1,51,15,209
	Receipt of Loan given		38,91,248	-
	<u>Sana Lifestyles Limited</u>	Step-down Subsidiary		
	Sales		3,19,36,705	3,84,28,717
	<u>Shrasta Décor Pvt Ltd</u>	Step-down Subsidiary		
	Sales		9,13,84,794	7,97,93,037
	Purchases		2,70,660	14,772
	<u>ABS Seating Pvt. Ltd.</u>	Subsidiary		
	Sales		9,39,07,076	9,68,01,219
	Reimbursement of Expenses		30,000	-
	<u>Staras Seating Pvt. Ltd.</u>	- Step-down Subsidiary (from 26 June 2019) - Entities in which KMP can exercise significant influence (upto 25 June 2019)		
	Sales		8,59,21,042	13,23,09,426
	Purchases		6,10,657	-
	Advances received		2,40,68,854	-
	<u>Stanley Estates and Leisure</u>	Entities in which KMP can exercise significant influence		
	Sales		2,01,64,943	32,58,671
	<u>Key Managerial Personnel</u>			
	<u>Sunil Suresh</u>	Key Managerial Personnel		
	Salary/Perquisites		84,00,000	1,51,20,000
	Sitting Fees		-	2,40,000
	Royalty		1,07,14,285	1,20,00,000
	Sales		1,27,571	93,49,604
	<u>Shubha Sunil</u>	Key Managerial Personnel		
	Salary / Perquisites		82,50,000	1,35,00,000
	Sitting fees		-	1,60,000
	Sales		21,673	-
	<u>Kiran Bhanu Vuppapapati</u>	Key Managerial Personnel		
	Salary / Perquisites		51,58,186	74,06,756
	<u>Rajagopal Sethuraman</u>	Key Managerial Personnel		
	Salary / Perquisites		67,55,759	1,18,05,673



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Note 26 Additional information to the standalone financial statements

Note No	Particulars	Account	As at 31 March 2021	As at 31 March 2020
26.9.c	Balance outstanding as at Balance sheet date:			
	ABS Seating Pvt. Ltd.	Trade receivables	29,24,989	30,91,138
	Staras Seating Pvt. Ltd.	Advance from customers	2,40,68,854	1,03,91,135
	Sass Kitchens (refer note below)	Trade receivables	-	22,11,859
	Stanley OEM Sofas Limited	Trade receivables	2,92,79,322	1,44,59,381
		Loans and advances	10,19,75,894	10,10,96,596
		Interest accrued on loans	5,45,705	14,14,045
	Stanley Retail Limited	Trade receivables	20,20,27,190	14,89,12,158
		Other receivables	4,24,05,196	-
		Loans and advances	12,95,00,000	16,00,00,000
		Other current liabilities	-	8,68,340
	Sana Lifestyles Limited	Advance from customers	48,41,637	62,28,449
	Scheek Home Interiors Limited	Trade receivables	2,06,32,878	2,06,32,878
	Shrasta Décor Pvt Ltd	Trade receivables	1,35,31,076	53,15,678
	Stanley Estates and Leisure	Trade receivables	2,05,78,215	32,58,671
	Sunil Suresh	Trade payables	-	20,000
		Trade payables	2,52,239	-
		Trade Receivables	92,727	1,46,90,892
	Shubha Sunil	Trade payables	-	20,000
		Trade payables	2,10,026	-
		Trade Receivables	21,673	-
	Kiran Bhanu Vuppalapati	Trade payables	2,24,130	-
	Guarantees - KMP (Joint guarantee of Sunil Suresh and Subha Sunil)		15,00,00,000	15,00,00,000
Note:				
Net of provision of Rs. 6,449,159 as at March 31, 2021 (as at March 31, 2020: Rs. 4,237,300)				



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Note 26 Additional information to the standalone financial statements

Note No	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
26.10	The Company has entered into operating lease arrangements for office premises and showrooms with initial lease period of 9 years and some of the leases are under non-cancellable for a period of three 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	2,72,29,260	4,89,70,658
	later than one year and not later than five years	6,94,92,925	16,57,30,462
	later than five years	-	-
	Lease payments recognised in the Statement of Profit and Loss (refer note 25)	5,27,60,729	9,34,87,152
26.11	Earnings per share		
	<u>Basic and diluted</u>		
	Profit for the year	1,38,43,170	8,30,22,563
	Profit for the year attributable to the equity shareholders	1,38,43,170	8,30,22,563
	Weighted average number of equity shares	73,71,024	73,71,024
	Par value per share	10	10
	Earnings per share - Basic and diluted	1.88	11.26
26.12	Deferred tax (liabilities) / assets		
	<u>Tax effect of items constituting deferred tax liabilities</u>		
	On difference between book balance and tax balance of fixed assets	27,02,966	(72,51,055)
	Tax effect of items constituting deferred tax liabilities	27,02,966	(72,51,055)
	<u>Tax effect of items constituting deferred tax assets</u>		
	Provision for compensated absences, gratuity and other employee benefits	24,53,149	24,19,316
	Provision for doubtful debts / advances	24,18,129	27,29,520
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	26,63,527	28,54,477
	Tax effect of items constituting deferred tax assets	75,34,805	80,03,313
	Deferred tax (liabilities) / assets (net)	1,02,37,771	7,52,258
	Movement in deferred tax (liabilities) / assets (net)		
	Deferred tax (liabilities) / assets as on 1 April, 2020	7,52,258	32,70,904
	<u>Tax effect of items constituting deferred tax liabilities</u>		
	On difference between book balance and tax balance of fixed assets	99,54,021	48,014
	On expenditure deferred in the books but allowable for tax purposes	-	7,88,031
	Tax effect of items constituting deferred tax liabilities	99,54,021	8,36,045
	<u>Tax effect of items constituting deferred tax assets</u>		
	Provision for compensated absences, gratuity and other employee benefits	33,833	(21,35,030)
	Provision for doubtful debts / advances	(3,11,391)	8,65,840
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	(1,90,950)	(20,85,501)
	On difference between book balance and tax balance of fixed assets	-	-
	Tax effect of items constituting deferred tax assets	(4,68,508)	(33,54,691)
	Deferred tax (liabilities) / assets (net) as on 31 March, 2021	1,02,37,771	7,52,258



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Note 26 Additional information to the standalone financial statements

Note No	Particulars				
26.13	Details of provisions				
	The Company 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 2020	Additions	Utilisation/ Reversed	As at 31 March 2020
	Provision for warranty	16,47,605	16,82,829	16,47,610	16,82,824
		(30,00,000)	(11,61,103)	(25,13,498)	(16,47,605)
	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 2021	As at 31 March 2020		
	Provision for warranty	16,82,824	16,47,605		



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Note 26 Additional information to the standalone financial statements

Note No	Particulars		
26.14	Corporate social responsibility		
	Particulars	As at 31 March 2021	As at 31 March 2020
	(a) Gross amount required to be spent by the Company during the year as per Section 135 of the Act	42,70,000	45,37,214
	(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-19)	17,77,893	45,40,000
	Subsequent to the year end, the Company has transferred Rs. 2,492,107 to "Unspent CSR Account" with a Bank and Rs. 2,492,107 has been incurred towards CSR expenditure from the said account.		
26.15	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. 27,585,050. No interest and penalty was payable based on the assessment concluded. The said tax demand has been recognised in the Standalone Statement of Profit and Loss as Income tax relating to earlier years and has been paid in full by the Company.		
26.16	The rapid outbreak of COVID-19 pandemic presents health crisis and its impact is unfolding in real time. As a result of lockdown by Government of India, the Company's offices, showrooms were temporarily closed from 21 March 2020 and operations were allowed to be resumed in the month of May 2020. Subsequently, as per the Government guidelines, the Company had closed its operations and showroom intermittently during the year ended 31 March 2021. The Company had undertaken various measures to ensure that adequate stocks are available for regular operations and other initiatives to manage costs. As estimated by the Management, there is no 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 impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.		
26.17	Subsequent to year end, the Board of Directors declared and paid an interim dividend of Rs. 5.33 per share by circular resolution on May 4, 2021 aggregating to Rs. 39,309,671. The Board of Directors have further proposed final dividend of Rs. 1.45 per share subject to approval of the shareholders at the Annual General Meeting to be held on March 3, 2022 aggregating to Rs. 10,690,329.		
26.18	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		

See accompanying notes forming part of the standalone financial statements

For and on behalf of the Board of Directors


Sunil Suresh
Managing Director
DIN : 01421517



Shubha Sunil
Joint Managing Director
DIN: 01363687

Place : Bangalore
Date:03-03-2022

