Deloitte
Haskins & Sells LLP

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru – 560 001
Karnataka, India

Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

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 March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, 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 (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 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 Standalone Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the 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 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.

Responsibilities of Management and Those Charged with Governance 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 including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the Ind AS 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 so far as it appears from our examination of those books, except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India (Refer Note 54 to the standalone financial statements).

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

Deloitte
Haskins & Sells LLP

f) The observation relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.

h) 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.

i) 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 note 38 of the 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.

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 53A to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 53B to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Sh

Deloitte
Haskins & Sells LLP

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

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

Sandeep K

Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 23220411BGQBQW7963

Place: Bengaluru
Date: August 22, 2023
SK/TG/2023

Deloitte Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Stanley Lifestyles Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements 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 standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sandeep. K

Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 23220411BGQBQW7963

Place: Bengaluru
Date: August 22, 2023
SK/TG/2023

Deloitte
Haskins & Sells LLP

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(i) In respect of property, plant and equipment and Intangible assets:

(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets and intangible assets under development.

(b) The property, plant and equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

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

(d) The Company has not revalued any of its property, plant and equipment, intangible assets and right-of-use assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, quarterly returns or statements comprising stock statements, statements on ageing analysis of the debtors, creditor balance and sales during the quarter is filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters except for the following:

(Rs in million)

For the quarter ended	Sanctioned amount to which discrepancy relates to	Nature of current assets	Nature of discrepancy	Amount as per Quarterly returns and statements	As per unaudited books of accounts	Difference
June 2022	SBI Bank - 500	Trade Receivable	Month closure entries	533.70	533.50	0.20
		Trade Payable		317.18	317.90	(0.72)
March 2023	SBI Bank - 500 ICICI Bank- 220	Inventory	Month closure entries	432.06	432.29	(0.23)

(iii) The Company has made investments in, granted unsecured loans, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

a. The Company has provided loans during the year and details of which are given below:

(Rs in Million)

	Loans
A. Aggregate amount provided during the year:	
- Subsidiary	-
B. Balance outstanding as at balance sheet date in respect of above cases*:	
- Subsidiary	78.52

*The Company has disclosed the above loan balance in note 07 of the standalone financial statements.

The Company has not provided any guarantee or security to any entity during the year.

b. In our opinion the terms and conditions of loans granted by the Company to its subsidiary are prejudicial to the Company's interest on account of the fact that the loans have been granted at an interest rate of 9% per annum which is lower than the cost of funds to the Company closest to the tenor of the loan.

c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted there is no overdue amount remaining outstanding as at the balance sheet date.

e. No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

f. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. We have been informed that the provisions of Excise Duty are not applicable to the Company.

Undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable are as given below:

(Rs in Million)

Name of Statute	**Nature of the Dues**	**Amount (Rs.)**	**Period to which the Amount Relates**	**Due Date**	**Payment**	**Date of payment**
Employee Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	0.27	April 2022 – August 2022	May 2022-September 2022	0.14	4 June 2023
					0.06	5 June 2023
					0.07	5 August 2023

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023, on account of disputes are given as below:

Name of the statue	Nature of statue	Amount (Rs in Million)	Period to which the amount relates to	Forum where Dispute is pending
Income tax Act, 1961	Income tax and interest	1.12^	FY 2020-21	CIT (Appeals)

^ Net of Rs. 0.28 million paid under protest

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

(ix)

(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year, except as under:

(Rs in Million)

Nature of Borrowing	**Name of lender**	**Amount not paid on due date during the year (Rs.)**		**Due Date**	**Date of Payment**	**No. of days delay**
		Principal	**Interest**			
Vehicle Loan	HDFC Bank	0.18	0.04	June 05, 2022	June 09, 2022	4
		0.18	0.04	August 05, 2022	August 12, 2022	7
		0.36	0.07	January 05, 2023	January 09, 2023	4

Sl

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

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

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

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x)

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

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

(xi)

(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) Based on the information and explanations provided to us, the Company is not required to have a vigil mechanism as per the Act.

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

(xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards. The Company is an unlisted public company which does not satisfy the requirements of Section 177 applicability and the same is not applicable.

(xiv)

(a) In our opinion the Company has an adequate internal audit system commensurate with . the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company which were issued after the balance sheet date covering the period April 01, 2022 to March 31, 2023 for the period under audit.

(xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

81

(xvi)

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group ("Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions) does not have any CIC (Core Investment Company) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)

(a) The Company has fully spent the required amount towards Corporate social responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

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

Sandeep

Sandeep Kukreja
Partner
(Membership No. 220411)
UDIN: 23220411BGQBQW7963

Place: Bengaluru
Date: August 22, 2023
SK/TG/2023

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Standalone Balance Sheet as at 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

Particulars	Note No.	31 March 2023	31 March 2022	1 April 2021
Assets				
Non-current assets				
Property, plant and equipment	4	271.33	245.23	144.57
Right of use assets	5	434.75	451.01	319.88
Intangible assets	4a	26.81	6.61	7.00
Intangible assets under development	4b	11.23	-	-
Financial assets				
(i) Investments	6	342.11	348.95	148.95
(ii) Loans	7B	78.52	63.11	187.62
(iii) Other financial assets	7A	30.69	27.13	36.56
Deferred tax assets (net)	8	54.19	49.89	43.50
Non Current tax assets (net)	14	13.43	49.51	14.99
Other non-current assets	9	19.49	7.68	7.01
Total non-current assets		**1,282.55**	**1,249.12**	**910.08**
Current assets				
Inventories	10	437.18	510.73	537.13
Financial assets				
(i) Trade receivables	11	416.09	435.24	338.82
(ii) Cash and cash equivalents	12	5.19	0.06	35.52
(iii) Bank balances other than (ii) above	13	555.83	611.34	712.28
(iv) Loans	7B	-	43.00	-
(v) Other financial assets	7A	9.71	31.31	61.12
Other current assets	9	42.78	40.69	38.50
Total current assets		**1,466.78**	**1,672.37**	**1,723.37**
Total assets		**2,749.33**	**2,921.49**	**2,633.45**
Equity and liabilities				
Equity				
Equity share capital	15	73.71	73.71	73.71
Other equity	16	1,746.18	1,820.53	1,771.61
Total equity attributable to equity holders		**1,819.89**	**1,894.24**	**1,845.32**
Total equity		**1,819.89**	**1,894.24**	**1,845.32**
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	17	2.29	4.63	-
(ii) Lease liabilities	36	454.47	461.27	332.10
(iii) Asset retirement obligations	4c	23.17	20.40	14.92
Provisions	18	-	2.02	3.70
Total non-current liabilities		**479.93**	**488.32**	**350.72**
Current liabilities				
Financial liabilities				
(i) Borrowings	17	41.72	54.39	0.95
(ii) Lease liabilities	36	47.75	41.53	26.91
(iii) Trade payables				
a) Total outstanding dues to micro and small enterprises	19	44.97	34.03	0.62
b) Total outstanding of creditors other than micro and small enterprises	19	234.98	296.20	324.66
(iv) Other financial liabilities	20	19.40	15.35	0.45
Provisions	18	11.82	8.45	7.72
Current tax liabilities (net)	22	0.99	36.43	19.04
Other current liabilities	21	47.88	52.55	57.06
Total current liabilities		**449.51**	**538.93**	**437.41**
Total liability		**929.44**	**1,027.25**	**788.13**
Total equity and liabilities		**2,749.33**	**2,921.49**	**2,633.45**
Summary of significant accounting policies	1 to 3			

The accompanying notes are integral part of these standalone financials statements.

In terms of our report attached

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

Sandeep. h

Sandeep Kukreja
Partner
Membership No. 220411

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

Place: Bengaluru
Date: 22 August 2023

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
FCS No: 11314

Pradeep Mishra
Chief Financial Officer

STANLEY LIFESTYLES LTD. Bengaluru

Place: Bengaluru
Date: 22 August 2023

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

Particulars	Note No.	31 March 2023	31 March 2022
I Revenue from operations	23	2,282.38	1,688.19
II Other income	24	154.12	95.19
III Total revenues		**2,436.50**	**1,783.38**
IV Expenses			
a) Cost of materials consumed	25	1,454.91	1,073.91
b) Purchase of stock-in-trade	26	10.95	7.92
c) Changes in stock of finished goods and work-in-progress	27	30.76	13.70
d) Employee benefits expense	28	211.70	150.33
e) Finance costs	29	57.63	50.12
f) Depreciation and amortisation	30	99.29	87.76
g) Other expenses	31	444.54	265.27
V Total expenses		**2,309.78**	**1,649.01**
Profit before tax (III - IV)		**126.72**	**134.37**
VI Tax expenses			
a) Current tax	22	47.19	43.11
b) Deferred tax	22	(4.84)	(7.71)
c) Short/(excess) provision of tax relating to earlier years	22	(2.74)	3.99
Total tax expenses		**39.61**	**39.39**
VII Profit for the year		**87.11**	**94.98**
VIII Other comprehensive income (OCI)			
Other comprehensive income not to be reclassified to standalone Statement of Profit or Loss in subsequent periods:			
a) Re-measurement gains/ (losses) on defined benefit plans	37	2.14	5.26
b) Income tax relating on above	22	(0.54)	(1.32)
Total other comprehensive income for the year (net of tax)		**1.60**	**3.94**
IX Total comprehensive income(net of tax) for the year (VII + VIII)		**88.71**	**98.92**
Earnings per equity share (EPS)			
- Basic (in Rs) [nominal value of share Rs. 2]	43	1.69	1.85
- Diluted (in Rs) [nominal value of share Rs. 2]	43	1.69	1.85
Summary of significant accounting policies	**1 to 3**		

The accompanying notes are integral part of these standalone financials statements.

In terms of our report attached

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

Sandeep. k

Sandeep Kukreja
Partner
Membership No. 220411

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

Place: Bengaluru
Date: 22 August 2023

For and on behalf of the Board of Directors
STANLEY LIFESTYLES LIMITED

STANLEY LIFESTYLES LTD. Bengaluru

Sunil Suresh	**Shubha Sunil**	**Akash Shetty**	**Pradeep Mishra**
Director	Director	Company Secretary	Chief Financial Officer
DIN 01421517	DIN 01363687	FCS No: 11314	

Place: Bengaluru
Date: 22 August 2023

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Standalone Statement of Cash Flows for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

	Particulars	Note No.	31 March 2023	31 March 2022
A	**Cash flows from operating activities:**			
	Profit before tax		126.72	134.37
	Adjustments for:			
	Depreciation and amortisation expenses	30	99.29	87.76
	(Gain)/ loss on sale of property, plant and equipment (net)	24 & 31	(2.44)	0.60
	Liabilities no longer required written back	24	(7.79)	(3.65)
	Provision for doubtful trade receivables and advances (net)	31	19.04	2.49
	Finance costs	29	56.53	49.45
	Unrealized foreign exchange (gain)/ loss (net)		(0.39)	(9.00)
	Interest income	24	(38.01)	(49.48)
	Provisions for warranty	31	2.58	2.22
	Gain on de-recognition of loan	24	(15.36)	-
	(Gain) or loss on derecognition of loan	31	27.52	-
	Share based payment expense	28	2.85	-
	Operating profit before working capital changes		**270.54**	**214.76**
	Adjustments for (increase)/ decrease in operating assets:			
	Financial assets		(4.36)	51.74
	Inventories		73.55	26.40
	Trade receivables		0.11	(98.92)
	Other assets		(2.59)	(2.12)
	Adjustments for increase/ (decrease) in operating liabilities:			
	Financial liabilities		4.05	14.90
	Trade payables		(42.41)	17.63
	Provisions		0.92	2.09
	Other current liabilities		(6.02)	(6.51)
	Cash generated from operations		**293.79**	**219.97**
	Income taxes paid (net)		(43.51)	(64.24)
	Net cash generated from operating activities		**250.28**	**155.73**
B	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, intangible assets (including capital creditors, capital advances and intangible assets under construction)		(108.01)	(132.00)
	Proceeds from sale of property, plant and equipment		3.05	0.12
	Deposits with banks and financial institutions (placed)/ matured (net)		55.51	100.94
	Intercompany loan given		45.90	85.58
	Interest received on intercompany loan		8.81	12.53
	Investment in subsidiary		(16.59)	(200.00)
	Interest received		46.18	8.72
	Net cash used in investing activities		**34.85**	**(124.11)**
C	**Cash flows from financing activities**			
	Borrowings / (Repayment of borrowings) (net) (Refer note b below)		(15.01)	58.07
	Interest paid (Refer note b below)		(8.41)	(8.67)
	Processing fees for capital borrowings		(0.75)	-
	Dividend paid (Refer note b below)		(170.00)	(50.00)
	Interest on lease rentals (refer note (b) below)		(45.41)	(39.22)
	Payment of lease liabilities (refer note (b) below)		(40.42)	(27.26)
	Net cash used in financing activities		**(280.00)**	**(67.08)**

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
★ BENGALURU ★

STANLEY LIFESTYLES LTD.
Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Standalone Statement of Cash Flows for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

Net decrease in cash and cash equivalents		5.13	(35.46)
Cash and cash equivalents at the beginning of the year	12	0.06	35.52
Cash and cash equivalents at the end of the year		**5.19**	**0.06**
Details of Cash and cash equivalents			
Balances with banks			
(i) In current accounts	12	5.18	0.04
(ii) Fixed deposits with maturity of less than 3 months			
Cash on hand	12	0.01	0.02
Cash and cash equivalents at the end of the year		**5.19**	**0.06**

Notes:

(a) Above cash flow statement has been prepared under indirect method in accordance with the Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

Particulars	31 March 2022	Non-cash changes		Cash flows	31 March 2023
		Finance cost accrued during the year	Additions (Net)		
Borrowings	59.02	-	-	(15.01)	44.01
Lease liabilities	502.80	45.41	39.84	(85.83)	502.22
Interest on overdraft facility	-	8.41	-	(8.41)	-
Processing fees	-	0.75	-	(0.75)	-
Dividend	-	-	170.00	(170.00)	-
Total	**561.82**	**54.57**	**209.84**	**(280.00)**	**546.23**

As at 31 March 2022

Particulars	1 April 2021	Non-cash changes		Cash flows	31 March 2022
		Finance cost accrued during the year	Additions (Net)		
Borrowings	0.95	-	-	58.07	59.02
Lease liabilities	359.01	39.22	171.05	(66.48)	502.80
Interest on borrowings	-	8.67	-	(8.67)	-
Dividend	-	-	50.00	(50.00)	-
Total	**359.96**	**47.89**	**221.05**	**(67.08)**	**561.82**

The accompanying notes are integral part of these standalone financials statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Sandeep Kukreja
Partner
Membership No. 220411

Place: Bengaluru
Date: 22 August 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

For and on behalf of the Board of Directors
STANLEY LIFESTYLES LIMITED

STANLEY LIFESTYLES LTD. Bengaluru

Sunil Suresh	**Shubha Sunil**	**Akash Shetty**	**Pradeep Mishra**
Director	Director	Company Secretary	Chief Financial Officer
DIN 01421517	DIN 01363687	FCS No: 11314	

Place: Bengaluru
Date: 22 August 2023

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Standalone Statement of changes in equity for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

A Equity share capital

As at 31 March 2023

Balance at the beginning of the current reporting year	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
73.71	73.71	-	73.71

As at 31 March 2022

Balance at the beginning of the current reporting year	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the current year	Balance at the end of the current reporting year
73.71	73.71	-	73.71

B Other equity

Particulars	Attributable to the equity holders				
	Reserve and surplus			Items of other comprehensive income (OCI)	Total other equity attributable to equity holders of the company
	Securities premium reserve	Retained earnings	Employee stock option reserve	Remeasurement of defined benefit plans	
As at 1 April 2021	**1,158.38**	**610.64**		**2.59**	**1,771.61**
Profit for the year	-	94.98	-	-	94.98
Dividend paid	-	(50.00)	-	-	(50.00)
Other comprehensive income (net of tax)	-	-	-	3.94	3.94
Total adjustments	-	**44.98**		**3.94**	**48.92**
As at 31 March 2022	**1,158.38**	**655.62**		**6.53**	**1,820.53**
Profit for the year	-	87.11	-	-	87.11
Dividend paid	-	(170.00)	-	-	(170.00)
ESOP expense for the year	-	-	6.94	-	6.94
Other comprehensive income (net of tax)	-	-	-	1.60	1.60
Total adjustments	-	**(82.89)**	**6.94**	**1.60**	**(74.35)**
As at 31 March 2023	**1,158.38**	**572.73**	**6.94**	**8.13**	**1,746.18**

The accompanying notes are integral part of these standalone financials statements.

In terms of our report attached

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

Sandeep Kukreja
Partner
Membership No. 220411

Place: Bengaluru
Date: 22 August 2023

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

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
FCS No: 11314

Pradeep Mishra
Chief Financial Officer

Place: Bengaluru
Date: 22 August 2023

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

1 General Information

Stanley Lifestyles Limited ("the Company" or "SLL") was incorporated on 11 October 2007 as a public limited company under the provisions of the Companies Act 1956 with its registered office in Bengaluru, India. The Company together with its subsidiaries (Collectively referred to as "the Company") is primarily engaged in the business of manufacturing and trading of furniture and leather products.

The standalone financial statements of the Company were approved in the meeting of the Board of Directors held on 22 August 2023.

2 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of standalone financial statements

(a) Statement of Compliance with Ind AS

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The standalone financial statements upto the year ended 31 March 2022 were prepared in accordance with accounting standard notified under Section 133 of the Companies Act, 2013 read with para 7 of the Companies (Accounts) Rules, 2014 as amended and the Companies Accounting Standard (Amended) Rules, 2016 (Indian GAAP or previous GAAP).These standalone financial statements are first Ind AS financials statements. The date of transition to Ind AS is 1 April 2021.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention on accrual basis, except for items that have been measured at fair value as required by relevant Ind AS.

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Embedded derivative, and
iii) Asset classified as held for sale

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(c) Use of estimates

The preparation of standalone financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Standalone Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Standalone Balance Sheet date. The estimates and assumptions used in the accompanying standalone financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the standalone financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipments

a) 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.

b) Subsequent expenditures related to an item 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.

c) The cost of property, plant and equipment not ready for their intended use at the Standalone Balance Sheet date are disclosed as capital work in progress.

d) Advances paid towards the acquisition of property, plant and equipment, outstanding at each Standalone Balance Sheet date are disclosed as 'Capital Advances' under 'Other Non Current Assets'.

e) Where a significant component (in terms of cost) of an asset has an economic useful life shorter than that of it's corresponding asset, the component is depreciated over it's shorter life.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

Depreciation methods, estimated useful lives

Depreciation is provided on straight line method over the estimated useful life of the property, plant and equipment as per the useful life prescribed under Part C of Schedule II of the Companies Act, 2013. Leasehold improvements are being amortised over the duration of the lease, or estimated useful life of the assets, whichever is lower. Depreciation on addition to property, plant and equipments is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale / deletion of property, plant and equipments is provided for upto the date of sale, deduction or discard of property, plant and equipment as the case may be. In

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

Assets individually costing upto Rupees five thousand are not capitalized.

2.3 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('The Functional Currency'). The standalone financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

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

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains / (losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Standalone Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Standalone Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

2.4 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities ;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable ;

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

2.6 Revenue Recognition

Revenue is measured at transaction value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Ind AS 115 Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from operations based on five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A Contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of Consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when the Company satisfies a performance obligation.

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.

The Company presents revenues net of indirect taxes in its Standalone Statement of Profit and loss.

Billings in excess of revenue recognized is classified as contract liabilities ('Deferred revenue') included in other current liabilities.

Other Income

Interest Income is recognised on basis of effective interest method as set out in Ind AS 109 , Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

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

2.7 Taxes

Tax expense for the year, comprising current tax, deferred tax and minimum alternate tax /credit are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Minimum Alternate Tax

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Standalone Statement of Profit and Loss. The credit available under the Income tax act, in respect of MAT paid is recognised as asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set- off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Standalone Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(c) Deferred tax

Deferred income tax is provided in full, using the Standalone Balance Sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in standalone financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Standalone Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

DELOITTE HASKINS & SELLS LLP * BENGALURU * CHARTERED ACCOUNTANTS

STANLEY LIFESTYLES LTD. Bengaluru

2.8 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.9 Inventories

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

Stock of raw materials, stores, spares, bought out items and certain components are valued at cost less amounts written down.

Stock of raw material, work-in-progress and finished goods are valued at lower of cost and net realisable value based on technical estimate of the percentage of work completed.

In determining the cost of raw materials, components, stores, spares and loose tools, moving / weighted average method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Work-in-progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work-in-progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a Company of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Standalone Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are Companyed together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Companys of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Standalone Balance Sheet date.

These are reviewed at each Standalone Balance Sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is an obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Comapny recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

2.12 Borrowing Costs

Borrowing costs includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets upto the date the asset is ready for its intended use. All other borrowing costs are recognised as an expense in the Standalone Statement of Profit and Loss in the year in which they are incurred.

2.13 Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal. Cash and cash equivalents include restricted cash and bank balances. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

2.14 Investment in Subsidiary

When an entity prepares separate standalone financial statements, it shall account for investments in subsidiaries, joint ventures and associates either:
(a) at cost, or
(b) in accordance with Ind AS 109.
Company accounts for its investment in subsidiary at cost.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) *Initial recognition and measurement*

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

(ii) ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in following categories:
a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost:

A 'financial asset' is measured at the amortised cost if both the following conditions are met:
a)The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets.

Fair Value Through Other Comprehensive Income (FVOCI):

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.
The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Fair Value Through Profit or Loss:
Financial assets at fair value through profit or loss are carried in the Standalone Balance Sheet at fair value with net changes in fair value recognised in the Standalone Statement of Profit and Loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

(iii) ***Impairment of financial assets***

In accordance with Ind AS 109, Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

Further disclosures relating to impairment of financial assets are also provided in the following notes:
i. Disclosures for significant assumptions
ii. Trade receivables and contract assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

(iv) ***De-recognition of financial assets***

A financial asset is de-recognized only when :
a) the rights to receive cash flows from the financial asset is transferred; or
b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is de-recognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

(b) Financial liabilities

(i) *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) *Subsequent measurement*

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Standalone Statement of Profit and Loss.

(iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Standalone Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.16 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognized in respect of employees' services upto the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Standalone Balance Sheet.

(b) Defined contribution plan

The Company makes defined contribution to provident fund, which are recognised as an expense in the Statement of Profit and Loss on accrual basis. The Company has no further obligations under these plans beyond its monthly contributions.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Standalone Statement of Profit and Loss.

(c) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / (gains) are recognized in the other comprehensive income in the year in which they arise.

(d) Other long term employee benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within Twelve months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / (gains) are recognized in the Statement of Profit and Loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year (if any). The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

All amounts disclosed in standalone financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Company has considered business segments as the primary segments for disclosure. The business segment in which the Company operates is 'manufacture, trading and sale of Automotive Seating Covers, Furniture, Fixtures and Accessories'. The Company does not have any geographical segment. The accounting principles used in the preparation of the standalone financial statements are consistently applied to record revenue and expenditure in the individual segment, and are as set out in the significant accounting policies.

Thus, as defined in Ind AS 108 - Operating Segments, The Company operates in a single business segment of namely manufacture, trading and sale of automotive seating covers, furniture, fixtures and accessories

2.19 Rounding off amounts

All amounts disclosed in standalone financial statements and notes have been rounded off to the nearest million as per requirement of Schedule III of the Act, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions and recent pronouncements

The preparation of standalone financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

Defined benefits obligations

The cost of the defined benefit plans such as gratuity are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account inflation, seniority, promotion and other relevant factors on long-term basis.

3.2 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules,2023,as below:

Ind AS 1- Presentation of standalone financial statements- This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies in Accounting Estimates and Errors- This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind As 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendments and there is no impact on its financial statement.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

4 Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net carrying value	
	As at 1 April 2022	Additions	Disposals/ adjustments (refer note below)	As at 31 March 2023	As at 1 April 2022	Depreciation expense	Disposals/ adjustments (refer note below)	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Leasehold improvements	147.90	46.92	-	194.82	12.25	16.37	-	28.62	166.20	135.65
Plant and machinery	85.40	13.92	0.38	98.94	11.35	14.83	-	26.18	72.76	74.05
Electrical equipment	8.22	1.31	-	9.53	0.68	0.83	-	1.51	8.02	7.54
Office equipment	3.11	0.14	-	3.25	0.93	0.89	-	1.82	1.43	2.18
Computers	2.19	2.10	-	4.29	0.47	1.09	-	1.56	2.73	1.72
Furniture and fixtures	3.60	0.41	-	4.01	0.52	0.59	-	1.11	2.90	3.08
Vehicles	23.02	-	4.60	18.42	2.01	3.49	4.37	1.13	17.29	21.01
Total	**273.44**	**64.80**	**4.98**	**333.26**	**28.21**	**38.09**	**4.37**	**61.93**	**271.33**	**245.23**

Particulars	Gross block				Accumulated depreciation				Net carrying value	
	As at 1 April 2021 (Deemed Cost)	Additions	Disposals/ adjustments (refer note below)	As at 31 March 2022	As at 1 April 2021	Depreciation expense	Disposals/ adjustments (refer note below)	As at 31 March 2022	As at 31 March 2022	As at 1 April 2021
Leasehold improvements	64.76	83.14	-	147.90	-	12.25	-	12.25	135.65	64.76
Plant and machinery	56.67	29.10	0.37	85.40	-	11.52	0.17	11.35	74.05	56.67
Electrical equipment	4.87	3.45	0.10	8.22	-	0.71	0.03	0.68	7.54	4.87
Office equipment	3.02	0.15	0.06	3.11	-	0.96	0.03	0.93	2.18	3.02
Computers	2.00	0.97	0.78	2.19	-	1.13	0.66	0.47	1.72	2.00
Furniture and fixtures	3.92	-	0.32	3.60	-	0.62	0.10	0.52	3.08	3.92
Vehicles	9.33	14.29	0.60	23.02	-	2.53	0.52	2.01	21.01	9.33
Total	**144.57**	**131.10**	**2.23**	**273.44**	**-**	**29.72**	**1.51**	**28.21**	**245.23**	**144.57**

Note:
1. There has been no revaluation of property, plant and equipment during the financial year beginning from 1 April 2021 till financial year ending 31 March 2023.

2. On transition to Ind AS (i.e. 1 April 2021), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

3. Gross block of Disposal/Adjustments of assets during the year ended 1 April 2021- Leasehold improvements: Rs 53.60 millions, Plant and Machinery: Rs 7.70 millions, Electrical equipment: Rs 26.40 millions, Furniture and fixtures: Rs. 11.80 million, Office equipment: Rs 4.60 millions, Computes: Rs 5.80 millions and Vehicles: Rs 1.40 millions (during the year ended 31 March 2022: Rs Nil, 31 March 2023: Rs Nil)

Accumulated depreciation of Disposal/Adjustments of assets during the year ended 1 April 2021- Leasehold improvements: Rs 15.20 millions, Plant and Machinery: Rs 6.40 millions, Electrical equipment: Rs 9.10 millions, Furniture and fixtures: Rs 4.90 millions, Office equipment: Rs 3.80 millions, Computes: Rs 6.80 millions and Vehicles: Rs 1.20 millions (during the year ended 31 March 2022: Rs Nil, 31 March 2023: Rs Nil)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

4a Intangible assets

Particulars	Gross block				Accumulated amortisation				Net carrying value	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	As at 1 April 2022	Amortisation expense	Disposals	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Computer software	9.14	22.03	-	31.17	2.53	1.83	-	4.36	26.81	6.61
Total	**9.14**	**22.03**	**-**	**31.17**	**2.53**	**1.83**	**-**	**4.36**	**26.81**	**6.61**

Particulars	Gross block				Accumulated amortisation				Net carrying value	
	As at 1 April 2021 (Deemed Cost)	Additions	Disposals/ adjustments (refer note below)	As at 31 March 2022	As at 1 April 2021	Amortisation expense	Disposals/ adjustments (refer note below)	As at 31 March 2022	As at 31 March 2022	As at 1 April 2021
Computer software	7.00	2.14	-	9.14	-	2.53	-	2.53	6.61	7.00
Total	**7.00**	**2.14**	**-**	**9.14**	**-**	**2.53**	**-**	**2.53**	**6.61**	**7.00**

Note:
1. There has been no revaluation of intangible assets during the financial year beginning from 1 April 2021 till financial year ending 31 March 2023.
2. On transition to Ind AS (i.e. 1 April 2021), the Company has elected to continue with the carrying value of all intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

4b Intangible assets under development

Particulars	Gross block				Accumulated amortisation				Net carrying value	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	As at 1 April 2022	Amortisation expense	Disposals	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
New product under development	-	11.23	-	11.23	-	-	-	-	11.23	-
Total	**-**	**11.23**	**-**	**11.23**	**-**	**-**	**-**	**-**	**11.23**	**-**

Note: There are no intangible assets under development as at 31 March 2022 and 31 March 2021. Accordingly, no disclosure has been provided.

4c Asset retirement obligations

Particulars	31 March 2023	31 March 2022	31 March 2021
Assets retirement obligations	23.17	20.40	14.92

DELOITTE HASKINS & SELLS LLP ★ CHARTERED ACCOUNTANTS ★ BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru ★

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

5 Right of use Assets

Particulars	Amount
Gross carrying amount	
Balance as at 1 April 2021	566.35
Additions	186.64
Deduction	
Balance as at 31 March 2022	**752.99**
Additions	43.11
Deduction	
Balance as at 31 March 2023	**796.10**
Accumulated depreciation	
Balance as at 1 April 2021	246.47
Additions	55.51
Deduction	
Balance as at 31 March 2022	**301.98**
Additions	59.37
Deduction	
Balance as at 31 March 2023	**361.35**
Net carrying amount	
Written down value as at 1 April 2021	**319.88**
Written down value as at 31 March 2022	**451.01**
Written down value as at 31 March 2023	**434.75**

Note:
1. The aggregate depreciation expense in right-of use assets is included under the depreciation and amortisation expense in the standalone Statement of Profit and Loss
2. There has been no revaluation of right-of-use assets during the financial year beginning from 1 April 2021 till financial year ending 31 March 2023.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

6 Non current investments

Particulars	31 March 2023	31 March 2022	1 April 2021
Trade investment (valued at cost unless stated otherwise)			
Investment in equity instruments of subsidiaries			
Stanley Retail Limited 4,856,130 [(31 March 2022: 4,790,514, 1 April 2021 4,000,000) equity shares of Rs. 10 each fully paid)]	256.60	240.00	40.00
Add: Deemed investment on account of ESOP offered to employees of subsidiary and step down subsidiary (refer note 6.2 below)	3.74	-	-
	260.34	**240.00**	**40.00**
ABS Seating Private Limited 198,588 [(31 March 2022: 198,588, 1 April 2021 198,588) equity shares of Rs. 10 each fully paid)]	19.41	19.41	19.41
Add: Deemed investment on account of ESOP offered to employees of subsidiary (refer note 6.2 below)	0.25	-	-
	19.66	**19.41**	**19.41**
Stanley OEM Sofas Limited 3,760,000 [(31 March 2022: 3,760,000, 1 April 2021 3,760,000) equity shares of Rs. 10 each fully paid)]	37.60	37.60	37.60
Add: Deemed investment on account of ESOP offered to employees of subsidiary (refer note 6.2 below)	0.09	-	-
Add: Deemed investment on account of fair valuation under IndAS 109 on loan given on preferential interest rate to subsidiary Company (also refer note 6.3 below)	24.42	51.94	51.94
	62.11	**89.54**	**89.54**
	342.11	**348.95**	**148.95**
Aggregate amount of unquoted investments	**342.11**	**348.95**	**148.95**
Category-wise non current investment			
Financial assets carried at cost	342.11	348.95	148.95

6.1 Movement in investment in Stanley Retail Limited

Particulars	Amount
Opening balance as at 1 April 2021	
4,000,000 equity share of Rs 10 each fully paid	40.00
Addition of shares during the year	
790,514 equity share of Rs 10 each fully paid at a premium of Rs. 243 per share	200.00
Closing balance as at 31 March 2022	**240.00**
Addition of shares during the year	
65,616 equity share of Rs 10 each fully paid at a premium of Rs. 253 per share	16.60
Closing balance as at 31 March 2023	**256.60**

6.2 The Company under the Employee Stock Option Plan 2022 has granted stock options to its employees, employees of subsidiary company and employees of step down subsidiary companies ("Company Companies"). The fair value of the share options is estimated at the grant date using a Black Scholes model. model, taking into account the terms and conditions. As required under Ind AS 102, the Company has recognised deemed investment for stock options granted to employees of Company Companies. Also refer note 51 for detailed disclosure on Employee Stock Option Plan offered by the Company.

6.3 Investment in Stanley OEM Sofas Limited includes amounts recognised as deemed investment. Deemed investment has been arrived at on account of preferential interest rate charged by the Company on long term loan advanced to Stanley OEM Sofas Limited as required under Ind AS 109. The impact of the same is summarised in the table below.

Particulars	Amount
Opening balance as at 1 April 2021 as per IGAAP	**37.60**
Add: Deemed investment accounted as per Ind AS	51.94
Opening balance as at 1 April 2021 as per IndAS	**89.54**
Add/ (less): Adjustments under Ind AS 109 during the year	-
Closing balance as at 31 March 2022	**89.54**
Add: Deemed investment on account of ESOP	0.09
Less: Adjustments under Ind AS 109 during the year	(27.52)
Closing balance as at 31 March 2023	**62.11**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

7 A. Other financials assets

Particulars	31 March 2023	31 March 2022	1 April 2021
Non-current			
(Unsecured considered good)			
Security deposits	30.69	27.13	36.56
	30.69	**27.13**	**36.56**
Current			
(Unsecured, considered good)			
Security deposit	1.55	1.17	10.61
Interest accrued on fixed deposits	5.76	28.28	6.03
Interest on loans receivables from related party (refer note 42)	-	-	0.55
Other receivables	-	-	42.41
Other advances	1.85	-	-
Advance to employees	0.55	1.86	1.52
	9.71	**31.31**	**61.12**

Note: also refer to note 6.3

B. Loans

Particulars	31 March 2023	31 March 2022	1 April 2021
Non-current			
(Unsecured considered good)			
Loans to related parties (refer note 42 and 48)	100.00	102.90	231.48
Impact on account of deemed investment due to preferential interest rate offered to subsidiary (refer to note below)	(21.48)	(39.79)	(43.86)
	78.52	63.11	187.62
	78.52	**63.11**	**187.62**
Current			
(Unsecured, considered good)			
Loans to related parties (refer note 42 and 48)	-	43.00	-
	-	**43.00**	-

Note:

A. Loans to related parties

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good			
Stanley OEM Sofas Limited	100.00	102.90	101.98
Stanley Retail Limited	-	43.00	129.50
Total	**100.00**	**145.90**	**231.48**

7B.1 i) The loan to Stanley OEM Sofas Limited i.e. Subsidiary Company of Rs. 100.00 millions (as at 31 March 2022 Rs 102.90 millions and as at 1 April 2021 Rs. 101.98 millions) at a rate of interest of 9% (31 March 2022: 6% p.a.) is receivable in monthly instalment of Rs. 8.30 millions commencing from 30 April 2029.

ii) Reduction in loan on account of fair valuation of borrowings in accordance with Ind AS 109 of Rs. 21.48 millions (as at 31 March 2022: Rs 39.79 millions, as at 1 April 2021: Rs 43.86 million);

7B.2 Changes in loan from cash and non cash changes:

Particular	31 March 2023	31 March 2022
Balance at the beginning of the year	**63.11**	**58.12**
Non cash changes- Interest accrued on the effective interest rate (refer note 24)	11.76	10.24
Non cash changes- Change in the fair value of loan (refer note 31)	15.36	-
Cash flow changes- Loan given during the year	-	0.92
Cash flow changes- Loan repaid during the year	(2.90)	-
Cash flow changes- Interest received for the year (refer note 42)	(8.81)	(6.17)
Balance at the end of the year	**78.52**	**63.11**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

8 Deferred tax assets

Particulars	31 March 2023	31 March 2022	1 April 2021
Deferred tax assets:			
Property plant and equipment	1.23	2.48	2.70
Inter corporate borrowings	5.41	10.01	11.04
Provision for employee benefit expenses	1.34	1.65	2.50
Provision for bonus	1.19	1.51	2.30
Provision for expected credit loss	2.12	3.43	3.20
Lease Liabilities (net)	30.48	25.87	18.99
Others	12.42	4.94	2.77
	54.19	**49.89**	**43.50**
Deferred tax assets (net)	**54.19**	**49.89**	**43.50**

9 Other assets

Particulars	31 March 2023	31 March 2022	1 April 2021
Non-current			
Dues paid under protest	6.91	6.63	6.63
Capital advances	12.36	1.05	0.31
Prepaid expenses	0.22	-	0.07
	19.49	**7.68**	**7.01**
Current			
Advances to suppliers	29.34	35.75	35.93
Prepaid expenses	3.16	4.58	0.82
Balance with statutory/ government authorities	10.28	0.36	1.75
	42.78	**40.69**	**38.50**

10 Inventories (at lower of cost and net realisable value)

Particulars	31 March 2023	31 March 2022	1 April 2021
Raw materials (at cost)*	308.60	351.39	364.09
Work-in-progress	45.75	45.90	27.98
Finished goods	21.91	14.47	12.01
Stock-in-trade #	60.92	98.97	133.05
	437.18	**510.73**	**537.13**

* including goods in transit of Rs 35.60 millions [(31 March 2022 Rs 61.40 millions) (1 April 2021 Rs 78.90 millions)]
# including goods in transit of Rs Nil [(31 March 2022 Rs 5.10 millions) (1 April 2021 Rs Nil)]

11 Trade receivables

Particulars	31 March 2023	31 March 2022	1 April 2021
Current			
Unsecured, considered good			
- related party (refer note 42)	403.28	390.97	295.55
- others	12.81	44.27	43.27
	416.09	**435.24**	**338.82**
Unsecured, considered doubtful			
- related party (refer note 42)	27.03	-	-
- others	16.83	24.82	22.33
Less: Allowance for expected credit loss ("ECL")	(43.86)	(24.82)	(22.33)
	-	-	-
	416.09	**435.24**	**338.82**

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

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

A. Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1	1-2 years	2-3 years	More than 3	
Undisputed trade receivables- considered good	416.00	-	0.09	-	416.09
Undisputed trade receivables- increase in credit risk	-	-	-	-	-
Undisputed trade receivables-credit impaired	10.06	2.12	4.31	27.37	43.86
Disputed trade receivables- considered good	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-
Total	**426.06**	**2.12**	**4.40**	**27.37**	**459.95**
Less: Allowance for credit loss	10.06	2.12	4.31	27.37	43.86
Total trade receivables as at 31 March 2023	**416.00**	-	**0.09**	-	**416.09**

B. Trade receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1	1-2 years	2-3 years	More than 3	
Undisputed trade receivables- considered good	391.68	22.81	-	20.75	435.24
Undisputed trade receivables- increase in credit risk	-	-	-	-	-
Undisputed trade receivables-credit impaired	13.65	4.43	-	6.74	24.82
Disputed trade receivables- considered good	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-
Total	**405.33**	**27.24**	-	**27.49**	**460.06**
Less: Allowance for credit loss	13.65	4.43	-	6.74	24.82
Total trade receivables as at 31 March 2022	**391.68**	**22.81**	-	**20.75**	**435.24**

C. Trade receivables ageing schedule as at 1 April 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1	1-2 years	2-3 years	More than 3	
Undisputed trade receivables- considered good	318.16	-	-	20.66	338.82
Undisputed trade receivables- increase in credit risk	-	-	-	-	-
Undisputed trade receivables-credit impaired	13.21	2.12	5.25	1.75	22.33
Disputed trade receivables- considered good	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-
Total	**331.37**	**2.12**	**5.25**	**22.41**	**361.15**
Less: Allowance for credit loss	13.21	2.12	5.25	1.75	22.33
Total trade receivables as at 1 April 2021	**318.16**	-	-	**20.66**	**338.82**

Notes:

a)Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days

b) Movement in credit loss allowances

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	24.82	22.33
Change in provision during the year	19.04	2.49
Balance at the end of the year	**43.86**	**24.82**

12 **Cash and cash equivalents**

Particulars	31 March 2023	31 March 2022	1 April 2021
Cash on hand	0.01	0.02	0.11
Balances with banks			
- in current accounts	5.18	0.04	35.41
	5.19	**0.06**	**35.52**

13 **Other balance with banks**

Particulars	31 March 2023	31 March 2022	1 April 2021
Deposits with original maturity of more than 3 months but less than 12 months (refer note b below)	552.33	601.72	688.92
In earmarked accounts (Refer note a below)	3.50	9.62	23.36
	555.83	**611.34**	**712.28**

Note:

a. Earmarked accounts includes Rs 2.40 millions (31 March 2022: Rs 7.30 millions, 1 April 2021: Rs 7.30 millions) against the bank guarantee and Rs 1.10 millions (31 March 2022: Rs 2.30 millions, 1 April 2021: Rs 16.10 millions placed against the letter of credit obtained by the Company.

b. Deposit accounts includes Rs 150.00 millions (31 March 2022: Rs 120.00 millions. 1 April 2021: Rs Nil) lien against the working capital facility.

14 **Non current tax assets (net)**

Particulars	31 March 2023	31 March 2022	1 April 2021
Taxes paid	13.43	76.85	14.99
Less: Provision for tax	-	27.34	-
	13.43	**49.51**	**14.99**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

15 Equity share capital

15.1

Particulars	31 March 2023	31 March 2022	1 April 2021
Authorized 75,00,000 [(31 March 2022: 75,00,000),(1 April 2021: 75,00,000)] equity shares of Rs 10/- each	75.00	75.00	75.00
	75.00	**75.00**	**75.00**
Issued, subscribed and fully paid-up **Equity Shares** 73,71,024 [(31 March 2022: 73,71,024),(1 April 2021: 73,71,024)] Equity shares of Rs 10/- each	73.71	73.71	73.71
	73.71	**73.71**	**73.71**

15.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year.

Particulars	31 March 2023		31 March 2022		1 April 2021	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	73,71,024	73.71	73,71,024	73.71	73,71,024	73.71
Issued during the year	-	-	-	-	-	-
Total	**73,71,024**	**73.71**	**73,71,024**	**73.71**	**73,71,024**	**73.71**

15.3 Details of shares held by the promoters

Particulars	31 March 2023		31 March 2022		1 April 2021	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Equity Shares of ` 10/- each fully paid up						
Sunil Suresh	24,82,221	33.68%	24,82,221	33.68%	24,82,221	33.68%
Shubha Sunil	24,82,219	33.68%	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%	19,80,162	26.86%

15.4 Rights, preferences and restrictions

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.

15.5 Share allotted as fully paid up by way of other than cash during five year immediately preceding 31 March 2023

For the period of five years immediately preceding the standalone 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.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

16 Other equity

Particulars	31 March 2023	31 March 2022
Securities premium reserve		
Balance at the beginning of the year	1,158.38	1,158.38
Add/(less) : Movement during the year	-	-
Balance at the end of the year (A)	**1,158.38**	**1,158.38**
Retained earnings		
Balance at the beginning of the year	655.62	610.64
Add: Profit for the year	87.11	94.98
Less: Dividend paid	(170.00)	(50.00)
Balance at the end of the year (B)	**572.73**	**655.62**
Items of other comprehensive income (OCI)		
Balance at the beginning of the year	6.53	2.59
Add: Re-measurement defined benefit plans (net) (refer note 37)	1.60	3.94
Balance at the end of the year (C)	**8.13**	**6.53**
Employee stock option plan		
Balance at the beginning of the year	-	-
Share based payment expense	6.94	-
Balance at the end of the year (D)	**6.94**	-
Total Equity (A) + (B) + (C) + (D)	**1,746.18**	**1,820.53**

Securities premium reserve
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained earnings
Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Employee stock option plan
Employee stock option plan represents the outstanding employee stock option reserve.

Other comprehensive income
Other comprehensive income represents the remeasurement of defined benefit plans.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

17 Borrowings

Particulars	31 March 2023	31 March 2022	1 April 2021
Non-current			
Secured loans			
Long term loan (refer note (a) below)	4.63	6.81	0.42
	4.63	**6.81**	**0.42**
Less: Current maturities of term loan disclosed under the head "Current Borrowings"	2.34	2.18	0.42
	2.29	**4.63**	**-**
Current			
Secured loans			
Secured, overdraft facility (refer note (b) below)	39.38	52.21	0.53
Current maturities of term loan (refer note (a) below)	2.34	2.18	0.42
	41.72	**54.39**	**0.95**

Notes:

a) The Company during the year ended 31 March 2022, has taken auto loan from HDFC bank for Rs 7.5 millions which is repayable in 39 equated monthly installments at the rate of interest of 7% per annum secured by hypothecation of vehicle.

b) Working capital facilities (fund based and non-fund based) aggregating to Rs. 720.00 million (As at 31 March 2022 Rs. 500.00) are secured by first pari-passu charge on all the hypothecation of inventory, receivables, book debts and other current assets (present and future) and second pari-passu charge on hypothecation on unencumbered plant, machinery and equipment's, electrical works, corporate guarantee by Stanley Lifestyles Limited, Parent Company (31 March 2022 and 31 March 2021: personnel guarantee of Mr. Sunil Suresh and Mrs. Shubha Sunil) and lien on bank deposit of Rs. 150.00 million (31 March 2021: Rs 120 million).

c) The Company has not defaulted/ delayed in repayment of principal or payment of interest during the period 1 April 2022 to 31 March 2023 except given below:

Nature of Borrowing and lender income		Amount not paid on due date during the year (Rs.)		Due Date	Date of Payment	No. of days delay
		Principal	Interest			
Vehicle loan (HDFC Bank)		0.18	0.04	June 05, 2022	June 09, 2022	4
		0.18	0.04	August 05, 2022	August 12, 2022	7
		0.36	0.07	January 05, 2023	January 09, 2023	4

18 Provisions

Particulars	31 March 2023	31 March 2022	1 April 2021
Non-current			
Provision for employee benefits			
Compensated absence (refer note 37)	-	2.02	3.70
	-	**2.02**	**3.70**
Current			
Provision for employee benefits			
Gratuity (refer note 37)	4.49	4.24	5.51
Compensated absence (refer note 37)	0.85	0.31	0.53
Provision for warranty* (refer note 44)	6.48	3.90	1.68
	11.82	**8.45**	**7.72**

***Assurance type warranties**

A provision is recognised for expected warranty claims on products sold during the years, based on past experience of the level of repairs and returns. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the warranty period for all products sold.

19 Trade payables

Particulars	31 March 2023	31 March 2022	1 April 2021
Total outstanding dues to micro and small enterprises (refer note 39)	44.97	34.03	0.62
Total outstanding of creditors other than micro and small enterprises			
- related party (refer note 42)	5.93	2.89	0.70
- others	229.05	293.31	323.96
	279.95	**330.23**	**325.28**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

A. Trade payables ageing as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3	
Undisputed dues to micro and small enterprises	-	44.57	0.40	-	-	**44.97**
Undisputed dues to creditors other than micro and small enterprises	74.58	159.49	0.81	0.10	-	**234.98**
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
Total trade payables as at 31 March 2023	**74.58**	**204.06**	**1.21**	**0.10**	**-**	**279.95**

B. Trade payables as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues to micro and small enterprises	-	34.03	-	-	-	**34.03**
Undisputed dues to creditors other than micro and small enterprises	112.29	163.53	9.18	4.99	6.21	**296.20**
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
Total trade payables as at 31 March 2022	**112.29**	**197.56**	**9.18**	**4.99**	**6.21**	**330.23**

C. Trade payables as at 1 April 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues to micro and small enterprises	-	0.62	-	-	-	**0.62**
Undisputed dues to creditors other than micro and small enterprises	127.41	184.66	2.85	6.80	2.94	**324.66**
Disputed dues to micro and small enterprises	-	-	-	-	-	-
Disputed dues to creditors other than micro and small enterprises	-	-	-	-	-	-
Total trade payables as at 1 April 2021	**127.41**	**185.28**	**2.85**	**6.80**	**2.94**	**325.28**

Notes

a) for information required to be furnished as per Section 22 of the Micro, small, and medium Enterprises Development Act 2006 (MSMED Act) and schedule III of the companies Act 2013, refer to note 39

b) for details on transactions with related party, refer to note 42

c) Trade payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

20 Other financial liabilities

Particulars	31 March 2023	31 March 2022	1 April 2021
Current			
Dealer deposits	0.35	0.35	0.45
Rent deposit from related party (refer note 42)	19.05	15.00	-
	19.40	**15.35**	**0.45**

21 Other liabilities

Particulars	31 March 2023	31 March 2022	1 April 2021
Advance from customers			
- related party (refer note 42)	17.69	23.42	28.91
- Others	0.56	3.74	8.63
Advances received against sale of property, plant and equipment	-	2.00	-
Statutory dues	26.28	23.39	19.52
Capital Creditors	3.35	-	-
	47.88	**52.55**	**57.06**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

22 Current tax liabilities (net)

Particulars	31 March 2023	31 March 2022	1 April 2021
Provision for taxes	47.19	42.25	23.78
Less: Taxes paid	(46.20)	(5.82)	(4.74)
	0.99	**36.43**	**19.04**

Current tax liabilities (net)

A. The major components of income tax expense for the year are as under :

Particulars	31 March 2023	31 March 2022
i. Tax expense recognized in the Standalone Statement of Profit and Loss		
Current tax expense:		
Current tax on profit for the year	47.19	43.11
Short/(Excess) Provision of tax relating to earlier years	(2.74)	3.99
Deferred tax expense:		
Deferred tax expenses	(4.84)	(7.71)
Total tax expense recognized in the standalone statement of profit and loss	**39.61**	**39.39**
ii. Tax expense recognized in other comprehensive income		
Items that will not be reclassified to profit and loss		
Re-measurement of defined benefit plan	0.54	1.32
Items that will be reclassified to profit and loss		
Total tax expense recognized in other comprehensive income	**0.54**	**1.32**
Total tax expense	**40.15**	**40.71**

B. Reconciliation of tax expense and the accounting profit for the year is under.

Particulars	31 March 2023	31 March 2022
Accounting Profit before income tax expenses	126.72	134.37
Enacted tax rate in India (%)	25.17%	25.17%
Expected income tax expense	31.89	33.82
Tax effect of :		
Expenses which are permanent disallowance		
CSR Expenses	0.62	0.71
Interest disallowed	0.21	0.25
Impairment of investments	6.93	-
Tax relating to earlier years	(2.74)	3.99
Expense disallowed income tax	3.78	-
Others	(0.54)	1.94
Income Tax Expenses	**40.15**	**40.71**
Effective tax rate (%)	31.68%	30.30%

HASKINS & SELLS LLP CHARTERED ACCOUNTANTS DELOITTE BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

23 Revenue from operations

Particulars	31 March 2023	31 March 2022
Sale of products		
-Manufactured goods (refer note 42)	2,005.33	1,480.89
-Traded goods	251.86	167.02
-Raw materials	25.19	40.28
	2,282.38	**1,688.19**

Reconciliation of amount of revenue recongised in standalone Statement of Profit and Loss with contracted price:

Particulars	31 March 2023	31 March 2022
Sale of products		
Contract price	2,282.38	1,688.20
Revenue recognised	**2,282.38**	**1,688.20**
ii. Contract balance:		
a. Contract assets- Trade receivables (refer note 11)	416.09	435.24
b. Contract liabilities- Advance received from customers (refer note 21)	18.25	27.16

Performance obligation
Information about the Company's performance obligations are summarised below:

Sales as original equipment manufacturer
i. The performance obligation is satisfied upon delivery of the goods on ex-works basis at the Company's manufacturing facility

ii. The customer pays the transaction price equal to the cash selling price as per agreed credit terms which ranges from 0-40 days.

iii. In some contracts, warranty beyond fixing the defects that existed at the time of sale is provided to customers. The warranty is accounted for as a separate performance obligation. The performance obligation for the warranty service is satisfied over time.

Sales to related party
i. The performance obligation is satisfied upon delivery of the good on to customer.
ii. The customer pays the transaction price equal to the cash selling price as per agreed credit terms which ranges from 0-90 days.

iii. In some contracts, warranty beyond fixing the defects that existed at the time of sale is provided to customers. The warranty is accounted for as a separate performance obligation. The performance obligation for the warranty service is satisfied over time.

24 Other income

Particulars	31 March 2023	31 March 2022
Interest income on		
- Bank deposits	23.50	30.60
- Intercorporate loans (refer note below)	11.76	16.05
- Unwinding of security deposit	2.59	2.47
- Letter of credit margin	0.16	-
- Others	-	0.36
Rent including lease rentals (refer note 36)	50.21	28.24
Foreign exchange difference (net)	8.56	8.97
Sub lease income (refer note 36)	-	4.85
Liabilities no longer required written back	7.79	3.65
Hire charges income	11.38	-
Gain on de-recognition of loan	15.36	-
Profit on sale of property, plant and equipment	2.44	-
Cross charge income	20.37	-
	154.12	**95.19**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

Note:

Particulars	31 March 2023	31 March 2022
Interest income at amortised cost method considering market rate of interest (@ 12% p.a. on related party loan* (Refer note 7)	11.76	10.24

* Although interest is receivable at 9% p.a. from the Subsidiary Company which amounts to Rs. 8.80 millions and Rs. 6.2 millions for the year ended 31 March 2023 and 31 March 2022 respectively, based on the Company's accounting policy, interest expense is recognised based on effective interest rate method considering the market rate of interest of 12.70% p.a. on related party loan.

25 Cost of materials consumed

Particulars	31 March 2023	31 March 2022
Inventories at the beginning of the year (refer note 10)	351.39	364.09
Add : Purchases made during the year		
- related party (refer note 42)	11.72	2.25
- others	1,400.40	1,058.96
	1,763.51	**1,425.30**
Less : Inventories at the end of the year (refer note 10)	308.60	351.39
Total cost of materials consumed	**1,454.91**	**1,073.91**

26 Purchase of stock-in-trade

Particulars	31 March 2023	31 March 2022
Purchase of stock-in-trade	10.95	7.92
	10.95	**7.92**

27 Changes in stock of finished goods and work-in-progress

Particulars	31 March 2023	31 March 2022
Inventories at the end of the year (refer note 10)		
Finished goods (traded)	60.92	98.97
Finished goods (manufactured)	21.91	14.47
Work-in-progress	45.75	45.90
	128.58	**159.34**
Inventories at the beginning of the year (refer note 10)		
Finished goods (traded)	98.97	133.05
Finished goods (manufactured)	14.47	12.01
Work-in-progress	45.90	27.98
	159.34	**173.04**
	30.76	**13.70**

28 Employee benefit expenses

Particulars	31 March 2023	31 March 2022
Salaries, wages and bonus	182.56	127.77
Share based payment expense (refer note 51)	2.85	-
Contribution to provident and other funds (refer note 37)	10.02	7.56
Staff welfare expenses	12.49	10.48
Gratuity expense (refer note 37)	3.78	4.52
	211.70	**150.33**

29 Finance costs

Particulars	31 March 2023	31 March 2022
Interest on-		
- Working capital	8.41	8.67
- Lease liabilities (refer note 36)	45.41	39.22
- Micro and small enterprises (refer note 39)	0.42	0.40
- Others	0.68	0.27
Processing fees for working capital borrowings	0.75	-
Borrowing cost on asset retirement obligation	1.96	1.56
	57.63	**50.12**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

30 Depreciation and amortisation expenses

Particulars	31 March 2023	31 March 2022
Depreciation on property, plant and equipment (refer note 4)	38.09	29.72
Amortization of intangible assets (refer note 4)	1.83	2.53
Depreciation on right of use assets (refer note 5)	59.37	55.51
	99.29	**87.76**

31 Other expenses

Particulars	31 March 2023	31 March 2022
Advertisement and business promotion	88.41	48.28
Rent including lease rentals (refer note 36)	5.66	2.82
Carriage outwards	16.77	13.97
Royalty expense	10.17	10.40
Power and fuel	15.38	11.33
Expenditure on Corporate Social Responsibility (CSR) (refer note 50)	2.47	2.83
Travelling and conveyance	13.88	4.48
Security charges	6.46	5.05
Repairs and maintenance		
-Plant and machinery	2.33	2.80
-Leasehold facilities	0.72	0.84
-Others	11.24	9.71
Legal and professional charges	16.74	7.93
Rates and taxes	17.00	1.46
Job work charges	158.22	121.95
Bank charges	2.90	3.72
Communication expenses	1.30	0.61
Insurance expenses	6.87	5.79
Sales commission	6.72	-
Audit remuneration (refer note below)	2.72	1.80
Loss on write-off/ disposal of property, plant and equipment (net)	-	0.60
Director sitting fees	0.82	0.20
Provision for expected credit loss (refer note 11)	19.04	2.49
Provisions for warranty (refer note 44)	2.58	2.22
Miscellaneous expenses	8.62	3.99
Gain or loss on derecognition of loan from related party	27.52	-
	444.54	**265.27**
Note:		
Audit remuneration (net of GST credit)		
- statutory audit fees	2.72	1.50
- reimbursement of expenses	-	0.30
	2.72	**1.80**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

32 Deferred Tax

The major components of deferred tax liabilities and assets arising on account of timing differences are as follows:

As at 31 March 2023

Particulars	As at 31 March 2022	Recognized/ reversed through profit and loss	Recognized in other comprehensive income	As at 31 March 2023
Tax effect of item constituting deferred tax assets				
Property plant and equipment	2.48	(1.25)	-	1.23
Inter corporate borrowings	10.01	(4.60)	-	5.41
Provision for employee benefit expenses	1.65	0.23	(0.54)	1.34
Provision for bonus	1.51	(0.32)	-	1.19
Provision for expected credit loss	3.43	(1.31)	-	2.12
Lease Liabilities (net)	25.87	4.61	-	30.48
Others	4.94	7.48	-	12.42
Total	**49.89**	**4.84**	**(0.54)**	**54.19**
Net deferred tax assets	**49.89**	**4.84**	**(0.54)**	**54.19**

As at 31 March 2022

Particulars	As at 01 April 2021	Recognized/ reversed through profit and loss	Recognized in other comprehensive income	As at 31 March 2022
Tax effect of item constituting deferred tax assets				
Property plant and equipment	2.70	(0.22)	-	2.48
Inter corporate borrowings	11.04	(1.03)	-	10.01
Provision for employee benefit expenses	2.50	0.47	(1.32)	1.65
Provision for bonus	2.30	(0.79)	-	1.51
Provision for expected credit loss	3.20	0.23	-	3.43
Lease Liabilities (net)	18.99	6.88	-	25.87
Others	2.77	2.17	-	4.94
Total	**43.50**	**7.71**	**(1.32)**	**49.89**
Net deferred tax assets	**43.50**	**7.71**	**(1.32)**	**49.89**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

33 Financial risk management objectives and policies

Risk management framework

The Board of Directors of the Company have the overall responsibility for the establishment and oversight of the their risk management framework. The Company has constituted a Risk Management Committee. The Company has in place a Risk management framework to identify, evaluate business risks and challenges across the Company. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee. These risks include foreign currency risk, credit risk, liquidity risk and interest rate risk.

Foreign currency risk management

The Company's functional currency in Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies due to which it is exposed to exchange rate fluctuations. Volatility in exchange rate of foreign currencies affects the cost of imports, primarily in relation to raw materials. The Company is generally exposed to foreign exchange risk arising through its sales and purchases denominated in foreign currency predominantly in US dollars and Euro;

During the current year there are no exports, however the Company has imported leather and other raw materials which is subject to foreign exchange risk.

Refer note 40 for foreign currency risk exposure as at standalone balance sheet date

Commodity price risk

The Company doesn't enter into any long term contract with its suppliers for hedging its commodity price risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company is exposed to credit risk from its operating activities mainly trade receivables. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Company through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The provision for doubtful receivables has been historically negligible. The assessment is done at regular intervals and allowance for doubtful trade receivables as at 31 March 2023, 31 March 2022 and 1 April 2021 is considered to be adequate.

Particulars	31 March 2023		31 March 2022		1 April 2021	
	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year	Less than 1 year	More than 1 year
Gross carrying amount	426.06	33.89	405.33	54.73	331.37	29.78
Expected credit losses (Loss allowance provision)	(10.06)	(33.80)	(13.65)	(11.17)	(13.21)	(9.12)
Carrying amount of trade receivables (net of expected credit losses)	416.00	0.09	391.68	43.56	318.16	20.66

Movement in allowance for bad and doubtful debts:

Particulars	Amount
As at 1 April 2021	**22.33**
Movement during the year	2.49
As at 31 March 2022	**24.82**
Movement during the year	19.04
As at 31 March 2023	**43.86**

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

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

b) Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Ultimate responsibility for managing the liquidity risk rests with the management, which has established an appropriate liquidity risk management framework for managing the Company's short-term, medium-term and long-term funding. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual short-term and long-term cash flows, and by matching the maturity profiles of financial assets and liabilities. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2023

Financial liabilities	Due within (years)			Total
	Less than 1 year	1 - 3 years	3+ years	
Borrowings (refer note 17)	41.72	2.29	-	**44.01**
Trade payable (refer note 19)	279.95	-	-	**279.95**
Other financial liabilities (refer note 20)	19.40	-	-	**19.40**
	341.07	**2.29**	-	**343.36**

As at 31 March 2022

Financial liabilities	Due within (years)			Total
	Less than 1 year	1 - 3 years	3+ years	
Borrowings (refer note 17)	54.39	4.63	-	**59.02**
Trade payable (refer note 19)	330.23	-	-	**330.23**
Other financial liabilities (refer note 20)	15.35	-	-	**15.35**
	399.97	**4.63**	-	**404.60**

As at 1 April 2021

Financial liabilities	Due within (years)			Total
	Less than 1 year	1 - 3 years	3+ years	
Borrowings (refer note 17)	0.95	-	-	**0.95**
Trade payable (refer note 19)	325.28	-	-	**325.28**
Other financial liabilities (refer note 20)	0.45	-	-	**0.45**
	326.68	-	-	**326.68**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees at floating rates of interest.

Total borrowings as at the standalone Balance Sheet date is as follows:

Financial liabilities	31 March 2023	31 March 2022	1 April 2021
Term loan (including current maturities) (refer note 17)	4.63	6.81	0.42
Overdraft facilities (refer note 17)	39.38	52.21	0.53
Total	**44.01**	**59.02**	**0.95**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, assuming the amount of the liabilities outstanding at the year end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease / increase by Rs 0.08 million (for the year ended 31 March 2022: decrease / increase by Rs 0.09 million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

STANLEY LIFESTYLES LTD.
Bengaluru

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

Capital management

The Company's objective for capital management is to maximize shareholder's wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirement are met through equity, borrowings and operating cash flows required.

Particulars	31 March 2023	31 March 2022
Borrowings (including current maturities) (refer note 17)	44.01	59.02
Less:		
Cash and cash equivalents (refer note 12)	5.19	0.06
Bank balances other than cash and cash equivalents (refer note 13)	555.83	611.34
Net debt	**(517.01)**	**(552.38)**
Total equity	1,819.89	1,894.24
Capital gearing ratio	(0.28)	(0.29)

Dividends

Particulars	31 March 2023	31 March 2022	31 March 2021
(i) Dividends recognized			
a. Final dividend for the year ended 31 March 2022 of Rs 4.07/- (31 March 2021 – Rs 1.45/-) per fully paid share	30.00	10.69	-
a. Interim dividend for the year ended 31 March 2023 of Rs 18.99/- (31 March 2021 – Rs 5.33/-) per fully paid share	140.00	39.31	-
(ii) Dividends not recognized at the end of the reporting period a. In addition to the above dividends, since the year ended, the Directors have recommended the payment of a final dividend of Rs. 30 Millions (31 March 2022: Rs 4.07/- per fully paid equity share) and Rs 10.69 Millions (31 March 2021: Rs. 1.45/- per fully paid equity share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	-	30.00	10.69
b. In addition to the above dividends, since the year ended, the Directors has declared and paid the interim dividend of Rs. 70 Millions (31 March 2022: Rs 9.50/- per fully paid equity share) and Rs 39.31 Millions (31 March 2021: Rs. 5.33/- per fully paid equity share)	-	70.00	39.31

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

34 Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the standalone financial statements.

Financial instruments by category and hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
There are no transfers between levels during the year.

The management considers that the carrying amount of financial assets and financial liabilities recognised in these standalone financial statements at amortised cost approximate their fair values.

A) The carrying value and Fair value of Financial assets and liabilities by categories are as follows :

Particulars	Level	31 March 2023			
		Amortised Cost	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets					
(a) Investments in subsidiaries (refer note 6)	3	317.69	24.42	342.11	342.11
(b) Loans (refer note 7B)	3	100.00	(21.48)	78.52	78.52
(c) Other financial assets					
- Security deposit (refer note 7A)	3	30.69	-	30.69	30.69
(d) Trade receivables (refer note 11)	3	416.09	-	416.09	416.09
(e) Cash and cash equivalents (refer note 12)	3	5.19	-	5.19	5.19
(f) Bank balances other than (e) above (refer note 13)	3	555.83	-	555.83	555.83
(g) Other financial assets (refer note 7A)	3	9.71	-	9.71	9.71
Total		**1,435.20**	**2.94**	**1,438.14**	**1,438.14**
Financial liabilities					
(a) Borrowings (refer note 17)	3	44.01	-	44.01	44.01
(b) Trade payables (refer note 19)	3	279.95	-	279.95	279.95
(c) Lease liabilities (refer note 36)	3	502.22	-	502.22	502.22
(d) Assets retirement obligations (refer note 4(c))	3	23.17	-	23.17	23.17
(e) Other financial liabilities (refer note 20)	3	19.40	-	19.40	19.40
Total		**868.75**	**-**	**868.75**	**868.75**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

Particulars	Level	31 March 2022			
		Amortised Cost	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets					
(a) Investments in subsidiaries (refer note 6)	3	297.01	51.94	348.95	348.95
(b) Loans (refer note 7B)	3	145.90	(39.79)	106.11	106.11
(c) Other financial assets					
- Security deposit (refer note 7A)	3	27.13	-	27.13	27.13
(d) Trade receivables (refer note 11)	3	435.24	-	435.24	435.24
(e) Cash and cash equivalents (refer note 12)	3	0.06	-	0.06	0.06
(f) Bank balances other than (e) above (refer note 13)	3	611.34	-	611.34	611.34
(g) Other financial assets (refer note 7A)	3	31.31	-	31.31	31.31
Total		**1,547.99**	**12.15**	**1,560.14**	**1,560.14**
Financial liabilities					
(a) Borrowings (refer note 17)	3	59.02	-	59.02	59.02
(b) Trade payables (refer note 19)	3	330.23	-	330.23	330.23
(c) Lease liabilities (refer note 36)	3	502.80	-	502.80	502.80
(d) Assets retirement obligations (refer note 4(c))	3	20.40	-	20.40	20.40
(e) Other financial liabilities (refer note 20)	3	15.35	-	15.35	15.35
Total		**927.80**	**-**	**927.80**	**927.80**

Particulars	Level	1 April 2021			
		Amortised Cost	Fair value through profit or loss	Total carrying value	Total fair value
Financial assets					
(a) Investment in subsidiaries (refer note 6)	3	97.01	51.94	148.95	148.95
(b) Loans (refer note 7B)	3	231.48	(43.86)	187.62	187.62
(c) Other financial assets					
- Security deposit (refer note 7A)	3	36.56	-	36.56	36.56
(d) Trade receivables (refer note 11)	3	338.82	-	338.82	338.82
(e) Cash and cash equivalents (refer note 12)	3	35.52	-	35.52	35.52
(f) Bank balances other than (e) above (refer note 13)	3	712.28	-	712.28	712.28
(g) Other financial assets (refer note 7A)	3	61.12	-	61.12	61.12
Total		**1,512.79**	**8.08**	**1,520.87**	**1,520.87**
Financial liabilities					
(a) Borrowings (refer note 17)	3	0.95	-	0.95	0.95
(b) Trade payables (refer note 19)	3	325.28	-	325.28	325.28
(c) Lease liabilities (refer note 36)	3	359.01	-	359.01	359.01
(d) Assets retirement obligations (refer note 4(c))	3	14.92	-	14.92	14.92
(e) Other financial liabilities (refer note 20)	3	0.45	-	0.45	0.45
Total		**700.61**	**-**	**700.61**	**700.61**

Note:
The Company as not disclosed the fair value for of trade receivables, cash and cash equivalents, other bank balances, other financial assets, lease liabilities, trade payables and other financial liabilities because their carrying amounts are the approximation of fair values.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

35 First-time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the standalone financial statements for the year ended 31 March 2023, the comparative information presented in these standalone financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS Standalone Balance Sheet at 1 April 2021 (the Company's date of transition). In preparing its opening Ind AS standalone Balance Sheet, the Company has adjusted the amounts reported previously in standalone financial statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions applied:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following material exemptions:

Derecognition of financial assets and financial liabilities

The Company has elected to use the exemption for derecognition of financial assets and liabilities prospectively i.e. after 1 April 2021.

Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Impairment of financial assets: (Trade receivables and other financial assets)

At the date of transition to Ind AS, the Company has determined that there will be significant increase in credit risk since the initial recognition of a financial instrument which would require undue cost or effort. The Company has recognised a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognised (unless that financial instrument is low credit risk at a reporting date).

Optional exemptions:

Deemed cost - Previous GAAP carrying amount: (Property, plant and equipment)

The Company has elected to avail exemption under Ind AS 101 to use India GAAP carrying value as deemed cost at the date of transition for all items of property, plant and equipment and intangible assets as per the standalone balance sheet prepared in accordance with previous GAAP.

Leases

The Company has not availed itself of exemption to assess whether a contract of arrangement contains a lease at the date of transition and instead assessed all the arrangements for embedded leases based on the conditions in place at the inception of the contract or arrangement.

Fair value measurement of financial assets or financial liabilities

In accordance with paragraph D20 of Ind AS 101, the Company has applied day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS.

Investment in Subsidiaries

The Company has elected to use the exemption to measure all investments in Subsidiaries as recognised in the standalone financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1 April 2021).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

35 First-time adoption of Ind AS - Reconciliation
Effect of Ind AS adoption on the Standalone Balance Sheet as at 31 March 2022 and 1 April 2021

Particulars	Note	As at 1 April 2021 (End of last period presented under previous GAAP)			As at 31 March 2022 (End of last period presented under previous GAAP)		
		Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS	Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		144.57	-	144.57	245.23	-	245.23
Intangible assets		7.00	-	7.00	6.61	(0.00)	6.61
Right of use assets	E	-	319.88	319.88	-	451.01	451.01
Financial assets							-
(i) Investments	A	97.01	51.94	148.95	297.01	51.94	348.95
(ii) Loans	A	-	187.62	187.62	-	63.11	63.11
(iii) Other financial assets	E&G	-	36.56	36.56	-	27.13	27.13
Deferred tax assets	D	10.27	33.23	43.50	10.58	39.31	49.89
Current tax assets (Net)	G	-	14.99	14.99	-	49.51	49.51
Other non-current assets	G	311.59	(304.58)	7.01	225.98	(218.30)	7.68
Current assets							
Inventories		537.13	-	537.13	510.73	(0.00)	510.73
Financial assets							-
(i) Trade receivables	C	351.54	(12.72)	338.82	448.87	(13.63)	435.24
(ii) Cash and cash equivalents	G	747.79	(712.27)	35.52	611.40	(611.34)	0.06
(iii) Bank balances other than above	G	-	712.28	712.28	-	611.34	611.34
(iv) Loans		-	-	-	-	43.00	43.00
(v) Other financial assets	G	-	61.12	61.12	-	31.31	31.31
Other current assets	G	99.20	(60.70)	38.50	71.90	(31.21)	40.69
Total Assets		**2,306.10**	**327.35**	**2,633.45**	**2,428.31**	**493.18**	**2,921.49**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		73.71	-	73.71	73.71	-	73.71
Other equity	A to I	1,818.30	(46.69)	1,771.61	1,885.40	(64.87)	1,820.53
Liabilities							
Non-current liabilities							
Financial liabilities							
(i) Borrowings		-	-	-	4.63	-	4.63
(ii) Lease Liabilities	E	-	332.10	332.10	-	461.27	461.27
(iii) Asset Retirement Obligation	F	-	14.92	14.92	-	20.40	20.40
Provisions		3.70	-	3.70	2.02	-	2.02
Current liabilities							
Financial liabilities							
(i) Borrowings	G	0.85	0.10	0.95	54.39	(0.00)	54.39
(ii) Lease liabilities	E	-	26.91	26.91	-	41.53	41.53
(iii) Trade payables							
a) Dues to micro and small enterprises		0.62	-	0.62	33.63	0.40	34.03
b) Dues to other than micro and small enterprises		324.66	-	324.66	296.38	(0.18)	296.20
(iv) Other financial liabilities	G	-	0.45	0.45	-	15.35	15.35
Provisions	G	26.76	(19.04)	7.72	9.91	(1.46)	8.45
Current tax liabilities (Net)	G	-	19.04	19.04	-	36.43	36.43
Other current liabilities	G	57.50	(0.44)	57.06	68.24	(15.69)	52.55
Total Equity and Liabilities		**2,306.10**	**327.35**	**2,633.45**	**2,428.31**	**493.18**	**2,921.49**

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

Effect of Ind AS adoption on the total comprehensive income for the year ended 31 March 2022

Particulars	Note	Year ended 31 March 2022		
		Amount as per IGAAP	Effects of transition to Ind AS	Amount as per Ind AS
Income:				
Revenue from operations		1,688.19	-	1,688.19
Other income	A & E	69.89	25.30	95.19
Total income		1,758.08	25.30	1,783.38
Expenses:				
Cost of materials consumed		1,073.91	-	1,073.91
Purchases of Stock-in-Trade		7.92	-	7.92
Changes in inventories of finished goods, stock-in -trade and		13.70	-	13.70
Employee benefits expense	B	145.81	4.52	150.33
Finance costs	E	9.34	40.78	50.12
Depreciation and amortization	E	32.24	55.52	87.76
Other expenses	E & C	311.16	(45.89)	265.27
Total expense		1,594.08	54.93	1,649.01
Profit before tax		164.00	(29.63)	134.37
Tax expenses:				
Current tax		43.11	-	43.11
Deferred tax	D	(0.31)	(7.40)	(7.71)
Earlier Year Tax		3.99	-	3.99
Total tax expense		46.79	(7.40)	39.39
Profit after tax for the year		117.21	(22.23)	94.98
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Re-measurement on defined benefit plans	B	-	5.26	5.26
Income tax effect on above	D	-	(1.32)	(1.32)
Total other comprehensive income		-	3.94	3.94
Total comprehensive Income for the year		117.21	(18.29)	98.92

Reconciliation of equity as at 31 March 2022 previously reported under IGAAP to Ind AS:

Particulars	Note	31 March 2022	1 April 2021
Equity as per previous Indian GAAP		1,885.40	1,818.30
Adjustments:			
Provision for expected credit loss	C	(13.63)	(12.72)
Lease liabilities (net)	E	(51.79)	(39.12)
Asset retirement obligation	F	(20.40)	(14.92)
Change in fair value of security deposit	F	(30.51)	(21.24)
Fair value of interest free loan given to subsidiary	A	(39.79)	(43.86)
Deemed investment recognised	A	51.94	51.94
Deferred tax on the above	D	39.31	33.23
Total adjustment to equity		(64.87)	(46.69)
Total equity under Ind-AS		1,820.53	1,771.61

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

Reconciliation of profit for the year ended 31 March 2022:

Particulars	31 March 2022
Profit after tax as per IGAAP	117.21
Nature of Ind AS adjustments:	
Effect on ROU accounting of lease	(50.41)
Fair value of loan given to subsidiary	25.30
Re-measurement of define benefit obligations	(4.52)
Deferred tax impact on above adjustment	7.40
Total adjustment	**(22.23)**
Profit after tax as per Ind AS	**94.98**
Other comprehensive income	**3.94**
Total comprehensive income	**98.92**

A. Investments and loans:

Under IGAAP, the Company had interest free loan given to subsidiary companies at cost. Under Ind AS, these financial assets (interest free loans) are measured at fair value through profit and loss. At initial recognition, the difference between the transaction amount and fair value is accounted for under investment in subsidiary as per Ind AS 109.

B. Defined benefit liabilities:

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit or loss. Under the IGAAP, these remeasurements were forming part of the Standalone Statement of Profit and Loss for the year. There is no impact on the total equity.

C. Trade receivables:

Under IGAAP, the Company had recognized provision on trade receivables based on the expectation of the Company. Under Ind AS, the Company provides loss allowance on receivables based on the Expected Credit Loss (ECL) model which is measured following the "simplified approach" at an amount equal to the lifetime ECL at each reporting date.

D. Deferred tax:

Under IGAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, accounting of deferred taxes is done using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the standalone balance sheet and its tax base.

E. Right of use assets and lease liability:

Under IGAAP, the Company had recognized lease payments as indirect expenses under the profit and loss account. Under Ind AS the Company recognised a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is measured at amortised cost using the effective interest method.

F. Others:

Other adjustments on account of transition to Ind AS include reclassification of land lease classified as operating leases from property, plant and equipment to prepaid rentals, fair valuation of deposits and corresponding adjustments in revenue and expenses.

G. Reclassification:

Other adjustments on account of transition to Ind AS include reclassification of items of assets, liabilities and taxes to appropriate line items of Ind-AS standalone balance sheet prescribed under Schedule III to the Companies Act, 2013.

H. Other comprehensive income:

Under Ind AS, all items of income and expense recognized in a period should be included in the Standalone Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the Standalone Statement of Profit and Loss as 'other comprehensive income' includes fair valuation of investment in equity shares and mutual fund, remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments. The concept of other comprehensive income did not exist under IGAAP.

I. Statement of cash flows:

The Ind AS adjustment are either non cash adjustment or are reporting among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact as the net cash flow for the year ended 31 March 2022 as compared with the previous GAAP.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

36 Leases

Information on leases as per Ind AS 116 on "Leases":

(a) Following are the changes in the carrying value of right of use assets :

Particulars	31 March 2023	31 March 2022
Opening balance	451.01	319.88
Additions/modifications	43.11	186.64
Deletions/adjustments	-	-
Depreciation	(59.37)	(55.51)
Closing balance	**434.75**	**451.01**

The aggregate depreciation is included under depreciation and amortisation expense in the standalone Statement of Profit and Loss:

(b) The following is the break-up of current and non-current lease liabilities:

Particulars	31 March 2023		31 March 2022		1 April 2021	
	Current	Non-current	Current	Non-current	Current	Non-current
Lease liabilities	47.75	454.47	41.53	461.27	26.91	332.10

(c) The following is the movement in the lease liabilities for the year ended 31 March 2023 and 31 March 2022:

Particulars	Lease liabilities
As at 1 April 2021	**359.01**
Additions/modifications	171.05
Finance costs	39.22
Lease rentals paid	66.48
Balance as at 31 March 2022	**502.80**
Additions/modifications	39.84
Deletions	-
Finance costs	45.41
Lease rentals paid	85.83
Balance as at 31 March 2023	**502.22**

(d) The table provides details regarding contractual liabilities of lease liabilities as at 31 March 2023, 31 March 2022 and 1 April 2021 on an undiscounted basis:

	31 March 2023	31 March 2022	1 April 2021
Undiscounted future cash flows			
- Not later than 1 year	86.38	85.11	52.29
- Later than 1 year and not later than 5 years	272.76	298.43	248.06
- Later than 5 years	257.73	311.50	213.10

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(e) Rental expense recorded for short-term leases was Rs 5.66 million for the year ended 31 March 2023 (31 March 2022: Rs. 2.82 million).

(f) **Sub-lease income:**
The Company has sub-let certain factory and showroom spaces that are renewable on a periodic basis. All leases are cancellable by providing sufficient notice. Rental income received during the year in respect of operating lease is Rs 50.21 millions (31 March 2022: Rs 33.09 millions).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

37 Employee benefits

a. Defined contribution plan

The Company's contribution to defined contribution plan has been recognized as expense in the standalone Statement of Profit & Loss under the head employee benefit expense for the year are as under:

Particulars	31 March 2023	31 March 2022
Employer's contribution to provident fund and family pension fund	8.88	6.22
Employer's contribution to employees state insurance scheme	1.14	1.34
	10.02	**7.56**

b. Defined benefit plan - Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per The Payment of Gratuity Act, 1972 and the Company's scheme applicable to the employee. The Company makes annual contributions to an Insurance managed fund to fund its gratuity liability. The Company operates single type of gratuity plans wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending on the date of joining and eligibility terms. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

The following tables summaries the components of net benefit expense recognized in the Standalone Statement of Profit & Loss and the funded status and amounts recognized in the standalone balance sheet for the respective plans.

Particulars	31 March 2023	31 March 2022
i) Changes in present value of defined benefit obligation during the year:		
Opening defined benefit obligation	14.77	15.37
Interest cost	1.02	1.01
Current service cost	3.49	4.16
Past service cost	-	-
Benefits paid directly from employer	(1.39)	(0.53)
Benefits paid from the fund	-	-
Actuarial (gains)/losses on obligations	-	-
Due to change in demographic	-	0.00
Due to change in financial assumptions	(0.62)	(0.41)
Due to experience	(1.72)	(4.83)
Closing defined benefit obligation	**15.55**	**14.77**

Particulars	31 March 2023	31 March 2022
ii) Changes in fair value of plan assets during the year:		
Opening fair value of planned assets	10.53	9.86
Interest income	0.73	0.65
Contributions by employer	-	-
Benefits paid	-	-
Return on plan assets, excluding interest income	(0.20)	0.02
Closing fair value of plan assets	**11.06**	**10.53**

Particulars	31 March 2023	31 March 2022
iii) Net (asset)/liability recognized in the standalone Balance Sheet:		
Present value of benefit obligation at the end of the year	(15.55)	(14.77)
Fair value of plan assets at the end of the year	11.06	10.53
Net (asset)/liability recognized in the standalone balance sheet	(4.49)	(4.24)
Net liability – current (refer note no. 18)	**4.49**	**4.24**
Net liability – non-current (refer note no. 18)	-	-

Particulars	31 March 2023	31 March 2022
iv) Expenses recognized in the standalone Statement of Profit and Loss for the year:		
Current service cost	3.49	4.16
Net interest Cost	0.29	0.36
Past service cost	-	-
Expenses recognized in standalone Statement of Profit and Loss	**3.78**	**4.52**

DELOITTE HASKINS & SELLS LLP ★ BENGALURU ★ CHARTERED ACCOUNTANTS

STANLEY LIFESTYLES LTD. ★ Bengaluru

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

Particulars	31 March 2023	31 March 2022
v) Recognized in standalone other comprehensive income (OCI) for the year:		
Actuarial (gains)/losses on obligations:		
Due to change in demographic	-	0.00
Due to change in financial assumptions	(0.62)	(0.41)
Due to experience	(1.72)	(4.83)
Return on plan assets, excluding interest income	0.20	(0.02)
Net (income)/expense for the period recognized in standalone OCI	**(2.14)**	**(5.26)**

Particulars	31 March 2023	31 March 2022
vi) Actuarial assumptions:		
Expected return on plan assets	7.41%	6.90%
Rate of discounting	7.41%	6.90%
Rate of salary increase	10.00%	10.00%
Rate of employee turnover	10.00%	10.00%

Particulars	31 March 2023	31 March 2022
vii) Maturity profile of defined benefit obligation:		
1st following year	1.08	0.96
2nd following year	1.17	0.94
3rd following year	1.31	1.13
4th following year	1.29	1.26
5th following year	1.70	1.23
Sum of years 6 to 10	7.35	6.92
Sum of years 11 and above	18.22	17.80

Particulars	31 March 2023	31 March 2022
viii) Standalone Balance Sheet reconciliation:		
Opening net liability	4.24	5.51
Expenses recognized in standalone Statement of Profit or Loss	3.78	4.52
Expenses recognized in standalone OCI	(2.14)	(5.26)
Net liability/(asset) transfer in	-	-
Net (liability)/asset transfer out	-	-
Benefit paid directly by the employer	(1.39)	(0.53)
Employer's contribution	-	-
Net liability/(asset) recognized in the Standalone Balance Sheet	**4.49**	**4.24**

Particulars	31 March 2023	31 March 2022
ix) Category of assets:		
Insurance fund	11.05	10.53

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plan is particularly sensitive to are discount rate and salary growth rate. The following table summarises the impact on the reported defined benefit obligation at the end of the year arising on account of an increase or decrease in the assumption by 100 basis points:

Particulars	31 March 2023	31 March 2022
Defined Benefit Obligation on Current Assumptions	15.55	14.77
Delta Effect of +1% Change in Rate of Discounting	(1.10)	(1.13)
Delta Effect of -1% Change in Rate of Discounting	1.27	1.31
Delta Effect of +1% Change in Rate of Salary Increase	1.15	1.20
Delta Effect of -1% Change in Rate of Salary Increase	(1.03)	(1.08)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.28)	(0.34)
Delta Effect of -1% Change in Rate of Employee Turnover	0.30	0.37

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the Standalone Balance Sheet.

The weighted average duration of the defined benefit obligation as at 31 March 2023 is 9 years (As at 31 March 2022: 10 years)

b. Compensated absences (Unfunded)

The defined benefit obligations which are provided for but not funded are as under:

Particulars	31 March 2023	31 March 2022
Compensated absences		
-Current (refer note no. 18)	0.85	0.31
-Non current (refer note no. 18)	-	2.02
	0.85	**2.33**

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

38 Contingent liabilities and commitments (to the extent not provided for)

Particulars	31 March 2023	31 March 2022
(i) Contingent liabilities:		
(a) Income tax (relating to disallowance of expenses/deduction, expenses claimed & adjustments) (Refer note 2 below)	1.12	-
(b) Atria mall case (Refer note 1 below)	26.34	26.34
(c) Others (relating to consumer complains and other matters)	1.80	-
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	14.12	-
(b) Corporate Guarantee		
- Stanley Retail Limited, Subsidiary Company	200.60	-
- Stanley OEM Sofas Limited, Subsidiary Company	170.00	-

Notes:

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. 26.34 millions. The 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 favorably and hence there is no necessity to provide for any anticipated liability.

2. 2. An order u/s 201(1) & 201A of the Income Tax Act, 1961 has been received invoking provision u/s 2(22)(e) of Income Tax Act, 1961 treating intercompany transactions as a deemed dividend. The demand is Rs 1.40 million and the Group has appealed against the same by remitting 20% i.e. Rs 0.28 million under dispute. In the financial ended 31 March 2022, the appeal has been allowed in the favor of the Group and subsequent to the year end, Group has applied for refund of Rs 0.28 million.

39 Disclosures under "The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)"

	Particulars	31 March 2023	31 March 2022	1 April 2021
a	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	44.97	34.03	0.62
b	The amount of interest paid by the buyer in terms of Section 16 of the Micro and Small enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
c	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro and Small Enterprise Development Act, 2006;	-	-	-
d	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.82	0.40	-
e	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act 2006.	-	-	-

* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days at the Standalone Balance Sheet date. The above information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

40 Foreign currency risk exposure as at Standalone Balance Sheet date:

Particulars	31 March 2023		31 March 2022		1 April 2021	
	Amount in Rs.	Amount in foreign currency	Amount in Rs.	Amount in foreign currency	Amount in Rs.	Amount in foreign currency
Advance to suppliers						
USD	5.71	0.07	3.81	0.05	9.10	0.12
EURO	4.16	0.05	12.01	0.14	14.98	0.17
GBP	-	-	1.01	0.01	0.69	0.01
AED	-	-	0.00	0.00	-	-
NOK	-	-	1.64	0.23	1.64	0.19
Trade payables						-
USD	(17.80)	(0.22)	(17.70)	(0.24)	(59.01)	(0.80)
Euro	(33.83)	(0.38)	(56.93)	(0.68)	(34.06)	(0.40)
YEN	-	-	(8.96)	(12.78)	(1.34)	(2.02)

Sensitivity analysis:
Impact on profit / (loss) for the year a 1% change in exchange rates:

Particulars	31 March 2023	31 March 2022	1 April 2021
Payables- Foreign currency /INR			
Increase in INR	(0.42)	(0.65)	(0.68)
Decrease in INR	0.42	0.65	0.68

41 Segment information

The primary reporting of the Company has been made on the basis of Business Segments. The Company has a single business segment as defined in Indian Accounting Standard (Ind AS) 108 on Segment Reporting, namely business of manufacturing and trading of furniture and leather products. The Managing Director of the Company allocates and assess the performance of the Company and is the chief operating decision maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment need to be considered.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

42 Related party transactions

42.a Details of related parties:

Description of relationship	Names of related parties
Subsidiaries	Stanley Retail Limited Stanley OEM Sofas Limited ABS Seating Private Limited
Step-down Subsidiaries	Staras Seating Private Limited Sana Lifestyles Limited Scheck Home Interiors Limited Shrasta Décor Private Limited
Key Management Personnel (KMP)	Mr. Sunil Suresh- Chief Executive Officer Ms. Shubha Sunil- Director Mr. Kiran Bhanu Vuppalapati (Head of OEM Business) Mr. Akash Shetty - Company Secretary (w. e. f. 11 April 2022) Mr. Jitesh Bansal - Company Secretary (up to 31 May 2020) Mr. Pradeep Mishra - Chief Financial Officer (w.e.f. 16 November 2022)
Entities in which KMP / Relatives of KMP can exercise significant influence	Staras Seating Private Limited ABS Seating Private Limited Saas Kitchens Stanley Estate & Leisure

42.b Particular of Transactions with Related parties during the year

Particulars	Relationship	For the year ended 31 March 2023	For the year ended 31 March 2022
Stanley Retail Limited	**Subsidiary**		
Sales		1,085.10	735.80
Common expenses		107.27	127.14
Purchases		5.10	0.20
Purchase of capital goods		9.37	-
Recovery of expenses		-	0.29
Reimbursement of Expenses		-	1.18
Loan repaid		43.00	86.50
Interest on loan		0.06	5.80
Received for unbilled revenue		-	42.41
Investment made during the year		16.60	200.00
Stanley OEM Sofas Limited	**Subsidiary**		
Sales		69.80	57.95
Common expenses		14.08	10.56
Purchases		6.62	2.02
Recovery of expenses		-	16.30
Rental deposit received		0.00	15.00
Reimbursement of Expenses		-	0.07
Interest on loan		8.81	6.17
Rental Income		15.70	-
Sana Lifestyles Limited			
Sales	**Step-down Subsidiary**	35.09	27.10
Reimbursement of expenses		0.25	-
Shrasta Décor Private Limited	**Step-down Subsidiary**		
Sales		200.20	119.87
Reimbursement of expenses		1.02	-
ABS Seating Private Limited	**Subsidiary**		
Sales		144.33	103.19
Staras Seating Pvt. Ltd.	**Step-down Subsidiary**		
Sales		155.25	144.96
Purchases		-	0.03
Stanley Estates and Leisure	**Entities in which KMP can exercise significant influence**		
Sales		0.33	0.10
Reimbursement of Expenses		0.24	0.10
Key Managerial Personnel			
Sunil Suresh	**Key Managerial Personnel**		
Salary/Perquisites		18.27	14.00
Royalty		10.17	10.40
Sales		0.23	0.90
Dividend		51.52	16.80
Shubha Sunil	**Key Managerial Personnel**		
Salary / Perquisites		16.28	13.80
Dividend		51.52	16.80
Sales		-	2.40
Akash Shetty	**Key Managerial Personnel**		
Salary / Perquisites		1.12	0.10
Pradeep Mishra	**Key Managerial Personnel**		
Salary / Perquisites		2.76	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

42.c Balances as at year end

Particulars	Relationship	31 March 2023	31 March 2022	1 April 2021
ABS Seating Private Limited	**Subsidiary**			
Trade receivables		-	-	2.92
Advance from customers		10.93	9.90	-
Investment		19.66	19.40	19.40
Saas Kitchens	**Entities in which KMP can exercise significant influence**			
Trade receivables		6.40	6.40	6.40
Staras Seating Private Limited	**Step-down Subsidiary**			
Advance from customers		6.57	6.54	24.07
Stanley OEM Sofas Limited	**Subsidiary**			
Trade receivables		30.55	97.08	29.28
Rental deposit received		15.00	15.00	-
Loans and advances		100.00	102.90	101.98
Investment		37.70	37.60	37.60
Corporate Guarantee		170.00	-	-
Interest on loan receivable		-	-	0.55
Stanley Retail Limited	**Subsidiary**			
Trade receivables		270.80	198.57	202.00
Loans and advances		-	43.00	129.50
Investment		260.34	240.00	40.00
Rental deposit received		4.05	-	-
Corporate Guarantee		200.60	-	-
Sana Lifestyles Limited	**Step-down Subsidiary**			
Advance from customers		0.19	6.98	4.84
Scheek Home Interiors Limited	**Step-down Subsidiary**			
Trade receivables		20.63	20.63	20.63
Shrasta Décor Private Limited	**Step-down Subsidiary**			
Trade receivables		95.15	50.80	13.53
Stanley Estates and Leisure	**Entities in which KMP can exercise significant influence**			
Trade receivables		0.38	17.10	20.58
Sunil Suresh	**Key Managerial Personnel**			
Salary payable		1.88	-	-
Royalty		2.30	2.10	0.30
Trade receivables		-	-	0.10
Shubha Sunil	**Key Managerial Personnel**			
Salary payable		1.65	0.70	0.20
Trade receivables		-	0.29	-
Kiran Bhanu Vuppalapati	**Key Managerial Personnel**			
Trade receivables		-	0.10	0.10
Trade payables		-	-	0.20
Akash Shetty	**Key Managerial Personnel**			
Trade Payables		0.09	0.09	-
Guarantees - KMP	**Key Managerial Personnel**			
(Joint guarantee of Sunil Suresh and Subha Sunil)		-	150.00	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

43 Earning per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	31 March 2023	31 March 2022
Profits attributable to equity shareholders	87.11	95.30
Net profit for calculation of basic and diluted EPS	87.11	95.30
Weighted average number of equity shares in calculating basic EPS (Spilt and Bonus share- refer note 55)	5,15,97,168	5,15,97,168
- No of equity share as at 31 March	73,71,024	73,71,024
- No of split equity share	3,68,55,120	3,68,55,120
- No of bonus equity share	1,47,42,048	1,47,42,048
Total weighted average number of equity share	5,15,97,168	5,15,97,168
Weighted average number of equity shares in calculating basic EPS (Spilt and Bonus share- refer note 55)	5,15,97,168	5,15,97,168
Basic earning per share in Rs.	1.69	1.85
Weighted average number of equity shares in calculating basic EPS (Spilt and Bonus share- refer note 55)	5,15,97,168	5,15,97,168
Weighted average share under Employee Stock Options	41,227.00	-
Weighted average share at average market price	(10,402.78)	-
Diluted earning per share in Rs.	1.69	1.85

44 Provision for warranty

The Company has given warranties on various ranges of furniture, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as on 31 March 2022 represents the amount of the expected cost of meeting such obligation of rectification / replacement.

Particulars	31 March 2023	31 March 2022	1 April 2021
Balance as at the beginning of the year	3.90	1.68	1.65
Add: Charge for the year	2.58	2.22	0.03
Less: Utilised during the year	-	-	-
Balance as at the year end	**6.48**	**3.90**	**1.68**
Current liabilities	6.48	3.90	1.68

45 Details submitted to bank on account of credit facility availed

Working capital facilities (fund based and non-fund based) aggregating to Rs. 720.00 million (As at 31 March 2022 Rs. 500.00) are secured by first pari-passu charge on all the hypothecation of inventory, receivables, book debts and other current assets (present and future) and second pari-passu charge on hypothecation on unencumbered plant, machinery and equipment's, electrical works, corporate guarantee by Stanley Lifestyles Limited, Parent Company (31 March 2022 and 31 March 2021: personel gurantee of Mr. Sunil Suresh and Mrs. Shubha Sunil) and lien on bank deposit of Rs. 150.00 million (31 March 2021: Rs 120 million).

The monthly statements of receivables, payables, inventories and sales filed with the banks against the borrowings obtained by the Company are in agreement with the books of account other than below:

Month	Bank name	Sanctioned amount	Nature of assets	As per unaudited books of accounts	Amount as per quarterly returns and statements	Amount of difference*
Jun-22	SBI Bank	500.00	Trade receivables	533.50	533.70	(0.20)
			Trade payables	317.90	317.18	0.72
Mar-23	SBI Bank ICICI Bank	500.00 220.00	Inventory	432.29	432.06	0.23

* These differences in trade receivables, trade payables, and inventories are because of the book closure entries.

Notes:
1) Intercompany receivables and payables are considered for the purpose of filling out the statement to the bank.
2) Stock-in-transit is considered for the purpose of filling out the statement to the bank.

46 Registration or satisfaction of charge

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except below:

Particulars	Type of charges	Location of registrar	Period (in Days)	Date of creation	Date of modification	Modified value	Reason
SBI Charge	1. Equipment machinery 2. Inventories 3. Trade receivable 4. Trade payable 5. Current assets	Bengaluru	30 days	29 June 2009	13 February 2023	500.00	Technical issue in the MCA portal
ICICI Charge	1. Equipment machinery 2. Inventories 3. Trade receivable 4. Trade payable 5. Current assets	Bengaluru	30 days	12 April 2023	-	220.00	Technical issue in the MCA portal

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

47 Significant accounting ratios

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022:

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% of change	Reason
Current ratio	Current assets	Current liabilities	3.26	3.10	5%	-
Debt- equity ratio	Total debt[1]	Shareholder's equity	0.30	0.30	1%	-
Debt- service coverage ratio	Earnings available for debt service[2]	Debt service[3]	0.97	3.52	-72%	-
Return on equity ratio	Net profits after taxes	Average shareholder's equity	0.05	0.05	-8%	-
Inventory turnover ratio	Cost of goods sold	Average inventory	3.16	2.09	51%	Refer note (i) below
Trade receivables turnover ratio	Revenue from operations[4]	Average trade receivable	5.36	4.36	23%	-
Trade payables turnover ratio	Total purchase[5]	Average trade payables	6.12	4.07	50%	Refer note (ii) below
Net capital turnover ratio	Revenue from operations[4]	Working capital [6]	2.24	1.49	51%	Refer note (iii) below
Net profit ratio	Net Profit after taxes	Revenue from operations[4]	3.82%	5.63%	-32%	Refer note (iii) below
Return on capital employed	Earning before interest and taxes	Capital employed[7]	7.79%	7.51%	4%	-
Return on investment	Income generated from investments	Weighted average Investments	NA	NA	-	-

[1] Debt includes current and non current portion of lease liabilities.

[2] Earnings for debt service includes net profit after taxes and non-cash operating expenses like depreciation, profit/ loss on sale of property, plant and equipment, etc.

[3] Debt service includes interest & lease payments.

[4] Revenue from operations means gross credit sales after deducting sales return.

[5] Total purchases means gross credit purchases after deducting purchase return. Gross credit purchases includes other expenses.

[6] Working capital is calculated by deducting current liabilities from current assets.

[7] Capital employed is calculated by Net worth + total debt + deferred tax liability - Intangible asset

Explanations for variances change more than 25%:
i. Increase in cost of goods sold of the Company during the year has resulted in movement in this ratio.
ii. Increase in purchase of the Company during the year has resulted in movement in this ratio.
iii. Increase in revenue of the Company during the year has resulted in movement in this ratio.

48 As required under Section 186(4) of the Companies Act 2013, the particulars of loans and advances made during the year and which are outstanding as at year-end are as follows :

Name of the entity and relationship with the Company	Rate of interest	Due date	Secured/ unsecured	31 March 2023	31 March 2022
Stanley Retail Limited, Subsidiary Company	6.00%	01-04-2022	Unsecured	-	43.00
Stanley OEM Sofas Limited, Subsidiary Company	9.00%	01-04-2029	Unsecured	100.00	102.90

49 Relationship with struck of companies

The Company has not entered any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies,1956 except following:

Name of the struck of companies	Nature of transactions	Relationship with struck off Company	31 March 2023	31 March 2022
TNT India Private Limited	Expense	Vendor	0.00^	-

^ Rs. 907

50 Details of Corporate Social Responsibility (CSR) expenditure

Particulars	31 March 2023	31 March 2022
(a) Gross amount required to be spent by the Company during the year as per Section 135 of the Act.	**2.47**	**2.83**
(b) Amount spent during the year:		
(i) Construction / Acquisition of any asset	-	-
(ii) On purposes other than (i) above (Promotion of education and prevention of child labor)	0.55	0.71
c) Details related to spent / unspent obligation		
(i) Construction / Acquisition of any asset	-	-
(ii) Unspent amount relating to		
- Ongoing project*	1.92	-
- Other than ongoing project*	0.00	2.12

*Subsequent to the year end, the Company has transferred Rs. 1.92 millions (31 March 2022: Rs 2.12 millions) to "Unspent CSR Account" with a bank.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

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

Details of other than ongoing project

Opening balance	Amount required	Amount		Closing balance		
In separate CSR unspent account	to be spent during the year	From Company's bank account	From separate CSR unspent account	With Company	In separate CSR unspent account	Excess in unspent account
2.12	2.47	0.55	2.12	-	1.92	-

Movement in provision for CSR:

Particulars	31 March 2023	31 March 2022
Balance at the beginning of the year	2.12	2.50
Provision made during the year	1.92	2.12
Provision utilised during the year	(2.12)	(2.50)
Balance at the end of the year	1.92	2.12

51 Employee Stock Options

Employee Stock Option Plan 2022 ("ESOP 2022")

The Company established the Employee Stock Option Plan 2022 ("ESOP 2022") with effect from 30 September 2022 as approved vide Board Resolution dated 6 September 2022 and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the options available for issuance under ESOP 2022 have been issued and exercised.

Pursuant to the ESOP 2022, the Company has granted options to the employees of the Company and employees of subsidiary Company and Companies forming part of the Company, which would vest to the employees as per the terms of the Grant Letter.

Particulars	Stanley Lifestyle Stock Option Plan 2022	
	Bucket A	Bucket B
Date of grant	16 November 2022	16 November 2022
No. of options granted	36,662.00	4,565.00
Method of settlement	Equity	Equity
Vesting period	Graded vesting over the period of 4 years from the date of grant	Graded vesting over the period of 4 years from the date of grant
Exercise period	4th year from the date of grant	4th year from the date of grant
Vesting conditions	Continues services and performance	Continues services and performance
Exercise price per option (Rs.)	Rs. 850	Rs. 10
Fair value of option (Rs.)	Rs. 901	Rs. 1,403

Movement in stock options during the year

Particulars	Bucket A		Bucket B	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Opening balance	-	-	-	-
Granted during the year*	36,662.00	-	4,565.00	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year*	**36,662.00**	-	**4,565.00**	-

* Weighted average exercise price for options exercised during the year Rs. 10 and Rs. 850 (31 March 202: Rs Nil)

Fair value of share options grant

The fair value of the share options granted is estimated at the grant date using the option pricing model (Black Scholes), taking into account the terms and conditions upon which the share options were granted.

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	Bucket A	Bucket B
Exercise price of options granted during the year ended 31 March 2023	Rs. 850	Rs. 10
Risk free rate of return	0.07	0.07
Life of the options granted (vesting and exercise period) in years	4 years	4 years
Volatility	0.16	0.16

The expense recognised for employee services received during the year is shown in the following table:

Particulars	31 March 2023	31 March 2022
Expense arising from equity-settled share-based payment transactions	2.85	-

52 (i) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(ii) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

iii) The Company has not traded or invested in crypto currency or virtual currency during the financial period.

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

v) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS BENGALURU

STANLEY LIFESTYLES LTD. Bengaluru

STANLEY LIFESTYLES LIMITED
CIN: U19116KA2007PLC044090
Notes to the standalone financial statements for the year ended 31 March 2023
(All the amounts are in Indian Rupees Millions except for share information or as otherwise stated)

53 A) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (intermediaries) with the understanding that the Intermediary shall:
1) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
2) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The Company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company 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) or
b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

54 The Company has maintained proper books of account as required by law except for keeping backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India.

55 The Company evaluated all events or transactions that occurred after 31 March 2023 up through 22 August 2023, the date the standalone financial statements were authorized for issue by the Board of Directors. Based on this evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the standalone financial statements other than as disclosed below for disclosure:

(i) The Company's Board of Directors, at its meeting held on 16 June 2023, proposed/recommended to the members of the Company a subdivision of authorised share capital from 75,00,000 equity shares having a face value of Rs. 10 each per equity share to 3,75,00,000 equity shares having a face value of Rs. 2 each per equity share in terms of Sections 13, 61, and 64 and other applicable provisions of the Companies Act, 2013, which was further approved by the members in the general meeting held on 19 June 2023.

(ii) The Company's Board of Directors, at its meeting held on 16 June 2023, proposed/recommended to the members of the Company, an increase in the authorised share capital from Rs. 75 million to Rs. 150 million in terms of Section 61 and other applicable provisions of the Companies Act, 2013, which was further approved by the members in the general meeting held on 19 June 2023.

(iii) The Company's Board of Directors, at its meeting held on 16 June 2023, proposed/recommended to the members of the Company, a bonus share in the proportion of 2 new bonus shares of Rs 2 each per equity share for every 5 existing fully paid-up equity shares of Rs 2 each, by capitalisation an amount of Rs 29.48 million in terms of Sections 63 and 123(5) and other applicable provisions of the Companies Act, 2013, which was further approved by the members in the general meeting held on 19 June 2023.

(iv) Subsequent to year-end, the Company has availed of the additional working capital facility of Rs 220 million from ICICI Bank, secured by the 100% bank deposit with ICICI Bank.

(v) The Company's Board of Directors, at its meeting held on 22 August 2023, proposed/recommended to the members of the Company amending the employee stock option scheme of the Company, namely, Stanley Lifestyles Limited Employee Stock Option Plan 2022, to comply with the requirements of the Securities and Exchange Board of India (Share-Based Employee Benefits and Sweat Equity) Regulations, 2021 (the "SEBI SBEB & SE Regulations"), as amended, which was further approved by the members in the annual general meeting.

56 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS
BENGALURU

For and on behalf of the Board of Directors
STANLEY LIFESTYLES LIMITED

Sunil Suresh	Shubha Sunil	Akash Shetty	Pradeep Mishra
Director	Director	Company Secretary	Chief Financial Officer
DIN 01421517	DIN 01363687	FCS No: 11314	

Place: Bengaluru
Date: 22 August 2023

STANLEY LIFESTYLES LTD.
Bengaluru