



Ref. No. : SIL/CHD/2019-20/040919

Dated : 04.09.2019

The President
Corporate Relation Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400001

BSE Scrip Code: 526951

Trading Symbol : STYLAMIND

Sub: 28th Annual Report and Accounts of Stylam Industries Limited

Dear Sir/Madam,

Please find enclosed herewith the 28th Annual Report and Accounts of Stylam Industries Limited for the Financial Year 2018-19 ('Annual Report'). The Notice convening the Annual General Meeting of the Company along with the attendance slip, proxy form and route map forms part of this Annual Report.

The Annual Report is also available on our website at www.stylam.com.

This information is being submitted pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

You are requested please take above information on your record.

Thanking you,

For Stylam Industries Limited

Jatin

Company Secretary

Membership No. A58514

Encl: As above

Stylam Industries Limited

Regd. Office: SCO 14, Sector 7 C, Madhya Marg, Chandigarh (INDIA)-160019 T: +91-172 - 5021555/5021666 F: +91-172-5021495

Works I: Plot No. 192 - 193, Industrial Area Phase -1 Panchkula (Haryana) INDIA - 134109 T: +91-172-2563907/2565387

Works II: Village Manak Tabra towards Raipur Rani, Mattewala Chowk, Distt. Panchkula (Haryana)

W: www.stylam.com CIN: L20211CH1991PLC011732 (Govt. of India recognised Star Export House)



Annual Report



and countless milestones.

2018-2019



28 years.

This is what happens when you keep on walking with ambition in your head. Vision in your eyes. Passion in your heart. And commitment in every step you take. You go places. Your milestones become stepping stones. And then there is no end to it. Your dreams become bigger, your ambitions become higher.

Stylam is proud to have completed 28 glorious years. While we know we have come a long ways, **we still believe we have a long way to go.**

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Mission Statement

Our mission is to produce and continually develop quality products with highest possible standards. We will always strive to service our customer with the utmost integrity, and to their complete satisfaction. It is our goal to ensure our mission by continuous self-improvement, growth in our operations and employees; while maintaining profitability to the benefit of our customers, employees, and community.





Value Statement

■ Design

We offer the widest selection of patterns and finishes available to match the breadth of your imagination and make your design unique.

■ Performance

We use premium materials with high-quality standards to keep your designs pristine even in the most strenuous environments.

■ Service

We have a large footprint with Asia's largest manufacturing facilities located at Panchkula, India & distribution centers all across globe to ensure timely delivery.

■ Community

Stylam is dedicated to giving back to the communities in which we reside by supporting local and national non-profit organizations with both funding and product.

■ Sustainability

We are committed to preserving our environment and enhancing the quality of life in the communities we serve.

Stylam Industries Ltd. - *Journey so far...*

- 1991** ✓ Golden Laminates Limited started operations as Private Limited Company.
- 1995** ✓ Listed in (Bombay Stock Exchange) BSE within four years of Inception.
- 1996** ✓ Recognized as an 'Export House' by the Government of India.
- 2001** ✓ Expanded as Global Entity with Pan India presence & thriving Export market.
- 2010** ✓ Company name changed to Stylam Industries Limited.
- 2012** ✓ First ever Indian manufacturing Company to Introduce HPL Exterior Cladding with brand name 'Fascia'.
- 2013** ✓ Introduces its premium sub brand 'VIOLAM'
- 2013** ✓ Fascia HPL Exterior Cladding within 1 year after launch became Top Selling Brand across Nation.
- 2015** ✓ Stylam lays foundation stone at Manaktabra, Haryana for its Asia's largest Laminate Plant.
- 2017** ✓ Stylam Industries Limited expanded its operations and inaugurated its Largest Manufacturing Unit located at Manaktabra, Panchkula spread across 44 Acres.
- 2017** ✓ Stylam Launched range of Restroom Cubicles & Lockers & became India's First manufacturer with 1860 x 4320 mm Panel Size with brand 'Cuboid'
- 2017** ✓ Stylam Industries Limited introduced range of Special Surfaces with Mirror, Magnetic, Electrostatic Dissipative Laminates etc.
- 2018** ✓ Introducing and adding new product line of Acrylic Solid Surfaces (India's First Manufacturer) by brand GRANEX.
- 2019** ✓ Stylam introducing World's First Hot Coating Process machine from Spain with German technology for HPL, which can make premium range surfaces like Anti Finger Print Laminate with brand 'TOUCH ME' on any color starting from 0.8mm thickness & MR+ High Gloss Laminate with brand 'GLOSS PRO +'

Coming Soon

2019-20

- ✓ Stylam planning to introduce Short Cycle Press technique for making Pre Lam Board in both Anti Finger & High Gloss finishes.
- ✓ Stylam will come up with Polyester Solid Surfaces which will be made in First Ever Organized European Plant of India.

& many more coming soon as Stylam keep focusing on its R&D work to develop technologically advanced products & bring a turnaround into Global Market.



TOGETHER WE WIN

STYLAM STRENGTH

- Having Global presence in more than 65+ Countries.
- Over 2000+ Designs, 120+ Textures & Finishes.
- Having range of High Pressure Laminates, Cubicles board, HPL Exterior Cladding, Acrylic Solid Surfaces.
- State of art technology & manufacturing of acrylic solid surfaces.
- We have multiple surfaces available in High Gloss, Metallic, Anti-bacterial, Chalkboard, FR, electrostatic, magnetic, mirror, translucent, chemical retardant, etc.
- Having Pan India Channel partner network.
- Credibility of more than 28 years in Industry.
- Stylam Laminates Uniform and superior sanding ensure best bonding with substrates.
- Asia's biggest Infrastructure & manufacturing plant of Laminates.
- Largest capacity of hydraulic press in India having 28 daylight openings in following size 1220 x 2440 mm, 1300 x 2850 mm, 1300 x 3050 mm, 1860 x 3660 mm & 1860 x 4320 mm.
- Largest Laminate producing group in India with a production capacity of over 1.3 million laminates per month.
- First Ever in India Hot Coating process machine for HPL to produce top quality High Gloss & Anti Finger Print laminates in wide ranges.



Our Story

Stylam Industries started life as a Laminate Manufacturer. Over 28 year's journey, manufacturing capabilities have been increased to 40+ acre including factories in Manaktabra (Largest Laminate manufacturing plant in Asia) and Panchkula, India.

Likewise Stylam product range has grown considerably and has constantly reviewed and improved to meet our Clients, Architects, Builders and Contractors requirements.

The Product range comprises world class range of High Pressure Laminates for Furniture, Interior furnishing, Cubicles, Acrylic Solid Surface and Exterior Cladding. The company producing some of excellent HPL in special ranges like Mirror, Magnetic, Metallic, Flicker, Synchro & Post forming to name a few.

Stylam introducing World's First Hot Coating Process machine from Spain with German technology for HPL, which can make premium range surfaces like Anti Finger Print Laminate with brand 'TOUCH ME' on any color starting from 0.8mm thickness & MR+ High Gloss Laminate with brand 'GLOSS PRO +'



Caution regarding Forward-Looking Statements

- This Annual Report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements.
- Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performances or achievements could thus differ materially from those projected in any such forward-looking statements.



MANAGEMENT DISCUSSIONS AND ANALYSIS

Company's Performance

Financial Year 2018-19 was a good year for Company, wherein Company executed well on its strategic roadmap and delivered a strong financial performance.

The financial year was filled with external vulnerabilities arising out of rising oil prices, trade wars between major global trading partners and US monetary tightening, but India outshined as the world's fastest growing large economy majorly led by a robust consumption story. However, the GDP growth moderated primarily due to subdued rural demand towards the second half of the year coupled with liquidity issues. While consumer sentiments were moderated, the long term consumption story remains intact.

Global Economy

Following upswing in last two decades' global economy declined to of 3.6% in 2018. Though first half of 2018 witnessed strong growth at 3.8%, but the second half saw a deceleration in global economic activity.

During the second half of the year, however, the global economy lost some momentum, mainly on account of the increased trade frictions between the US and China, and the tightening of financial conditions. International Monetary Fund (IMF) expects growth to decelerate to 3.3% in 2019 and its projections suggest that all three major engines of the global economy, viz. US, China and Euro area are likely to decelerate in 2019. On the positive side, however, IMF expects world economic output to recover and grow at 3.6% in 2020.

Growth in India was 7.1%, primarily due to growth in construction sector (8.9%) and manufacturing sector (8.1%). The Gross fixed capital formation is estimated to have increased by 10%, thereby contributing to 32.3% of GDP.

Overall, increasing trade tensions took a toll on business confidence, worsening financial market sentiments. Also, tightening financial conditions for vulnerable emerging markets in early 2018 and for advanced economies later in the year showed its impact on global demand, leading to a slowdown in global economic growth.

Europe: growth in the Eurozone slowed down due to the high deficit concerns in Italy and political uncertainties around Brexit.

Asia: Nepal witnessed a slowdown in construction activity.

Middle East: conditions remained poor across the region and housing/construction remained dull. The UAE introduced VAT for the first time in January 2018 further aggravating the poor conditions. Bahrain followed suit by introducing VAT in January 2019

Ethiopia, Syria, Iran: currency restriction

Egypt: economic downturn

Outlook

According to the International Monetary Fund ('IMF'), global economic growth is expected to further decline to 3.3% in 2019 but return to 3.6% in 2020. While the slow paced growth in the second half of 2018 is likely to continue in the first half of 2019, growth in the second half of 2019 is expected to gain momentum, owing to an ongoing build-up of policy stimulus in China, improvements in global financial market sentiment, waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies. Improved momentum for emerging market and developing economies is projected to continue into 2020, primarily reflecting developments in economies currently experiencing macroeconomic distress.

Growth in advanced economies is expected to slow down from 2.2% in 2018 to 1.8% in 2019 to 1.7% in 2020. The United States is expected to grow at a slower pace of 2.3% in 2019, down to a further 1.9% in 2020 as the impact of the fiscal stimulus fades. Growth in the Euro area is expected to decline to 1.3% in 2019 as the effect of the weakness in 2018 is likely to carry forward to the first half of 2019. China's economic growth is expected to be at 6.3% in 2019 due to lingering impact of trade tensions with the US.

Indian Economy

Indian economy exhibited mixed record in the just concluded fiscal. GDP growth slowed from 7.2% in FY18 to 6.8% in FY19. Sub-par rainfall in 2018, tight financial conditions faced by the non-banking financial sector and moderation of external demand were the key challenges faced by the economy. Consumption growth declined during the second half of the year, but there were some signs of revival in the investment cycle, as the rate of gross fixed capital formation improved from 31.4% of GDP in FY18 to 32.3% in FY19.

Macroeconomic stability indicators broadly maintained their health. Low inflation has created the space for monetary policy easing, which will also help support growth revival. The fiscal deficit target for FY19 was adhered to, despite a shortfall in tax revenues. While the current account deficit was high at 2.6% of GDP during the first three quarters of FY19, the softness in

international oil prices portends its narrowing in the coming quarters. Following the resounding political mandate for the ruling Government, expectations of further economic reforms and impetus to large infrastructure investments have been reinforced. These are reflected in strong inflows in the capital market, taking equity indices to record levels in the weeks following the general elections.

The Indian currency saw a significant depreciation, falling to lows of 74.3 per USD mark mid-year before recovering. The last month of FY2018-19 saw the Rupee recover sharply to 68-69 per USD range on the back of renewed portfolio inflows as well as revised views on a likely long pause from the US Fed on its interest rates.

Outlook

India's medium-term growth prospects continue to be robust and is expected to grow at about 7.3% in 2019 and further by 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Significant reforms undertaken in the recent years such as GST and insolvency code would raise India's growth potential in the coming years, amplifying the effect of the long-term structural cornerstones of the Indian growth story such as demography and urbanization. In the near-term, however, uncertainty over the forthcoming monsoon season and the heightened global risks present headwinds for FY20. Accordingly, the outlook for the Indian economy in FY20 is one of cautious optimism at this juncture.

Laminate Industry

In terms of volume, the global decorative laminates market is pegged at 10,814 Mn Sq. Meter in 2017 and is expected to reach 15,645 Mn Sq. Meter by 2025 end. The market is slated to expand at a CAGR of 4.7% in terms of volume over the forecast period. Global sales of decorative laminate is estimated to be valued at US\$ 64,515.6 Mn in 2017 and is projected to increase at a CAGR of 5.1% over the forecast period to be valued at US\$ 95,877.8 Mn by 2025.

Outlook

The global Decorative Laminates Market is expected to display higher growth rate over the next seven years. The market is subject to witness a substantial growth due to the growing construction activities, rapid urbanization, increasing population and growing infrastructural spending by both developing and developed economies across the globe. Growing constructional activities like in shopping malls and business parks the developing economies across the Asia Pacific region such as India, China, Malaysia, Thailand and Singapore are expected drive the growth of decorative laminates market in the upcoming years.

Growing demand of decorative laminates from housing market is credited to booming buildings & construction industry, thus driving market growth over the forecast period. Additionally, increasing benefits of decorative laminates over traditional materials such as metal, wood, and plastic are expected to fuel the growth of the market in upcoming years. Globally, the market is predicted to generate massive revenue over next seven years, providing numerous opportunities for market players to invest for research and development in the decorative laminates market.

Increasing demand for decorative laminates from building & construction industry owing to

benefits associated with its use such as higher durability and attractive appearances of the surfaces are expected to influence market growth over the forecast period. Additionally, decorative laminates also provide protection against harsh weather and external environmental factors such as ultra-violet radiation, high temperatures, acid rain, and pollution particles. These factors are predicted to boost market demand for decorative laminates during this period.

The market is broadly categorized into two major segments based on the application type such as residential sector and non-residential sector. The non-residential sector is considered as one of the fastest growing segment in the market with substantial revenue generation in the last few years. Growing popularity of decorative laminates in the non-residential segment is attributed to the increasing demand from restaurants, laboratories, educational institutes, office furniture, hospital, hotels, and retail shops. The residential segment has also witnessed substantial growth owing to the improved living standards and rising per capita income.

The market is divided by region as North America, Europe, Asia-Pacific, Latin America and Africa. North America has shown major growth in recent years owing to the rise in the implementation of latest technologies home décor industry, increase in the number of research & development activities in the region and existence of well-established industrial infrastructure.

Asia-Pacific region is predicted to hold major market share in the decorative laminates market with massive growth in forecast period. Countries such as India, China and Singapore are leading the Asia-Pacific market with robust growth home décor industry, increasing building & construction activities, rising per capita income, improved living standards, and significant investment by leading industry players considering potential growth opportunities in the region.

Furniture and cabinets application segment is estimated to gain 210 BPS by 2025

By application, the furniture & cabinets segment is estimated to dominate the global decorative laminates market and is expected to create total incremental dollar opportunity of US\$ 20,629.2 Mn between 2017 and 2025. In terms of value, the furniture & cabinets segment is expected to gain 210 BPS in 2025 as compared to 2017 and is expected to expand at a CAGR of 5.5% during this period.

Capacity

Company has two manufacturing units at Panckhula with production cumulative capacity of 11Mn sheets per annum at the close of Financial Year 2018-19.

The company initiated expansion by putting one more press line to enhance its cumulative capacity to 14.3Mn sheet per annum.

Expansion

All our expansion plans are progressing as per planned and are scheduled for completions by second half of financial year 2019-20.

Business Consolidation

To consolidate all business vertical related with Building Materials, under flagship of Stylam, the company had filed application for amalgamation of Golden Chem-tech Limited with Stylam with Hon'ble NCLT, Chandigarh Bench.

Property Held for Sale- IT/ BPO Building

The Company, had planned to diversify into IT/BPO Sector in the year 2012-13 and purchased land ad-measuring 5573sq mtr in Panchkula Technology Park in Haryana, India, conceptual design of the building, named as 'Stylam Tower', was designed by well-known architect RSP Designs. However, with the expansion in the laminate business and the strategy going forward to concentrate on its core business related with 'Building Materials', the Company endeavors to sell-off the tower. The property has been quoted at market value and categorized as Investment Property. The proceeds when realized will be used for reduction of long term borrowings.

Management Committee

Board of Directors

Mr. Jagdish Gupta
Managing Director

Mr. Mani Gupta
Director

Mr. Satpal Garg
Independent Director

Ms. Purva Kansal
Independent Director

Mr. Ashutosh Pradeep Sardesai
Nominee Director

Mr. Manav Gupta
Whole Time Director

Mr. Sachin Bhatla
Director - Technical

Ms. Sonia Goyal
Independent Director

Ms. Renu Sood
Independent Director

Key Managerial Personnel

CS Jatin
Company Secretary

Sanjeev Vaid
Chief Financial Officer

Committees

Audit Committee

Mr. Satpal Garg
Mr. Jagdish Gupta
Ms. Purva Kansal

Nomination and Remuneration Committee

Mr. Satpal Garg
Ms. Purva Kansal
Ms. Sonia Goyal

Stakeholders Relationship Committee

Mr. Satpal Garg
Ms. Purva Kansal
Mr. Jagdish Gupta

Corporate Social Responsibility Committee

Mr. Satpal Garg
Mr. Jagdish Gupta
Mr. Mani Gupta

Sexual Harassment Committee

Ms. Purva Kansal
Ms. Sonia Goyal
Mrs. Renu Sood
Mrs. Rajesh Bala

Auditors

Statutory Auditors

M/s Mittal Goel & Associates
Chartered Accountants,
SCO 40-41, Sector - 17A,
Chandigarh-160 017

Secretarial Auditor

Sanjiv Kumar Goel,
Company Secretary,
SCO 154-155, 1st Floor,,
Sector-17-C, Chandigarh- 160017

Banker

State Bank of India
HDFC Bank Ltd
Federal Bank Ltd
Standard Chartered Bank Ltd

Registrar and Share Transfer Agent

LinkIntime India Private Limited
44, Community Centre, 2nd Floor, Naraina Industrial Area
Phase-I, Near PVR Naraina,
NewDelhi-110028
Tel-011-41410592-93-94
Email: delhi@linkintime.co.in

Stock Code

Bombay Stock Exchange Limited ...526951
ISIN Detail INE239C01012

Registered Office

SCO14, Sector 7-C,
Madhya Marg,
Chandigarh -160019(INDIA)
Tel-+91-172-5021555,5021666
Website:www.stylam.com



Financial Performance

FINANCIAL PERFORMANCE

10 YEAR RECORD

Rs in crores except per share data and ratios

Results for Financial Year	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16 [^]	2016-17 [^]	2017-18 [^]	2018-19 [^]
Income Statement										
Net Revenue from operations	63.99	83.15	104.17	140.21	184.92	214.17	249.41	294.29	337.96	460.67
Growth	17%	30%	25%	35%	32%	16%	17%	18%	15%	36%
Other Income	0.72	3.86	0.39	1.21	1.98	0.65	0.64	1.12	2.34	1.59
Net Revenue	64.71	87.01	104.56	141.42	186.9	214.45	250.05	295.41	340.30	462.26
Material Cost	43.16	57.01	64.68	87.51	116.15	130.02	141.80	153.50	181.75	254.98
% of Net Revenue from Operations	67.4	70.5	62.1	62.4	62.8	60.8	56.8	52.2	54.0	55.3
Overheads	14.53	21.67	29.32	40.02	48.29	61.41	77.46	97.79	106.96	128.42
% of Net Revenue from Operations	22.7	24.1	28.1	28.5	26.1	28.7	31.1	33.2	31.6	27.9
Operating Margins to Net Revenue from operations (%)	9.8	5.4	9.8	9.0	11.1	10.5	12.1	15.5	14.6	16.8
Finance Cost	1.26	1.41	3.55	4.66	9.21	4.92	6.46	10.02	7.70	11.13
Depreciation & Amortization	1.39	1.60	2.82	3.07	3.26	4.20	4.65	5.70	10.83	15.79
Profit Before Tax	4.37	5.32	4.19	6.16	9.99	13.90	19.68	31.16	33.06	51.93
% of Net Revenue	6.8	6.1	4.0	4.4	5.3	6.5	7.9	10.6	9.8	11.3
Profit After Tax	3.00	3.76	2.82	4.07	6.82	9.39	12.15	19.64	20.05	35.08
% of Net Revenue	4.6	4.3	2.7	2.9	3.6	4.4	4.9	6.6	5.9	7.6
ROCE (%) - average	16.1	12.5	11.4	11.5	17.8	15.0	15.1	14.7	15.0	19.9
RONW (%) - average	16.4	18.8	12.7	15.8	21.8	23.9	24.2	27.6	18.1	21.5
Earnings Per Share of Rs.10/- each	4.10	5.13	3.85	5.56	9.33	12.84	16.60	26.85	24.84	42.95
Balance Sheet										
Share Capital	7.32	7.32	7.32	7.32	7.32	7.32	7.32	7.32	8.16	8.16
Other Equity	11.96	13.44	16.42	20.52	27.34	36.73	48.98	69.21	137.14	172.66
Deferred Tax liability	0.64	1.10	1.32	1.20	1.49	1.61	1.60	2.66	6.18	8.89
Borrowings	15.64	32.91	44.43	66.21	73.29	81.73	116.96	184.00	126.80	147.07
PPE	15.11	26.20	33.81	49.12	71.06	79.38	111.71	188.40	136.68	147.24
Investment Property	-	-	-	-	-	-	-	-	48.98	48.98
Debt-equity Ratio	0.81	1.59	1.87	2.38	2.11	1.86	2.08	2.40	0.87	0.81
Per Share Data										
Earnings per Share (EPS) in Rs.	4.10	5.13	3.85	5.56	9.33	12.84	16.60	26.85	24.84	42.95
Book value per Share in Rs.	26.3	28.4	32.4	38.0	47.3	60.2	76.9	104.5	178.0	221.6

[^] Figures for these years are as per new accounting standards (Ind AS) and Schedule III of Companies Act, 2013. However, Revenue from operations in periods prior to GST implementation have been adjusted suitably for Excise duty on sale of goods, to enable comparability of Revenue from operations for these years. ROCE and RONW for these years are computed on the basis of figures as per IndAS. Hence these numbers are not comparable with previous years.

ENTERPRISE RISK MANAGEMENT

Risk is an integral and unavoidable component of business and Company is committed to managing risk in a proactive manner. Though risks cannot be completely eliminated; an effective risk management plan ensures that risks are reduced, avoided, retained or shared.

Key Business Risk

Economic Environment and Market Demand

Economic slowdown and subdued infrastructural development might lead to low demand in the country. Government's push on infrastructure and housing will help the growth in the consumption and reduce the overcapacity gap.

The laminate industry in India is a myriad aggregation of small and large players. In such an environment the risk of protecting market share is optimal. With the expanding capacities of existing players and also the emergence of new entrant's, competition is a sustained risk. Endeavors to enhance brand equity through innovative marketing activities and continuous efforts in improving the product portfolio and value adding services have been the thrust areas for your Company.

Inflation and Cost of Production

Company faces the risk of inflationary nature and market-driven cost of crude and coal prices. The change in prices can significantly impact the production costs. To de-risk, your Company has established specific policies of long deliveries.

The raw materials procurement at economical cost or of suitable quality have a very high degree of inflationary certainty. The Company has established exhaustive policies, including strategic sourcing, for procurement of raw materials and stores.

Currency Risk

The company is exposed to currency fluctuations for its export and other foreign currency borrowings. An adverse and unforeseen fluctuations can affect margins and profitability. The company closely monitors the exposure while taking currency hedges. The unhedged foreign currency exposure has a natural hedge thereby eliminating majority of foreign exchange risk.

Industry Risk

The company is exposed to geographical risk for its export transaction. The majority of export is being to one region. Any economic crisis that hits the economies of that region can make impact on the margins. The company provides different product solutions to its customers which are based on product applications and usages. The company thus has diverse market presence for its product portfolios. The company is equally focused to increase presence in domestic market. The positive growth drivers are expert forecast on high demand from domestic market after government's focus on low cost housing and shift in consumer preference from un-organized to organized sector.

Interest Rate Risk

The Company uses borrowings to fund its expansion plans and working capital requirement which is exposed to interest rate risk. The risk is mitigated by efficient financial planning with emphasis on efficient working capital management.

Statutory Compliance Risk

The Company adheres to a diverse set of laws and regulations laid down by governments and regulatory bodies at the local, state and national levels. The Company is committed to complying with all laws and regulations as applicable.

Information Technology Risk

Various IT applications used by the Company are exposed to the internet. Also, with the new and emerging cyber-attacks and hacking threats, the information security risk has increased. Company uses back up procedures and stores information at two different locations. Systems are upgraded regularly with the latest security standards.

DIRECTORS' REPORT

Your Directors are pleased to present the 28th Annual Report together with financial results for the year ended March 31, 2019.

FINANCIAL PERFORMANCE SUMMARY

	Rs in crores	
FINANCIAL RESULTS	2018-19	2017-18
Revenue from Operations*	460.67	337.96
Earnings before Interest, Taxes & Depreciation	77.26	49.25
Less: a) Finance Cost	11.13	7.70
b) Depreciation	15.79	10.83
Add: Other Income	1.59	2.34
Profit before tax	51.93	33.06
Less: Tax Expense	16.85	13.00
Profit for the Period	35.08	20.06
Add: Other Comprehensive Income (Net of Taxes)	0.10	(2.04)
Total Comprehensive Income	35.18	18.02
Opening balance in Retained Earnings	87.24	69.21
Add: Share premium	50.24	50.24
Closing balance in Retained Earnings	172.66	137.47

* Figures for Revenue from Operations are comparable numbers i.e Excise Duty has been removed as same does not form part of Revenue post GST implementation.

Highlights of Performance

During FY19, company put in a significant performance attaining net revenue from operations increased of Rs.460.67 crore as against Rs.337.96 crore in the previous year- a growth of 21.6%.

Operating margins has increased to Rs.77.26 crore from Rs.49.25 crore in previous year.

This performance has rationale when it is factored with high oil prices and other challenging business environment both in domestic and international trades.

Domestic

During the year under review, the company has registered an impressive significant growth of 51% in net revenue from domestic market. This growth is remarkable when attained at a time when Consumer sentiments remained suppressed for most part of the year with urban consumers feeling the overhang of inadequate job/income growth.

Exports

Despite a gloomy global outlook, exports, (including incentives), registered a growth of around 28% in value over the export of previous year.

Credit Rating

CARE has carried out a credit rating assessment of the Company for both short term and long term exposures and has re-affirmed rating at 'A-' for long- term bank facilities and assigned 'A Two' rating on the short term bank facilities at 'CARE A2'.

Dividend

In view of expansion strategies which will facilitate in overall growth and performance of the company, your directors do not recommend any dividend for the year under review.

Material Changes and Commitments

There are no material changes which have occurred subsequent to the close of the financial year of the Company to which the Balance Sheet relates and the date of the report, such as

- Settlement of tax liabilities;
- Operation of patent rights;
- Depression in market value of investments;
- Institution of cases by or against the Company;
- Destruction of any assets or disposal of a substantial part of undertaking;
- Changes in capital structure; and
- Material changes concerning purchase of raw material and sale of the product.

Share Capital

The paid-up equity share capital as on 31st March, 2019, was Rs.8.16 crores, divided into 8,166,200 equity shares of face value of Rs.10/- each.

- A) *Issue of equity shares with differential rights*
The Company did not issue equity shares with differential rights during the financial year 2018-19.
- B) *Issue of sweat equity shares*
The Company did not issue sweat equity shares during the financial year 2018-19.
- C) *Issue of employee stock options*
The Company did not issue stock options during the financial year 2018-19.
- D) *Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees*
The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

Maintenance of Cost Records

Pursuant to sub-section (1) of Section 148 of the Companies Act, 2013, the maintenance of Cost Records as specified by the Central Government is not required by the Company and accordingly such records are not made and maintained by the Company.

Deposits

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Directors and Key Managerial Personnel

Change in Directorate

(i) Re-Appointment of Mr. Satpal Garg, as an Independent Director, for further period of 5 years Pursuant to the provisions of the Companies Act, 2013, the shareholders at the 23rd AGM of the Company held on 30th September, 2014, had appointed Mr. Satpal Garg as Independent Directors to hold office for a term of five consecutive years up to the conclusion of the ensuing Annual General Meeting. His term will expire at the conclusion of the 28th AGM.

Considering his vast knowledge, experience, expertise and contribution made by him during his tenure as an Independent Director, the Nomination & Remuneration Committee and the Board of Directors has recommended reappointment of Mr. Satpal Garg, as Independent Director for second term of five consecutive years from the conclusion of the ensuing 28th AGM till conclusion of 33rd AGM.

The Company has received declaration from Mr. Satpal Garg that he continues to fulfill the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

(ii) Appointment of Ms. Purva Kansal who was appointed as an Additional and Independent Director on the Board of the Company on 28th September 2018 be and is hereby appointed as a Director and Independent Director of the Company for a period of 5 years w.e.f. 28th September 2018

Pursuant to the provisions of the Section 149, 150 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force), read with Schedule IV of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations, Ms. Purva Kansal (DIN 08205836) as Independent Director on the Board of Directors of the company for a period of 5 years w.e.f 28th September 2018.

The Company has received declaration from Ms. Purva Kansal that she fulfills the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

(iii) Appointment of Mrs. Renu Sood, who was appointed as an Additional and Independent Director as on 13th June 2019, be and is hereby appointed as a Director and Independent Director of the Company for a period of 5 years w.e.f 13th June 2019.

Pursuant to the provisions of the Section 149, 150 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force), read with Schedule IV of the Companies Act, 2013, read with the Rules issued thereunder and the Listing Regulations, Ms. Renu Sood (DIN 02280975) as Independent Director on the Board of Directors of the company for a period of 5 years w.e.f 13th June 2019

The Company has received declaration from Mrs. Renu Sood that she fulfills the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force)

(iv) Appointment of Mr.Ashutosh Pradeep Sardesai in place of Mr.Sachin Kumar Bhartiya, as Nominee Director.

In accordance with the provisions of Section 161(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) therefore the time being in force) and the Articles of Association of the Company, Mr. Ashutosh Pradeep Sardesai (DIN 07860331) has been appointed as Nominee Director of the Company with effect from 27th June 2019 in place of Sachin Kumar Bhartiya (DIN 02122147). His appointment is by virtue of an agreement with Lighthouse Emerging India Investors Limited. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the Nominee Director is not liable to retire by rotation.

(v) Resignation of Mr.Mahavir Singh as an Independent Director w.e.f.13th March 2019

Mr.Mahavir Singh, Independent Director of the company, has resigned from the Board of Directors, on personal grounds on 13th March 2019. He has confirmed that there were no material reasons other than stated in his resignation letter.

Company has immensely benefitted from his guidance. The Board places on record appreciation for his thoroughness, dedication and commitment.

(vi) Resignation of Mr.Ravinder Krishan as an Independent Director w.e.f.30th June 2019

Mr.Ravinder Krishan, Independent Director of the company, has resigned from the Board of Directors, on personal grounds on 30th June 2019. He has confirmed that there were no material reasons other than stated in his resignation letter.

Company has immensely benefitted from his guidance. The Board places on record appreciation for his thoroughness, dedication and commitment.

(vii) Retirement by Rotation and subsequent re-appointment

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rule, 2014 (including any statutory modification(s) or re-enactment(s) therefore the time being in force) and the Articles of Association of the Company, Mr.Manit Gupta (DIN 00889528) and Mr.Sachin Bhatla (DIN 08182443), are liable to retire by rotation at the ensuing AGM and being eligible have offered themselves for re-appointment.

Change in Key Managerial Person

In accordance with the provisions of Section 203 of the Companies Act, 2013, the company has appointed Mr.Jatin as Company Secretary and Compliance Officer of the Company, with effect from 03rd June, 2019 in place of Mr. Sridhar Pentela who has resigned as Company Secretary and Compliance Officer of the company, for pursuing external opportunities.

Meetings

During the year under review Eleven Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of constitution of the Board and its Committees are given in the Corporate Governance Report which forms part of this Annual Report.

Remuneration of Directors and Key Managerial Personnel

The remuneration paid to Directors is in accordance with Nomination and Remuneration Policy formulated in accordance with the provisions of Section 178 of the Companies Act, 2013 Regulation 19 of the Listing Regulation (including any statutory modification(s) or re-enactment(s) thereof for the time being in force)

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of Director and Key Managerial Personnel is set out in the **Annexure VI**

Nomination and Remuneration Policy

The company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Remuneration Policy is approved by the Board of Directors and is uploaded on the website of the Company.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Director's Responsibility Statement

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors state that:

- a. in preparation of annual financial statements for the financial year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis;
- e. the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f. the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Audit Committee

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder and Regulation 18 of the Listing Regulations.

The Boards of Directors at their Meeting held on 30th June 2019, appointed Ms.Purva Kansal,Independent Director as a member of the Committee in place of Mr. Ravinder Krishan, who resigned as a Director w.e.f 30th June 2019.

All the members of the Audit Committee are financially literate and have experience in the financial management.

The committee reviews the report of Internal Auditor every quarter.

Corporate Governance

Transparency is the cornerstone of the Company's philosophy and all requirements of Corporate Governance are adhered to both in letter and spirit.

All the Committees of the Board of Directors meets at regular intervals as required in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Your Board of Directors has taken all necessary steps to ensure compliance with all statutory and listing requirements. The Directors and key managerial personnel of your Company have complied with the approved 'Code of Ethics for Board of Directors and Senior Executives' of the Company.

The Report on Corporate Governance as required under the Listing Obligations and Disclosure Requirements Regulations, 2015 forms part of and is annexed herewith marked as "Annexure – II" The Auditors' Certificate on compliance with Corporate Governance requirements is also attached to this Report.

Business Excellence and Quality Initiatives

The Company continues to be guided by the philosophy of business excellence to achieve sustainable growth. Customer-focused culture towards building long-term customers relationships is the key agenda of the Management.

The Company follows the principles of total quality management. The Company continues to be certified under ISO 9001: 2015 certifications for complete range of laminates manufactured.

Auditors and Auditors' Report

Statutory Auditor:

M/s Mittal Goel & Associates, Chartered Accountants (Firm Registration No. 017577N) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of this AGM till the conclusion of the 31st AGM of the Company to be held in 2022.

M/s Mittal Goel & Associates have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force)

The Auditors' Report for the financial year ended 31st March 2019 on financial statements of the Company is a part of this Annual Report. The Auditors' Report for the financial year ended 31st March, 2019 does not contain any qualification, reservation or adverse remarks.

Cost Auditor:

The company was not required to appoint Cost Auditor for the financial year ended 31st March 2019.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Sanjiv K Goel, Practicing Company Secretary, to undertake Secretarial Audit of the Company for the financial year 2018-19.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2019 is annexed herewith as "Annexure-.I". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Internal Auditor:

Company has appointed Mr.Viay Bhatia, General Manager, as Internal Auditor of the Company to carry our internal audit of the company. Mr.Vijay Bhatia is Chartered Accountant by qualification. Internal auditor conducts regular audits that are performed as per the annual Audit Plan. The Internal Audit team conducts its audits which are carried out at factory, branches and corporate offices with the objective to evaluate and continuously improve the effectiveness of internal controls and governance processes. Additional areas, if any, identified during the year are taken up as special assignments. The audit findings are reviewed by the Audit

Committee of Directors and corrective action, as deemed necessary is taken. Company also has laid down procedures and authority levels with suitable checks and balances encompassing the entire operations of the Company.

Extract of the Annual Report

The extract of the Annual Return of the Company as on 31st March, 2019 in Form No. MGT – 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out in the “Annexure IV” of this report.

Related Party Transactions

All related party transactions that were entered during the financial year were in the ordinary course of business and on an arm’s length basis. There were no materially significant related party transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval is also obtained from the Audit Committee for the related party transactions which are of repetitive nature which can be foreseen and accordingly the required disclosures are made to the Audit Committee on quarterly basis in terms of the approval of the Committee.

The policy on materiality of related party transactions and also on dealing with related party transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm’s length basis, Form AOC – 2 is not applicable to the Company.

Loans, Guarantees or Investments

Pursuant to Section 186 of the Companies Act, 2013, Company has not directly or indirectly

- a) given any loan to any person or other body corporate other than usual advances envisaged in a contract of supply of materials if any,
- b) given any guarantee or provide security in connection with a loan to any other body corporate or person and
- c) acquired by way of subscription purchase or otherwise, the securities of any other body corporate, exceeding sixty percent, of its paid-up share capital, free reserve and securities premium account or one hundred percent of its free reserves and securities premium account whichever is more.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) encompasses much more than social outreach programmes.

In accordance with the requirements of Section 135 of Companies Act, 2013, Company has constituted a Corporate Social Responsibility Committee.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed hereto as “Annexure – III”

The Company has contributed Rs.0.54 crore towards various CSR activities during the year, the Company has increased/scaled up its CSR intervention in the areas prescribed in the Company’s CSR policy.

As a socially responsible Company, your Company is committed to increase its CSR impact and spend over the coming years, with its aim of playing a larger role in India’s sustainable development by embedding wider economic, social and environmental objectives. The Company has identified projects where contribution will be meaningful for the economic uplift of the society. Preference was given to allocate and spend higher amount on activities pertaining to local area and areas around the Company’s factories. However, being early years in implementation of CSR, the Company has faced practical problems as regards to co-ordination and consensus

amongst the beneficiaries, local villagers, gram panchayats and other related agencies to carry out the identified projects.

The initiatives taken by the Company will certainly help in deploying larger funds across social sectors and achieve rapid scale in utilizing its full CSR budget in the coming financial years. The Company remains committed to the cause of CSR and will take necessary steps to fulfill its CSR obligations during the coming financial years. The Company is however committed to the cause of CSR and will take necessary steps to fulfill its CSR obligations during the coming financial years.

Internal Control

The Company has proper and adequate system of internal controls which is in line with its size, operations and complexity. These systems are verified and tested routinely by certified auditors as well as internal audits, which cover all the key areas of the business. The internal control system ensures measurability and verifiability, reliability of accounting management efficiency and management information. The system also ensures compliance with all applicable laws and regulations, protection of the Company's assets and identification of critical risk areas to address them effectively.

Fraud Reporting

During the year under review, no fraud was reported by the Auditors of the Company to the Audit Committee or the Board of directors.

Occupational, Health, Safety and Environment

Company has effectively deployed policies on Safety, Occupational Health & Environment at all locations. It continually focusses on improving the effectiveness of system processes.

Brand Visibility

During the year under review, the Company has conducted various connect initiatives like Architects' meet, Distributors meet, Dealers meet, to drive brand visibility and demand generation. This year also the Company budgeted an amount on Branding activities, to attract new customers, to create bigger footprint to enable expansion into new markets.

Insurance

The Company's properties, including building, plant, machineries etc and stocks are adequately insured against risks.

Listing

The equity shares continue to be listed on BSE Limited (BSE). The Company has paid annual listing fee for the financial year 2019-20.

Compliance with Code of Ethics for Board of Conduct for Directors and Senior Management Personnel

All Directors and Senior Management Personnel have affirmed Compliance with the Code of Ethics for Board of Directors and Senior Executives. A Declaration to that effect is attached with the Corporate Governance Report.

Detail of Significant and Material Orders Passed by Regulators or Courts of Tribunals Impacting the Going Concern Status and Company's Operation in Future

There are no significant material orders passed by the Regulators/Courts which would impact the Going Concern status of the Company and its future Operations.

Conservation of Energy and Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as “Annexure V”.

Human Resources

The Company recognizes that the purpose of Human Resources is to be a catalyst and change agent.

Over the years, there has been a paradigm shift in the approach adopted by Employee Relations through different initiatives in various capacities. We drive sustainable growth and have been instrumental in bringing in thought leadership in building strong employee relations. The Company is focused on building a high performance culture with a growth mindset. Developing and strengthening capabilities for all employees remained Company’s an ongoing priority. The Company maintains momentum on building speed and simplification in ways of working.

Particulars of Employees

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is ‘Not Applicable’ as no employee is in receipt of remuneration in excess of the limits prescribed under this Section.

CEO and CFO Certification

Pursuant to Regulation 17(8) read with Part B of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO and CFO certification is attached with the annual report. The Managing Director and CEO and the Chief Financial Officer also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Acknowledgement

The Board place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

The Board also wishes to place on record its appreciation for the support and cooperation the Company has been receiving from its suppliers, redistribution stockiest, retailers, and others associated with the Company as its trading partners.

The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

On behalf of the Board,

Place: Chandigarh
Date: 26th August 2019

Jagdish Gupta
Managing Director, Chairman

ANNEXURE - I
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED – March 31, 2019

Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
 Stylam Industries Limited
 S.C.O. 14, Sector 7 C,
 Chandigarh -160019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Stylam Industries Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

Based on my verification of the Stylam Industries Limited's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance -mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers minute books, forms and returns filed and other records maintained by Stylam Industries Limited for the financial year ended on March 31, 2019 according to the provisions of
 - i) The companies Act, 2013 (the Act) and the rules made there under;
 - ii) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;
 - iii) The Depositories Act, 1996 and the Regulations and Bye Laws framed there under;
 - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 - Not applicable to the Company during the Audit Period
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable to the Company during the Audit Period;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -Not applicable to the Company during the Audit Period;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the Audit Period;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the Audit Period);

2. I have relied on the representation made by the Company and its officers for systems and mechanism put in place by the Company for compliances under the applicable Act, Laws and Regulations to the Company.

3. I have also examined compliance with applicable clauses of the followings:

i) Secretarial Standards issued by The Institute of Company Secretaries of India, effective from July 01, 2015.

ii) The erstwhile Listing Agreement entered into by the Company with Bombay Stock Exchange Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 notified w.e.f. December 01, 2015.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, suits, rules, regulations and guidelines.

Place: Chandigarh
Date: 20th August 2019

Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No. : 2107
CP NO. : 1248

ANNEXURE - II

Report on Corporate Governance – 2018-19

Company's Philosophy

The company is committed to the highest standards of corporate governance, and setting industry-leading benchmarks. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our Members, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

Our goal is to promote and protect the long-term interest of all stakeholders, and to that end, our philosophy of Corporate Governance is built on a foundation of ethical and transparent business operations and is designed to inspire trust among all stakeholders, strengthen the Board and management accountability.

The Board of Directors are responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors plays a crucial role in overseeing how the Management serves the short and long-term interests of Members and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

Board of Directors

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company and as trustees of stakeholders.

Composition

The Board has an appropriate mix of Executive and Non – Executive Directors to maintain its independence. The Board periodically evaluates the need for change in its composition and size. The Board, inter alia, focuses on strategic planning, risk management, compliance, and corporate governance to maintain high standards of ethical conduct and integrity and succession planning for the Directors. As on date of this Report, the Board consists of five executive directors and four independent directors.

The constitution of the Board is given below:

Name of Director	Promoter/ Executive / Non-Executive/Independent	No. of other Directorships in Public Limited Companies	Membership Other Board Committees
Jagdish Gupta	Promoter/Executive	1	-
Manit Gupta	Promoter/Executive	1	-
Sachin Bhatla	Executive	-	-
ManavGupta	Executive	-	-
Satpal Garg	Non-Executive/Independent	-	-
Sonia Goyal	Non-Executive/Independent	-	-
Purva Kansal	Non-Executive/Independent	-	-
Renu Sood	Non-Executive/Independent	-	-
Ashutosh Pradeep	Nominee	-	-
Mahavir Singh*	Non-Executive/Independent	3	-
Ravinder Krishan*	Non-Executive/Independent	-	-
Sachin Kumar Bhartiya*	Nominee	2	-

* Mr. Mahavir Singh resigned from Board on 13.03.2019

*Mr. Ravinder Krishan resigned from Board on 30.06.2019

* Mr. Sachin Kumar Bhartiya resigned from Board on 27.06.2019

Meetings and Attendance

During the financial year the Board of Directors met 11(eleven) times during the financial year, on the following dates:

07-04-2018	26-10-2018
28-05-2018	14-11-2018
23-07-2018	16-01-2018
08-08-2018	14-02-2019
01-09-2018	13-03-2019
28-09-2018	

The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days. The necessary quorum was present for all the meetings.

The attendance at the Board Meetings and the last Annual General Meeting were as under:

Name of Directors	No. of Board Meetings		Annual General Meeting
	Held	Attended	
Jagdish Gupta	11	11	Yes
Manit Gupta	11	11	Yes
MahavirSingh	11	3	No
Satpal Garg	11	11	Yes
RavinderKrishan	11	4	No
ManavGupta	11	11	Yes
Sonia Goyal	11	2	No
Sachin Kumar Bhartiya	11	2	No
Purva Kansal	6	3	NA
Sachin Bhatla	9	2	Yes

Audit Committee

The role / terms of reference of the Audit Committee interalia includes the following:

- (a) Assist the Board of Directors of the Company in fulfilling its responsibilities to oversee the:
- i. Company's financial reporting process;
 - ii. the integrity of the Company's financial statements as per authority and responsibilities provided in the Charter;
 - iii. Auditors' qualifications and independence;
 - iv. the performance of the Company's Internal Audit function and that of Statutory Auditors.
- (b) Overseeing the reporting requirements for inclusion in the Company's Annual Report.
- (c) Laying down the criteria for granting the omnibus approval in line with Policy on Related Party Transactions and such approval shall be applicable in respect of transactions which are repetitive in nature.

The role / terms of reference of the Audit Committee are in conformity with the SEBI Regulations, 2015 read in conjunction with Section 177 of the Companies Act, 2013.

Composition and Attendance

The Audit Committee comprises of optimum combination of executive and non-executive directors. There are 3 members, out of which 2 are Independent and 1 Promoter Director as on 31st March, 2019. The terms of reference of the Committee are same as are described in Regulation 18 of Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, 4 Audit Committee meetings were held on 28-05-2018, 08-08-2018, 14-11-2018, 04-02-2019.

The Attendance of Members at meetings was as under:

Name	Position	No. of Meetings held during the relevant period	No. of Meetings Attended
Ravinder Krishan*	Member	4	4
Satpal Garg	Chairman	4	4
Jagdish Gupta	Member	4	4
Purva Kansal*	Member	NA	NA

*Mr. Ravinder Krishan, Member of Audit Committee, has resigned from Board on 30.06.2019. Board of Directors on same date has appointed Ms. Purva Kansal as Member of Audit Committee w.e.f 30.06.2019

CFO is permanent invitee to the Audit Committee.

Company Secretary acts as Secretary to the committee.

Stakeholders Relationship Committee

The Board constituted 'Stakeholders Relationship Committee' as per Regulation 20 of Listing Obligations and Disclosure Requirements) Regulations, 2015.

- The role of Stakeholders Relationship Committee is
 - (i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, issue of new/duplicate certificates, general meetings etc.
 - (ii) Review of measures taken for effective exercise of voting rights by shareholders.
 - (iii) Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.

Composition

Name	Category	Position
Ravinder Krishan*	Non-Executive and Independent Director	Chairman
Satpal Garg*	Non- Executive and Independent Director	Member/Chairman
Jagdish Gupta	Executive and Promoter Director	Member
Purva Kansal*	Non- Executive and Independent Director	Member

*Mr. Ravinder Krishan, Chairman of Committee, has resigned from Board on 30.06.2019. Board of Directors on same date has designated Mr. Satpal Garg, as Chairman of Committee and has appointed Ms. Purva Kansal as Member of Committee w.e.f 30.06.2019

Company Secretary provides secretarial support to the committee and is also the designated Compliance Officer for such matters.

The committee meets fortnightly to approve the transfer/transmission & issue of Duplicate Shares. All shares have been transferred and returned within 15 days from the date of receipt of complete documents.

The complaints are generally replied to within 15 days from the date of lodgment with the Company. During the year no grievance was reported.

Nomination & Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee inter alia includes the following:

- i. To identify persons who are qualified to become directors and who may be appointed in the senior management and to lay down the criteria thereof;
- ii. To recommend to the Board appointment of Directors and Senior Management Personnel and their removal; and
- iii. Recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and other employees;

Composition

Name	Designation	Non-executive/Independent
Satpal Garg	Chairman	Non-Executive/Independent
RavinderKrishan*	Member	Non-Executive/Independent
Sonia Goyal	Member	Non-Executive/Independent
Purva Kansal*	Member	Non-Executive/Independent

*Mr. Ravinder Krishan, Member of Committee, has resigned from Board on 30.06.2019 Board of Directors on same date has appointed Ms. Purva Kansal, as Member of Committee w.e.f 30.06.2019

The terms of appointment of wholetime directors are governed by resolution of Board of directors/ Shareholders and applicable rules of the Company. None of the directors are entitled to severance fees.

Major Policies Adopted by the Company

Vigil Mechanism/ Whistle Blower Policy

The Whistleblower Policy has been approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. In accordance with the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, every listed Company is required to have a Vigil Mechanism for

the Directors and employees to report their genuine concerns and grievances.

The Policy also provides protection to the employees and business associates who report unethical practices and irregularities.

The Whistle Blower Policy is uploaded on the Company's web-site.

Policy on Related Party Transactions

All transactions entered into with the Related Parties during the financial year ended March 31, 2018 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Regulations, 2015. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the Indian Accounting Standard (IAS 24) have been made in the notes to the Financial Statements.

The policy for related party transactions has been uploaded on the Company's web-site.

Policy on Prevention of Sexual Harassment at Workplace

The Company's Policy on Prevention of Sexual Harassment at Workplace is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Prevention of Sexual Harassment of Women at Workplace Act) and Rules framed thereunder.

During the year under review, no case was filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The policy for Sexual Harassment Policy has been uploaded on the Company's web-site

General Body Meeting

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time	No. of Special Resolution Passed
25th	31.03.16	Chandigarh Club, Sector-1, Chandigarh	30-09-16	10:00AM	1
26th	31.03.17	Chandigarh Club, Sector-1, Chandigarh	29-09-17	10:00AM	1
27th	31.03.18	Chandigarh Club, Sector-1, Chandigarh	28-09-18	10:00AM	1

The Special Resolutions were passed by voting.

Postal Ballot

No resolution requiring postal ballot was placed before the last Annual General Meeting. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

Disclosures

- There were no materially significant related parties transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.
- Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

There was no such instance of non-compliance during the last three years

General Share-holder Information

1. The 28th Annual General Meeting is proposed to be held for the Financial Year: April 01, 2018 to March 31, 2019.

2. **Annual General Meeting for the Financial Year 2018-2019**

Date September 30, 2019 (Monday)

Venue Chandigarh Club Sector-1, Chandigarh

Time 10.00 AM

Book Closure Date: Tuesday, 24th September 2019 to Monday 30th September 2019 (both days inclusive)

Last Date of receipt of Proxy Forms 28th September 2019 (Saturday) before 10:00 a.m. at Registered Office of the Company.

3. **Tentative Financial Calendar for 2018-2019**

The financial year of the Company is for a period of 12 months from 1st April 2019 to 31st March, 2020.

First Quarterly results	August, 2019
Second Quarterly/Half Yearly results	November, 2019
Third Quarter results	February, 2020
Annual Results for the year ending on March 31, 2019	May, 2020
Annual General Meeting for the year ending on March 31, 2019	September, 2020

4. **Listing of Equity Shares on Stock Exchange and Stock Code/Symbol: INE239C01012**

The Equity Shares of the Company are presently listed on the Bombay Stock Exchange (BSE):

Address: BSE Limited, 25th Floor, Phirozejeebhoy Towers,

Dalal Street, Mumbai –400 001

Scrip Code:526951.

5. **Stock Market price data for the year on BSE**

Stock Code: The Stock Code for the Company's shares is as follows:-

The Stock Exchange, Mumbai: Code : 526951

The ISIN Nos. for the Company's Shares : INE239C01012

Period: April 2018 to March 2019

All Prices in ₹

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr 18	699.00	800.00	692.00	776.45	75,744	1,804	5,61,45,648	70,833	93.52	108.00	77.45
May 18	789.00	790.00	670.00	706.25	35,968	690	2,59,17,897	31,946	88.82	120.00	-82.75
Jun 18	690.00	751.30	600.00	734.10	1,63,971	1,632	11,38,04,746	1,56,578	95.49	151.30	44.10
Jul 18	720.00	742.00	660.05	700.00	69,479	816	4,81,02,773	65,482	94.25	81.95	-20.00
Aug 18	700.00	890.00	685.00	749.85	1,34,116	2,760	10,76,56,074	1,01,467	75.66	205.00	49.85
Sep 18	774.00	774.00	612.00	619.90	53,331	958	3,60,24,677	48,908	91.71	162.00	-154.10
Oct 18	601.05	635.00	525.00	561.85	1,17,558	828	6,85,54,485	1,13,575	96.61	110.00	-39.20

Nov 18	545.10	739.75	545.00	683.95	92,985	2,295	6,45,13,640	60,014	64.54	194.75	138.85
Dec 18	685.00	685.00	600.00	659.10	19,317	508	1,23,93,053	17,537	90.79	85.00	-25.90
Jan 19	641.05	673.65	620.05	651.35	40,155	454	2,60,13,180	37,177	92.58	53.60	10.30
Feb 19	698.90	725.00	608.00	676.10	76,906	953	5,00,75,174	70,294	91.40	117.00	-22.80
Mar 19	672.00	810.00	672.00	785.35	62,406	1,224	4,60,08,887	57,014	91.36	138.00	113.35

Source: www.bseindia.com

6. Distribution of Shareholding as on 31.03.2019

Range	No. of Shares	%age
1 – 500	440812	5.40
501-1000	186209	2.28
1001- 2000	162638	1.99
2001- 3000	120100	1.47
3001- 4000	32845	0.40
4001- 5000	77959	0.95
5001 - 10000	206381	2.53
10001& above	6939256	84.98
TOTAL	8166200	100.00

7. Shareholding pattern of the Company as on 31.03.2019

Category	No. of Shares Held	%age of Shareholding
A Promoters	4304056	52.71
B Public Shareholding		
1 Institutions	544897	6.67
(i) Mutual Funds	20487	0.25
(ii) Alternate Investment Funds	227568	2.78
(iii) Foreign Portfolio Investor	296842	3.64
2 Non-Institutions	3317247	40.62
(i) Individuals	1903495	23.31
(ii) HUF	46900	0.57
(iii) Foreign Companies	850000	10.41
(iv) NRIs	168441	2.06
(v) FPI	46077	0.56
(vi) Clearing Members	16166	0.20
(vii) Bodies Corporate	226168	3.50
C Total Public Shareholding (1+2)	3862144	47.29
TOTAL (A+C)	8166200	100.00

8. Dematerialization of Shares and Liquidity

We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository system is INE239C01012.

As on March 31, 2019, 96.21% of the Company's total shares representing 78,00,607 No. of shares are held in dematerialized form and 3.79% representing 3,09,593 No. of shares are in physical form.

Category	Number		% of total equity
	Shareholders	Shares	
Demat Mode			
NSDL	1963	7423800	90.91
CDSL	1115	432807	5.30
Total	3313	7800607	96.21
Physical Mode	591	309593	3.79
Grand Total	3978	8166200	100.00

9. Delegation of Share Transfer Formalities

The Board has delegated the power to approve share transfer in physical form under the signatures of any director or Company Secretary and confirmation of shares in demat mode to depositories/depositories participants by M/s LinkIntime India Private Limited Registrar & Share Transfer Agent (RTA) of the Company. There are no transfers pending as on 31st March 2019.

10. Investors' Grievances:

The Registrars and Transfer Agents under supervision of the Company look after investors' grievances. At each Meeting of Investors' Grievance Committee all matters pertaining to investors including their grievances and redressal are reported.

Details of Complaints Received and redressed during 1st April 2018 to 31st March 2019: Nil

E-mail ID for redressal of Investor Grievances: As per Listing Regulation 47 (k) Company has a separate E-mail ID for redressal of Investor Complaints and Grievances:

The E-mail for redressal of Investor Grievances is cs@stylam.com

11. Plant Locations

1. Stylam Industries Limited
Plot No 192-193 Industrial Area Phase-I
Panchkula -134108(Haryana)
- 2 Stylam Industries Limited
Manaktabra, Tehsil Raipur Rani,
Distt. Panchkula (Haryana)

12. Address for Correspondence

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

Stylam Industries Limited SCO 14, Sector 7-C, Madhya Marg Chandigarh -160019 Tele:0172-5021555 Email:info@stylam.com	Mr. Sunil Mishra LinkIntime India Private Limited 44, Community Centre, 2 nd Floor, Naraina Industrial Area, Phase-I, Near PVR Cinema, New Delhi – 110 028 Tele: 011-41410592-93-94 Email:delhi@linkintime.co.in
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13. Name and Designation of Compliance Officer

Mr. Jatin Compliance Officer Email id: cs@stylam.com Contact No.:0172- 5021555

Means of Communication

- Half-Yearly Report is not sent to each shareholder as half yearly results are intimated to Stock Exchanges.
- The Quarterly Results are usually published in Financial Express in English in National daily and in the newspaper of vernacular language i.e Jansatta- Chandigarh daily Edition.
- Information released to the press at the time of declaration of results is also sent to Stock Exchange where the shares of the Company are listed for the benefit of investors.
- Management Discussion and Analysis forms part of the Annual Report.

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,
The Members of
Stylam Industries Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Stylam Industries Limited (CIN: L20211CH1991PLC011732) having Regd. Off. at S.C.O-14, Sector 7-C, Madhya Marg, Chandigarh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIN/PAN	Name of Director	Date of Appointment
00115113	JAGDISH RAI GUPTA	28/10/1991
00889528	MANIT GUPTA	07/02/2015
01074514	SATPAL GARG	01/10/2014
02158820	SONIA GOYAL	07/03/2015
00332323	RAVINDER KRISHAN	18/11/1992
03091842	MANAV GUPTA	18/02/2012
02122147	SACHIN KUMAR BHARTIYA	23/07/2018
08182443	SACHIN BHATLA	15/07/2017
08205836	PURVA KANSAL	28/09/2018

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chandigarh
Date: 20th August, 2019

sd/-
Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No. : 2107
CP NO. : 1248

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance by the Company is annexed.

Report on Corporate Governance – 2018-2019

To the Members of
Stylam Industries Limited

I have examined the compliance of the conditions of Corporate Governance by Stylam Industries Limited Chandigarh for the year ended on 31st March 2019 as stipulated in Regulation E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

I state that in respect of investors' grievances received during the year ended March 31 2019 no investors' grievances are pending against the Company as per the records maintained by the Company and presented to the Investors' / Shareholders' Grievance Committee.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chandigarh
Date: 20th August, 2019

sd/-
Sanjiv Kumar Goel
Practicing Company Secretary
Fellow Membership No. : 2107
CP NO. : 1248

AUDITORS' CERTIFICATE

To
The Members of
Stylam Industries Limited

We have examined the compliance of conditions of corporate governance by Stylam Industries Limited for the year ended on March 31 2019 as stipulated in Regulation E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MITTAL GOEL & ASSOCIATES
Chartered Accountant
Firm's Regd. No. 017577N

Place: Chandigarh
Date: 20th August 2019

CA SANDEEP KUMAR GOEL
Partner
M. No. 099212

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

The Board of Directors
Stylam Industries Limited

We, the undersigned, in our respective capacities as Managing Director & Chief Executive Officer and Chief Financial Officer of Stylam Industries Limited ('the Company'), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2019 and to the best of our knowledge and belief, we state that:

(a) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

(b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(c) there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

2. For the purposes of financial reporting we accept the responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee and further state that there were no deficiencies in the design or operation of such internal controls.

3. We further state that:

(a) no significant changes in internal controls over financial reporting during the year;

(b) no significant changes in accounting policies during the year; and

(c) no instances of fraud, of which we are aware during the period

Place: Chandigarh
Date: May 30, 2019

sd/-
Jagdish Gupta
Managing Director & CEO

sd/-
Sanjeev Vaid
CFO

Declaration of Compliance with the Code of Conduct

I hereby confirm that: the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2019.

Place: Chandigarh
Date: May 30, 2019

sd/-
Jagdish Gupta
Managing Director & CEO

ANNEXURE - III**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES*****Scope of CSR Activities***

Company understands the importance of Corporate Social Responsibility (CSR) activities that bring a meaningful and lasting improvement in the life of youth and marginalized section of the society more particularly of backward region. It has been a commitment of Company to the society.

CSR Policy Implementation

The Company shall undertake CSR project/ programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy. The CSR Policy of the Company will be uploaded on the website of the Company.

Composition of the CSR Committee

Mr Satpal Garg (Chairman)
Mr. Jagdish Gupta(Member)
Mr. Manit Gupta (Member)

Average net profit of the Company for last three financial years: Average net profit: Rs. 27.96 crore

Prescribed CSR Expenditure (two percent of above)

The Company is required to spend Rs.0.56 crore towards CSR.

5. Details of CSR spend for the financial year:

- a. Total amount spent for the financial year: Rs 0.54 crore
- b. Amount unspent if any:Rs. 0.02 crore

Manner in which the amount spent during the financial year 2018-2019 is given below

(Rs. in Crore)

CSR project or activity identified	Relevant Section of Schedule VII in which the Project is covered	Projects or Programs Coverage	Amount outlay (Budget)	Amount spent on the Projects /Programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
				Expenditure	Overhead		
Rural Development	Clause X	Haryana	0.05	0.01	-	0.01	Direct
Child welfare Social welfare Women Empowerment	Clause X Clause III	Haryana	0.05	0.01		0.01	Direct
			0.04	0.02		0.02	
Health Program- Donation of Ambulance	Clause X	Haryana	0.30	0.30		0.30	Direct
Prime Minister's National Relief Fund	Clause VIII	Haryana	0.12	0.20		0.20	Direct
Total Funds committed			0.56	0.54	-	0.54	

Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company is in compliance with the CSR objectives and CSR Policy of the Company.

On behalf of the CSR Committee

sd/-
JagdishGupta
Managing Director

sd/-
Satpal Garg
Chairman of CSR Committee

ANNEXURE - IV**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act 2013 and rule 12(1) of the Company (Management & Administration) Rules 2014.

I. REGISTRATION & OTHER DETAILS

1.	CIN	L20211CH1991PLC011732
2.	Registration Date	28-10-1991
3.	Name of the Company	STYLAM INDUSTRIES LIMITED
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	SCO -14, Sector-7-C, Madhya Marg, Chandigarh-160019 Ph. No. +0172-5021555
6.	Whether listed Company	YES
7.	Name Address & contact details of the Registrar & Transfer Agent if any.	Link intime India Private Ltd 44 Community Centre Phase-I Near PVR Naraina Ind. Area New Delhi-110028 Phone: +91 11 4141 0592 Email- sunil.mishra@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Laminates	1701	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

No. of Companies for which information is being filled	NA
--	----

IV.SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)**1. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters & Promoters Group									
(1) Indian									
a. Individual/HUF	4304056	-	4304056	52.71%	4304056	-	4304056	52.71%	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a. NRI - Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies Corp	-	-	-	-	-	-	-	-	-
d. Banks / FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	4304056	0	4304056	52.71%	4304056	0	4304056	52.71%	-
B. Public Shareholding									
1. Institutions									
a. Mutual Funds/UTI	-	-	-	-	20487	-	20487	0.25%	0.25%
b. Venture Capital Funds	-	-	-	-	-	-	-	-	-
c. Alternate Investment Funds	219115	-	219115	2.69%	227568	-	227568	2.79%	0.10%
d. Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e. Foreign Portfolio Investor	144327	-	144327	1.76%	296842	-	296842	3.63%	1.87%
f. Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
g. Insurance Companies	-	-	-	-	-	-	-	-	-

h. Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	363442	0	363442	4.45%	544897	0	544897	6.67%	2.22%
2. Central Govt/ State Govt(s)/ President of India	-	-	-	-	-	-	-	-	-
3. Non-Institutions									
a. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	835244	270093	1105337	13.54%	787120	214093	1001213	12.26%	-1.28%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	836672	35500	872172	10.68%	866782	35500	902282	11.05%	0.37%
b. NBFC registered with RBI	-	-	-	-	-	-	-	-	-
c. Employee Trusts	-	-	-	-	-	-	-	-	-
d. Overseas Depositories (holding DRs)					-				
e. Any other (specify)									
Trust	100	-	100	0.00%	-	-	-	-	-
Hindu Undivided Family	52476	-	52476	0.64%	46900	-	46900	0.57%	-0.07%
Foreign Companies	850000	-	850000	10.41%	850000	-	850000	10.41%	-
Non Resident Indian (Non Repat)	35060	-	35060	0.43%	38672	-	38672	0.47%	0.04%
Non Resident Indian (Repat)	95832	-	95832	1.17%	129769	-	129769	1.59%	0.42%
Foreign Portfolio Investor (Individual)	23813	-	23813	0.29%	46077	-	46077	0.56%	0.27%
Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
Clearing Member	85348	-	85348	1.04%	16166	-	16166	0.20%	-0.84%
Bodies	318564	60000	378564	4.64%	22616	60000	286168	3.51%	-1.13%

Corporate					8				
Sub Total (B)(3)	3133109	365593	3498702	42.84%	3007654	309593	3317247	40.62%	-2.22%
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	3496551	365593	3862144	47.29%	3552551	309593	3862144	47.29%	-
Total (A)+(B)	7800607	365593	8166200	100%	7856607	309593	8166200	100%	-
C. Non-Promoter- Non Public									
(1) Custodian/DR Holder									
(2) Employee Benefit Trust (under SEBI (Share based Employee Benefir) Regulations, 2014)	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	7800607	365593	8166200	100%	7856607	309593	8166200	100%	-

*Paid up Share Capital of the Company at the end of the year is 8166200 No of Shares

ii. Share-holding of Promoters

Shareholder's Name	Shareholding at the end of the year (As on 31.03.2018)			Shareholding at the end of the year (As on 31.03.2019)		
	No of Share	% of total shares of Company	% of shares Pledged/ encumbered to total shares	No of Share	% of total shares of Company	% of shares Pledged/ encumbered to total shares
JAGDISH GUPTA	985450	12.07	14.40	985450	12.07	14.40
SATISH GUPTA	868963	10.64	11.62	868963	10.64	11.62
USHA GUPTA	712875	8.73	15.10	712875	8.73	15.10
PUSHPA GUPTA	550970	6.75	-	550970	6.75	-
MANIT GUPTA	412198	5.05	-	412198	5.05	-
RATTAN DEVI	385700	4.72	-	385700	4.72	-
NIDHI GUPTA	184100	2.25	-	184100	2.25	-
DIPTI GUPTA	170700	2.09	-	170700	2.09	-
SARU GUPTA	33100	0.41	-	33100	0.41	-
Total	4304056	52.71	41.12	4304056	52.71	41.12

*Paid up Share Capital of the Company at the end of the year is 8166200 No of Shares.

** Promoters includes Promoters family

iii. Change in Promoters' Shareholding (please specify, if there is no change)

	No. of shares	% of total shares of the Company
At the beginning of the year (01.04.2018)	4304056	52.71
Date-wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	There was no increase / decrease in Promoter Shareholding during the year	
At the End of the year (31.03.2019)	4304056	52.71

iv. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS)

S.No	Name of the top 10 Shareholder of the Company (As on 31.03.2019)	Buy / Sale	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding at end of the year (31.03.2019)	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	LIGHTHOUSE EMERGING INDIA INVESTORS LIMITED		-	-		
	At the beginning of the year		850000	10.41		
	Changes during the year		-	-		
	At the end of the year				850000	10.41
2	MANAV GUPTA					
	At the beginning of the year		355400	4.35		
	Changes during the year	-	-	-		
	At the end of the year	-			355400	4.35

3	INDIA 2020 FUND II, LIMITED					
	At the beginning of the year		75000	0.92		
	Changes during the year	Buy	33751 81525 9724	0.41 1.00 0.12		
	At the end of the year				200000	2.45
3	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND – NANO CAP SERIES I					
	At the beginning of the year	-	163911	2.01		
	Changes during the year	Buy	5020	0.06		
	At the end of the year				168931	2.07
4	ROHINTON SOLI SCREWVALA					
	At the beginning of the year		165145	2.02		
	Changes during the year	-	-	-		
	At the end of the year				165145	2.02
5	INDIANIVESH CAPITALS LIMITED					
	At the beginning of the year		110739	1.36		
	Changes during the year	Buy Sell Sell Sell Buy Sell Sell Sell Buy Sell Sell Buy Sell Sell	22025 (105) (63448) (9067) 68448 (5000) (40922) (24495) 8922 (3446) (54729) 29 (8922)	0.27 (0.01) (0.78) (0.11) 0.84 (0.06) (0.50) (0.30) 0.11 (0.04) (0.67) (0.00) (0.11)		
	At the end of the year				29	0.00
6	INDIA 2020 FUND II LIMITED					
	At the beginning of the year					
	Changes during the year	Buy	75000	0.92		
	At the end of the year				75000	0.92
7	MUKUL MAHAVIRPRASAD AGRAWAL					
	At the beginning of the year		70000	0.85		
	Changes during the year	Buy	30000	0.37		
	At the end of the year				100000	1.22
8	UNIVERSAL GOLDEN					

	FUND					
	At the beginning of the year		69327	0.85		
	Changes during the year	Buy	185	0.00		
		Buy	902	0.01		
	At the end of the year				70414	0.86
9	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND – NANO CAP SERIES II					
	At the beginning of the year		55204	0.68		
	Changes during the year	Buy	3433	0.04		
	At the end of the year				58637	0.72
10	IL AND FS SECURITIES SERVICES LIMITED					
	At the beginning of the year		-	-		
	Changes during the year	Buy	160	0.00		
		Buy	137	0.00		
		Sell	(297)	(0.00)		
		Buy	500	0.01		
		Buy	250	0.00		
		Buy	300	0.00		
		Buy	380	0.00		
		Buy	200	0.00		
		Sell	(200)	(0.00)		
		Buy	1540	0.02		
		Sell	(1540)	(0.02)		
		Buy	3617	0.04		
		Sell	(117)	(0.00)		
		Sell	(3500)	(0.04)		
		Buy	2070	0.03		
		Sell	(3500)	(0.04)		
		Buy	32000	0.39		
		Buy	3843	0.05		
		Sell	(265)	(0.00)		
		Buy	2282	0.03		
		Buy	3500	0.04		
		Buy	6996	0.09		
		Buy	4111	0.05		
		Buy	34726	0.43		
		Buy	39898	0.48		
		Buy	160	0.00		
		Sell	(160)	(0.00)		
	At the end of the year				127091	1.56

*Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 8166200 No of Shares.

v. Shareholding of Directors and Key Managerial Personnel

	Name of Director/ KMP		
For Each of the Directors and KMP	JAGDISH GUPTA	MANIT GUPTA	MANAV GUPTA
At the beginning of the year	985450	412198	355400
Date-wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	There was no increase / decrease in Shareholding during the year		
At the End of the year	985450	412198	355400

V.INDEBTNESS**Indebtedness of the Company including interest outstanding /accrued but not due for payment**

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year (2018-19)				
i) Principal Amount	1,245,821,559	38,342,439	-	1,284,163,998
ii) Interest due but not paid			-	
iii) Interest accrued but not due	1,083,603		-	1,083,603
Total (i+ii+iii)	1,246,905,162	38,342,439	-	1,285,247,601
Change in Indebtedness during the financial year				
Addition				
i) Principal Amount	329,328,250	150,000,000	-	479,328,250
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,114,462	-	-	2,114,462
Total (i+ii+iii)	331,442,712	150,000,000		
Reduction				
i) Principal Amount	280,907,914	-		280,907,914
ii) Interest due but not paid				
iii) Interest accrued but not due	1,083,603	-	-	1,083,603
Total (i+ii+iii)	281,997,517	-	-	281,997,517
Net Change	49,451,195	150,000,000	-	199,451,195
Indebtedness at the end of the financial year				
i) Principal Amount	1,294,241,895	188,342,439		1,482,584,334
ii) Interest due but not paid			-	
iii) Interest accrued but not due	2,114,462	-		2,114,462
Total (i+ii+iii)	1,296,356,357	188,342,439	-	1,484,698,796

* previous year figures have been amended wherever necessary

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No	Particulars of Remuneration	Name of MD / WTD/ Manager			Total Amount
		Jagdish Gupta	Manav Gupta	Sachin Bhatla*	
1	Gross salary	10,200,000	3,600,000	1,011,592	14,811,592
A	Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	-	-	-	-
B	Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-	-	-
C	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others ,please specify (Retrial Benefits)	-	-	-	-
6	Total (A) = (1+2+3+4+5)	10,200,000	3,600,000	1,011,592	14,811,592
	Ceiling as per the Act	10% of Net profit for all Executive Directors- Managing and Whole-time Directors; 5% of Net profit to any one Managing or Whole-time Directors)			

* Mr.Sachin Bhatla has joined Board w.e.f.23rd July 2018

B. Remuneration to other directors:

S.No	Particulars of Remuneration	Total Amount
1	Independent Directors	Nil
	Fee for attending board & committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
2	Other Non-Executive Directors	
	Fee for attending board & committee meetings	
	Commission	
	Others, please specify	
	Total (2)	
	Total (B) = (1+2)	
	Total Managerial Remuneration (A+B)	
	Overall Ceiling as per the Act	
	1% of Net Profits of the Company for all Non-executive Directors	

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

S.No	Particulars of Remuneration	Company Secretary	CFO*	Total Amount
1	Gross salary	792,031	1,280,000	2,072,031
A	Salary as per provisions contained in section 17(1) of Income-tax Act, 1961	-	-	-
B	Value of perquisites u/s 17(2) of Income tax Act, 1961	-	-	-
C	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others ,please specify (Retrial Benefits)	-	-	-
6	Total (C) = (1+2+3+4+5)	792,031	1,280,000	2,072,031

* Mr. Sanjeev Vaid has designated as CFO w.e.f 08th August 2018 before that date Mr.Manav Gupta was CFO of the Company and his remuneration is clubbed under point VI(A) above.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. Company	NIL				
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

On behalf of Board of Directors

sd/-

JagdishGupta
Managing Director

Place: Chandigarh
Date: 26th August 2019

ANNEXURE - V

Information as per Clause (m) of Sub-Section (3) of Section 134 of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 and forming part of the Directors' Report for the year ended March 31 2019.

A. Conservation of energy

The Company accords great importance to conservation of energy. The Company has taken several steps towards this end through:-

- Close monitoring of consumption of electricity
- Optimization of conservation of electricity by equipment modification/replacement/retrofitting
- Achieving power factor standards nearing unity.

Energy Audit and audit for Steam has not been conducted during the year under review. But has planned for the next year. So, Energy Audit of the plant will be conducted in the coming year to look further scope of Energy Conservation. In similar way, audit of Steam and Condensate system will be conducted.

Total energy consumption and energy consumption per unit of production as per Form A (Rule 2) is not provided as the Company is not covered under the list of specified industries.

B Technology Absorption**a) Research and Development (R&D)**

The R&D activities of the Company are categorized under the following area of focus:

- Developing new products & designs for emerging applications;
- Improvement in manufacturing process;
- Effective production scheduling;
- Reduction in input pilferage.

b) Benefits derived as a result of the above R&D

- Penetration into newer market;
- Enhanced reliability of the product;
- Cost reduction;
- Import substitution;
- Foreign exchange earnings.

c) Future Plan of Action

- To continue with the R&D for new products and better processes

d) Technology absorption adaption and innovation**a) Steps adopted**

- Setting –up strict quality norms so as to ensure the goods dispatched from factory is as per the requirement of the customer and is free from all defects;
- Participated in the exhibition at national and international level.

b) Benefits of the steps adopted

- Improvement in product quality;
- Promotion of 'STYLAM' Brand;
- Development of new market.

c) Particulars of Imported Technology in the last 5 years: Nil the Company keeps itself updated on the latest technology available.

C Foreign Exchange Earnings and Outgo

The Company participates in the exhibition organized at the international levels and continued its initiatives to increase exports by developing new products and expanding to new markets. The thrust for exploring new market for export will continue in future.

Total ForeignCurrency Earning and Outgo

Rs. in crore	
<i>Earning on account of</i>	<i>2018-19</i>
FOB value of Export	271.90
Other Income	0.78
<i>Total</i>	<i>272.68</i>
<i>Outgo on account of</i>	
Raw Material	140.78
Components & Spare Parts	3.72
Capital Goods	13.80
Other Expenditures	10.16
<i>Total</i>	<i>168.46</i>

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
STYLAM INDUSTRIES LIMITED

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS**Opinion**

We have audited the accompanying standalone Ind AS financial statements of Stylam Industries Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

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, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statement.

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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a

true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of Standalone Financial Statement

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.

A further description of the auditor’s responsibilities for the audit of the standalone financial statements is included in Annexure A. This description forms part of our auditor’s report

Report on Other and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by the law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (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 Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure C.

(g) 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(16) of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT
Responsibilities for Audit of Standalone Financial Statement

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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to 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 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Mittal Goel & Associates
Chartered Accountants
Firm Reg. No. 017577N

Date: 30th May 2019
Place: Chandigarh

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

TO THE MEMBERS OF
STYLAM INDUSTRIES LIMITED

We have audited the internal financial controls over financial reporting of Stylam Industries Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory Paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Company, which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, and our report dated 28 May 2019 expressed an unqualified opinion thereon

Date: 30th May 2019
Place: Chandigarh

For Mittal Goel & Associates
Chartered Accountants
Firm Reg. No. 017577N

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 Under 'Report on other Legal and Regulatory Requirements' of our Report of Even Date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has not given any loan or gives any guarantee or provided security with the provisions of section 185 and 186 of the Companies Act, 2013.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7) According to information and explanations given to us and on the basis of our examination of the books of account, and records,
 - (a) the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Custom Duty, and any other statutory dues with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of the Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Custom Duty, and any other statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
 - (c) Details of Income tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Name of the statute	Amount (Rs.in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Rs.87.49*	AY 2013-14	Tribunal
Income Tax Act, 1961	Rs.130.98	AY 2014-15	Tribunal

* Net of amount paid under protest

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank or government as at the balance sheet date. The company has not issued any debentures.
- 9) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans have been applied by the Company for the purposes for which they were raised.
- 10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- 14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- 15) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Mittal Goel & Associates
Chartered Accountants
Firm Reg. No. 017577N

Date: 30th May 2019
Place: Chandigarh

SANDEEP KUMAR GOEL
Partner
Membership No. 099212

Balance Sheet as at March 31, 2019

Rs. In lakh

	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	14,724.60	13,668.84
Capital work in progress	3.2	1,268.02	-
Investment Property	4	4,898.25	4,898.25
Financial assets			
Investments	5.1	102.37	-
Loans and advances	5.2	97.25	109.24
Other bank balances	5.6	936.40	-
Other non-current assets	7	699.66	313.07
		22,726.55	18,989.40
Current assets			
Inventories	8	5,860.09	5,871.72
Financial assets			
Trade receivables	5.4	7,712.38	5,721.33
Cash and cash equivalents	5.5	155.18	31.28
Other bank balances	5.6	53.06	54.44
Other financial assets	5.3	6.24	1.02
Other current assets	7	2,176.39	2,151.45
		15,963.34	13,831.24
TOTAL ASSETS		38,689.89	32,820.64
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	816.62	816.62
Other equity		17,265.77	13,747.16
		18,082.39	14,563.78
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10.1	6,591.51	4,236.12
Provisions	11	156.15	135.72
Deferred tax liabilities (net)	6	888.87	618.82
Other non current liabilities	12	736.45	482.50
		8,372.98	5,473.16
Current liabilities			
Financial liabilities			
Borrowings	10.2	6,990.74	7,423.18
Trade payables	10.3	2,733.30	3,422.14
Other financial liabilities	10.4	1,155.31	1,174.29
Other current liabilities	12	684.34	657.31
Provisions	11	50.86	45.16
Current tax liabilities (net)	13	619.98	61.62
		12,234.53	12,783.70
TOTAL EQUITY AND LIABILITIES		38,689.90	32,820.64

The accompanying notes are an integral part of the financial statements.

FOR MITTAL GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

CA SANDEEP KUMAR GOEL
PARTNER
Membership No. 099212

JAGDISH GUPTA
MANAGING DIRECTOR

MANAV GUPTA
DIRECTOR

SANJEEV VAID
CFO

DATE : May 30, 2019
PLACE : Chandigarh

Profit and Loss Account for the year ended March 31, 2019

Rs. In lakh

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	14	46,067.05	33,954.20
Other income	15	159.32	233.78
Total Income		46,226.37	34,187.98
Expenses			
Cost of raw materials consumed	16	25,355.89	17,845.89
(Increase) / decrease in inventories	17	124.80	(344.17)
Purchase of Stock in Trade		17.55	763.58
Excise duty on sale of goods		-	157.30
Employee benefit expenses	18	2,999.60	3,017.31
Finance costs	21	1,112.98	770.45
Depreciation and amortization expense	20	1,579.09	1,083.02
Other expenses	19	9,843.00	7,588.75
Total Expenses		41,032.90	30,882.14
Profit before tax		5,193.47	3,305.84
Tax expense			
Current tax		1,520.04	713.87
Tax of Earlier Years		(107.21)	40.71
Deferred tax charge	6	272.85	545.56
Total tax expense		1,685.68	1,300.14
Profit for the year		3,507.79	2,005.70
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent		10.82	(123.86)
Other comprehensive income to be reclassified to profit or loss in subsequent years (net of tax)		-	(79.65)
Total Comprehensive Income for the year		3,518.61	1,802.20
Earnings per equity share in INR computed on the basis of profit for the year	22		
Basic		42.95	24.84
Diluted		42.95	24.84
The accompanying notes are an integral part of the financial statements.			

FOR MITTAL GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

CA SANDEEP KUMAR GOEL
PARTNER
Membership No. 099212

JAGDISH GUPTA
MANAGING DIRECTOR

MANAV GUPTA
DIRECTOR

SANJEEV VAID
CFO

DATE : May 30, 2019
PLACE : Chandigarh

Statement of Changes in Equity for the year ended March 31, 2019

Rs. In lakh

(a) Equity share capital

Balance as at 01.04.2018	Changes during the year	Balance as at 31.03.2019
81,662,000	-	81,662,000

Balance as at 01.04.2017	Changes during the year	Balance as at 31.03.2018
73,162,000	8,500,000	81,662,000

(b) Other equity

Particulars	Reserve & Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance as at April 01, 2017	-	6,921.47	6,921.47
Premium on Shares issued during the year	5,023.50	-	5,023.50
Profit for the year		2,005.70	2,005.70
Other Comprehensive Income for the year		(203.50)	(203.50)
Balance as at March 31, 2018	5,023.50	8,723.66	13,747.16
Balance as at April 01, 2018	5,023.50	8,723.66	13,747.16
Profit for the year		3,507.79	3,507.79
Other Comprehensive Income for the year	-	10.82	10.82
Balance as at March 31, 2019	5,023.50	12,242.27	17,265.77

*Naure and purpose of other equity**Securities premium reserve:*

The unutilized accumulated excess of issue price over face value on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

General reserve:

This represents appropriation of profit by the Company and is available for distribution of dividend.

Remeasurements of defined benefit obligation:

Remeasurements of defined benefit obligation comprises of gains and losses on actuarial valuation on Post-employment benefits.

FOR MITTAL GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

CA SANDEEP KUMAR GOEL
PARTNER
Membership No. 099212

JAGDISH GUPTA
MANAGING DIRECTOR

MANAV GUPTA
DIRECTOR

SANJEEV VAID
CFO

DATE : May 30, 2019
PLACE : Chandigarh

Statement of Cash Flow for the year ended March 31, 2019

Rs. In lakh

	Year ended March 31, 2019	Year ended March 31, 2018
A Cash Flow from operating activities:		
Profit/(loss) before tax	5,193.47	3,305.84
Adjustments for:		
- Amortisation of Foreign Currency	-	(121.80)
- Translation Difference	-	(298.69)
- Unrealised loss on Property held as Investment		
- Finance costs	726.99	626.29
- Depreciation and amortisation expense	1,579.09	1,083.02
- Interest Income	(11.01)	(4.40)
- Loss/ (Gain) on sale of Fixed Assets (net)	18.85	(83.69)
Operating Profit before working capital changes	7,507.39	4,506.58
Movements in working capital:		
Adjusted for:		
Trade & Other Receivables	(2,021.21)	(2,206.05)
Inventories	11.63	(478.09)
Trade & Other Payables	(648.10)	1,214.67
Net cash generated from operations	4,849.72	3,037.11
Payment of direct taxes (net)	(854.47)	(1,102.25)
Net cash from operating activities (A)	3,995.24	1,934.85
B Cash Flow from investing activities:		
Purchase for Tangible Assets (including Investment in Property) (including capital work in progress and capital advances)	(4,347.29)	(1,036.82)
Proceeds from sale of fixed assets	38.98	137.13
Investment in fixed deposits	(935.02)	57.88
Proceeds/(Investment) from/ in other assets	(90.38)	28.89
Proceeds/(Investment) from/ in other activities	274.38	-
Interest received	11.01	4.40
Net cash from/ (used in) investing activities (B)	(5,048.32)	(808.53)
C Cash Flow from financing activities:		
Proceeds from issue of share capital		5,108.50
Proceeds from long-term borrowings	3,394.45	
Repayment of long term borrowings	(1,058.04)	(4,740.92)
Proceeds/ (Repayment) from short-term borrowings	(432.44)	(860.21)
Borrowing costs paid		
- Interest paid	(726.99)	(626.29)
Net cash from/ (used in) financing activities (C)	1,176.98	(1,118.92)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	123.90	7.41
Cash and cash equivalents at the beginning of the year	31.28	23.87
Cash and cash equivalents at the closing of the year	155.18	31.28

Notes:

(i) The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 Cash Flow Statements.

(ii) Components of cash and cash equivalents included under cash and bank balances (note 5.6) are as under:

Cash in hand	0.61	0.79
Balances with scheduled banks		
-On current accounts	154.57	30.49
Cash and cash equivalents (note 5.6)	155.18	31.28

FOR MITTAL GOEL & ASSOCIATES
CHARTERED ACCOUNTANTS

CA SANDEEP KUMAR GOEL
PARTNER
Membership No. 099212

JAGDISH GUPTA
MANAGING DIRECTOR

MANAV GUPTA
DIRECTOR

SANJEEV VAID
CFO

DATE : May 30, 2019
PLACE : Chandigarh

Notes to the financial statements for the year ended 31 March 2019

1. Company information

Stylam Industries Limited (“the Company”) is a public limited company incorporated in India with its registered office in Chandigarh, India. The Company is listed on the Bombay Stock Exchange (BSE).

The Company is engaged in manufacturing and supply of High Pressure Laminates.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (“the Act”) and other relevant provisions of the Act.

(b) Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

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.

(c) Use of estimates

In the preparation of financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of standalone financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, provisions, valuation of deferred tax liabilities, contingent liabilities and fair value measurements of financial instruments as discussed below. Key source of estimation of uncertainty in respect of revenue recognition and employee benefits have been discussed in the respective policies.

Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

Valuation of deferred tax liabilities

The Company reviews the carrying amount of deferred tax liabilities at the end of each reporting period.

Provision and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

Retirement benefit obligations

The Company's retirement benefit obligation are subject to a number of judgement including discount rates, inflation and salary growth. Significant judgement is required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these judgement based on previous experience and third party actuarial advice.

(d) Property, plant and equipment (PPE)**-Property, plant and equipment**

Freehold land is carried at cost.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Expenditure incurred on commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalized. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in- progress.

(e) Depreciation and amortization methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs.

The useful life is as follows:

Sr. No.	Nature of Asset	Useful Life (Years)
1.	Buildings	30
2.	Plant & Machinery	15
3.	Other Equipments	3 to 5
4.	Vehicles	8
5.	Furniture/ Fittings	10

(f) De-recognition

A property, plant and equipment is de-recognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

(g) Non-current assets held for sale

Non-current asset, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such asset, are generally measured at the lower of their carrying amount and fair value less cost to sell.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment are no longer amortized or depreciated.

(h) Impairment of non-financial assets

At each balance sheet date, the carrying amount of fixed assets is reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (recoverable amount is the higher of an asset's net selling price or value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of the assets and from their disposal are discounted to their present value using a pre discounted rate that reflects the current market assessment of time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Profit and Loss Account.

(i) Inventories

Items of inventories are measured at lower of cost and net realizable value.

Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Financial assets**(i) Cash and cash equivalents**

- Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. These balances with banks are unrestricted for withdrawal and usage.
- **Other bank balances** includes balances and deposits with banks that are restricted for withdrawal and usage

(ii) Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the worth of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(iii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(k) Employee benefits expense

(i) Short-term employee benefits: All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) Post-employment benefits: Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Defined Gratuity Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of Gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary.

b) Defined Contribution Plans

The contribution to provident fund and pension fund and employee state insurance are considered as defined contribution plans and are charged to the statement of profit and loss of the year as they fall due, based on the amount of the contribution required to be made.

c) Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognised in the books of account based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Actuarial valuation

The liability in respect of all defined benefit plans is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(l) Finance costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

Interest free loan taken from promoters and others has been derived on basis of fair value based on market rate of interest prevailing when loan and derived to the total tenure of loan. The interest for the period is charged to the Statement of Profit and Loss.

(k) Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from operations is disclosed net of GST.

Revenue from operations is adjusted with gain/ loss on corresponding on foreign currency transactions related to export.

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. These are presented as other operating income in the Statement of Profit and Loss.

Other income is accounted for on accrual basis as and when the right to receive arises

(l) Financial instrument

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) Financial assets

Recognition and measurement

All financial assets are recognised at fair value.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative financial instruments and Hedge Accounting

The Company uses various derivative financial instruments such as forwards and options contracts to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss

or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

(m) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

- *Deferred tax*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities / assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(n) Foreign currencies transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

(o) Earnings per share

(i) Basic & Diluted earnings per share

Basic earnings per share is calculated by dividing :

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

3.1 Property, plant and equipment										Rs. In lakh
	Land- Freehold	Building -Factory	Building -Others	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Total	
At amortised Cost										
Cost/Deemed cost as at April 1, 2018	1,567.23	3,092.12	273.27	11,341.49	938.98	218.90	750.62	181.06	18,363.66	
Additions	75.92	219.71	10.84	1,944.92	8.53	14.09	41.17	1.89	2,317.05	
Ind AS Measurements	-	-	-	375.64	-	-	-	-	375.64	
Disposals	-	-	-	(60.08)	-	-	(88.92)	(0.94)	(149.93)	
Cost/Deemed cost as at March 31, 2019	1,643.15	3,311.82	284.11	13,601.98	947.51	232.98	702.86	182.01	20,906.42	
Accumulated Depreciation										
Accumulated depreciation as at April 1, 2018	-	333.95	16.68	3,773.47	149.60	59.87	265.50	95.75	4,694.82	
Charge for the year	-	112.88	4.33	1,153.34	84.91	19.49	58.09	28.13	1,461.17	
Ind AS Measurements	-	-	-	117.92	-	-	-	-	117.92	
Disposals	-	-	-	(37.55)	-	-	(53.86)	(0.69)	(92.10)	
Total accumulated depreciation as at March 31, 2019	-	446.83	21.01	5,007.17	234.51	79.36	269.73	123.19	6,181.81	
Net Block										
Net carrying value as at April 1, 2018	1,567.23	2,758.16	256.59	7,568.02	789.38	159.03	485.12	85.31	13,668.84	
Net carrying value as at March 31, 2019	1,643.15	2,865.00	263.10	8,594.80	712.99	153.62	433.13	58.82	14,724.60	
Notes :										
(a) For lien/charge against property, plant and equipment refer note 11.1 and 11.2.										

3.1 Property, plant and equipment										
	Land- Freehold	Building -Factory	Building -Others	Building -IT Park	Plant and equipment	Office Equipments	Furniture & fixtures	Vehicles - Owned	Computer & Peripherals	Total
At amortised Cost										
Cost/Deemed cost as at April 1, 2017	2,321.64	590.72	253.23	1,526.48	5,941.71	335.09	104.82	765.37	167.46	12,006.53
Additions	-	2,501.40	20.03	-	5,609.02	603.89	121.20	51.95	13.60	8,921.09
Disposals	-	-	-	-	(388.90)	-	(7.13)	(66.71)	-	(462.74)
Transfer to Investment Property	(754.42)	-	-	(1,526.48)	-	-	-	-	-	(2,280.89)
Ind AS adjustments	-	-	-	-	-	-	-	-	-	-
Measurement	-	-	-	-	179.66	-	-	-	-	179.66
Cost/Deemed cost as at March 31, 2018	1,567.23	3,092.12	273.27	-	11,341.49	938.98	218.90	750.62	181.06	18,363.66
Accumulated Depreciation										
Accumulated depreciation as at April 1, 2017	-	235.75	12.38	8.00	3,319.35	97.37	49.07	248.10	68.32	4,038.34
Charge for the year	-	98.20	4.29	-	757.27	52.23	14.84	68.33	27.43	1,022.60
Ind AS adjustments	-	-	-	(8.00)	68.42	-	-	-	-	60.42
Disposals	-	-	-	-	(371.58)	-	(4.04)	(50.93)	-	(426.54)
Accumulated depreciation as at March 31, 2018	-	333.95	16.68	-	3,773.47	149.60	59.87	265.50	95.75	4,694.82
Net Block										
Net carrying value as at April 1, 2017	2,321.64	354.97	240.85	1,518.48	2,622.36	237.73	55.75	517.28	99.14	7,968.19
Net carrying value as at March 31, 2018	1,567.23	2,758.16	256.59	-	7,568.02	789.38	159.03	485.12	85.31	13,668.84
Notes :										
(a) For lien/charge against property, plant and equipment refer note 11.1 and 11.2.										

3.2 Capital work in progress	Rs. In lakh
Balance as at April 1, 2018	-
Add: Additions during the year	3,442.60
Add: Expenditure during the year	
- Finance costs	55.64
- Foreign exchange differences (net)	(32.14)
Less: Assets capitalised during the year	(2,198.08)
Balance as at March 31, 2019	1,268.02
Balance as at April 1, 2017	10,871.26
Add: Additions during the year	813.38
- Finance costs	89.59
- Foreign exchange differences (net)	(2.63)
Less: Asset re-classified under Investment Property	(2,916.04)
Less: Assets capitalised during the year	(8,855.54)
Balance as at March 31, 2018	-

4. Investment Property

At Fair Market Value

	As at March 31, 2019	As at March 31, 2018
Property held for Sale	4,898.25	4,898.25
Total	4,898.25	4,898.25

The Company endeavors to sell-off the IT Tower situated at Plot No.19, Sector -22, Panchkula Information Technology Park, Panchkula. Hence the property is transferred from PPE to Investment Property. The property has quoted at fair market value.

Notes forming part of Financial Statements

Rs. In lakh

5. Financial assets**5.1 Non-current investments****Un-quoted investment**

	Nos of shares as at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Investment carried at fair value			
Equity Investment			
-Un-quoted			
-Serrano Limited, Singapore (fair value SGD 0.031 per share)	6,575,711	102.37	-
Total investment		102.37	-

The company sold its product to Serrano Ltd, Singapore. The customer went into liquidation and filed for settlement under the Scheme of Arrangement under the direction of High Court in Republic of Singapore. The date when scheme was filed, Serrano owed Rs. 253.30 lakh to the company.

As per scheme, creditors were entitled to receive a 'Cash Distribution' and 'share Distribution of enlarged share capital' of Serrano Limited, on pro-rata basis.

Under Share Distribution Scheme, Stylam was entitled for 6,575,711 Nos of shares of Serrano Ltd

The shares are listed on Singapore Stock Exchange but as on date its trading is being suspended.

As per procedure, the allotment of shares in physical form has been done away and allotment is allowed in dematerialise form only.

The dematerialise account can be opened only by a person resident of that country.

The company has not any presence in Singapore and hence assigned these shares in the name of person, resident of Singapore. The person under an agreement shall hold shares as a Custodian on behalf of the company

Company in meantime will explore options to open office in Singapore.

After the company establish its set-up in Singapore, the above mentioned shares will be transferred from the above referred person in favour of company.

Notes forming part of Financial Statements

Rs. In lakh

5.2 Loans and advances

(at amortised cost)

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured and considered good				
Security deposits	97.25	109.24	-	-
	97.25	109.24	-	-

Security deposits are primarily in relation to public utility services and rental agreements

5.3 Other financial assets

(at amortised cost)

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due	-	-	6.24	1.02
	-	-	6.24	1.02

5.4 Trade receivables

(at amortised cost)

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good				
Trade receivables	-	-	7,712.38	5,721.33
	-	-	7,712.38	5,721.33

Note:

5.5 Cash and cash equivalents

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Cash in hand	-	-	0.61	0.79
Balances with banks:				
– On current accounts	-	-	154.57	30.49
– Deposits with original maturity of upto 3 months	-	-	-	-
	-	-	155.18	31.28

5.6 Other bank balances

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
– Deposits with original maturity of upto 3 months (pledged with Bank)	-	-	51.64	54.44
– Deposits with original maturity of upto 3 months (pledge with Bank)	-	-	1.42	-
– Deposits with original maturity of more than 3 months	936.40	-	-	-
	936.40	-	53.06	54.44

Non-current deposits represents deposit with Bank out of disbursed ECB

Current earmarked bank balances represent deposits due for realisation within 3 months from the balance sheet date. These are primarily placed as margin money against issue of Letter of Credits.

Notes forming part of Financial Statements

Rs. In lakh

6. Movement in deferred tax balances

Deferred Income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the company's net deferred income tax are as follows :-

Particulars	Opening balance	Recognised/ (reversed) in Profit & Loss	MAT credit utilised	Recognised in OCI	Closing balance
Deferred tax assets					
Compensated absences & retirement benefits	53.30	9.58		(2.80)	60.08
Bonus	9.43	2.82			12.25
Derivative financial instruments	42.56	(42.56)			-
Expenses allowed for tax purposes when paid	95.64	256.67			352.32
MAT carry forward	25.00		(25.00)		-
Total deferred tax assets	225.93	226.52	(25.00)	(2.80)	424.65
Deferred tax liabilities					
Property, plant and equipment	844.75	468.77			1,313.52
Total deferred tax liabilities	844.75	468.77	-	-	1,313.52
Deferred tax liabilities	(618.82)	(242.25)	(25.00)	(2.80)	(888.87)

Reflected in Balance Sheet

	31-Mar-19	31-Mar-18
Deferred Tax assets	424.65	225.93
Deferred Tax Liabilities	1,313.52	844.75
Deferred Tax Liabilities (net)	888.87	618.82

Notes forming part of Financial Statements

Rs. In lakh

7. Other Assets

Unsecured and considered good	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Capital advances	645.14	273.08	-	-
Advance to Suppliers	-	-	237.12	118.83
Staff Advances	-	-	2.64	6.23
Other Advances	19.76	10.30	-	7.00
Prepaid expenses	-	-	25.35	13.10
Balances with statutory/government authorities/bodies	-	-	66.06	11.49
Export Incentive receivable	-	-	265.91	12.67
GST/ VAT Recoverable	-	-	1,485.45	1,894.66
Ancillary cost of arranging the borrowings	34.76	29.69	7.48	-
Income tax Refundable	-	-	37.38	38.46
Income tax paid under Appeal	-	-	49.00	49.00
	699.66	313.07	2,176.39	2,151.45

Advance with statutory / government bodies relate to input credit entitlements

8. Inventories

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Raw materials	-	-	3,845.11	3,132.37
Work-in-progress	-	-	336.98	159.30
Finished goods	-	-	1,254.15	1,556.62
Material In Transit	-	-	267.83	991.16
Fuel Coal & Diesel	-	-	33.85	32.26
Packing & Stores	-	-	122.18	-
Total	-	-	5,860.09	5,871.72

The inventories of the Company have been pledged as securities against borrowings.

Notes forming part of Financial Statements

Rs. In lakh

9. Equity share capital

	As at March 31, 2019	As at March 31, 2018
Authorised 8,550,000 (31 March 2018: 8,550,000) equity shares of Rs.10/-each	85,500,000	85,500,000
Issued, subscribed and fully paid up shares 8,166,200 (31 March 2018: 8,166,200) equity shares of Rs.10/-each	81,662,000	81,662,000
Total issued, subscribed and fully paid-up share capital	81,662,000	81,662,000

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

	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
At the beginning of the year	8,166,200	816.62	7,316,200	731.62
Issued during the year	-	-	850,000	85.00
Outstanding at the end of the year	8,166,200	816.62	8,166,200	816.62

(b) Terms/ rights attached to equity shares

a) The company has single class of shares referred to as equity shares having par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors, is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend. In the event of liquidation of the company, the equity shareholders are eligible to receive the surplus assets remaining after settlement of preferential amounts in proportion to their shareholding.

(c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2019		As at March 31, 2018	
	Number	% of total shares	Number	% of total shares
Equity shares of INR 10 each fully paid				
Jagdish Gupta	985,450	12.07%	985,450	12.07%
Satish Gupta	868,963	10.64%	868,963	10.64%
Light House Emerging India Investor Ltd	850,000	10.41%	850,000	10.41%
Manit Gupta	412,198	5.05%	412,198	5.05%
Usha Gupta	712,875	8.73%	712,875	8.73%
Pushpa Gupta	550,970	6.75%	550,970	6.75%

Detail of last five years Share transactions:-

	2018-19	2017-18	2016-17	2015-16
Share Issue as Bonus	-	-	-	-
Preferential allotment	-	850,000	-	-
Shares forfeited	-	-	-	-
ESOP	-	-	-	-

Notes forming part of Financial Statements

Financial Liabilities

10.1 Long-term borrowings

(at amortised cost)

Rs. In lakh

	Non-Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Secured - At Amortised Cost				
From Banks				
<i>Foreign Currency Loans</i>				
Foreign Currency Loans -(a)	1,538.46	2,161.52	-	492.55
Foreign Currency Loans -(b)	1,543.72	1,756.58	349.52	329.38
Foreign Currency Loans -(c)	433.77	-	60.82	-
Foreign Currency Loans -(d)	1,070.25	-	93.18	-
Foreign Currency Loans -(e)	1,338.69	-	83.67	-
<i>Rupee Loans</i>				
Rupee Loan -(a)	176.09	127.15	465.00	-
Rupee Loan -(c)	180.96	-	31.93	-
Vehicle Loans -(f)	44.32	84.91	41.29	82.95
Unsecured - At Amortised Cost				
From Promoters -(g)	236.29	81.99	-	116.25
From others -(h)	28.96	23.98	-	-
	6,591.51	4,236.12	1,125.41	1,021.13
The above amount includes				
Secured borrowings	6,326.26	4,130.16	1,125.41	904.88
Unsecured borrowings	265.24	105.97	-	116.25
Amount disclosed under the head "Other financial liabilities" (note 11.4)	-	-	(1,125.41)	(1,021.13)
Net amount	6,591.51	4,236.12	-	-

Nature of security of Non-current borrowings and other terms of repayment

- Foreign Currency Loan amounting to Rs.1,538.46 lakh (31 March 2018: Rs.2,654.06 lakh) & Rupee Loan amounting to Rs.641.09 lakh (31 March 2018 : Rs.127.15 lakh) from State Bank of India is secured by first pari-passu charge with other lenders, on movable fixed assets, present and future, of the company, including equitable mortgage of immovable properties at Plot No. 192-193, Industrial Area, Panchkula and Manak Tabra, Haryana. Term Loan is repayable in 24 quarterly instalments from April 2017.
- Foreign Currency Loan amounting to Rs.1893.23 lakh (31 March 2018 : Rs.2085.95 lakh) from HDFC Bank Ltd are secured by first pari-passu charge with other lenders on all fixed assets, present & future, of the company, including equitable mortgage of immovable property at Plot No.19, Sector -22, IT Park, Panchkula. The loan is repayable in 84 equal monthly instalments from Sept.17
- Foreign Currency Loan amounting to Rs.494.59 lakh (31 March 2018 : Nil) and Rupee loan amounting to Rs.212.90 lakh (31 March 2018 : Nil) from HDFC Bank Ltd are secured by first pari-passu charge with other lenders on all fixed assets, present & future, of the company, including equitable mortgage of immovable property at Plot No.19, Sector -22, IT Park, Panchkula. The loan is repayable in 69 monthly instalments from August 2019
- Foreign Currency Loan amounting to Rs.1163.43 lakh (31 March 2018 : Nil) from Federal Bank Ltd is secured by first pari-passu charge with other lenders on all movable and immovable properties, present & future, of the company. The loan is repayable in 48 monthly instalments from October 2019
- Foreign Currency Loan amounting to Rs.1422.36 lakh (31 March 2018 : Nil) from Standard Chartered Bank is secured by first pari-passu charge with other lenders on all movable and immovable properties, present & future, of the company. The loan is repayable in 17 quarterly instalments from February 2020
- Vehicle loans are secured against Hypothecation of respective vehicles. The same are repayable in five years from the date of respective disbursement.
- Interest free Unsecured loan from promoters (inclusive of amount considered under Note 12 as Deferred Revenue Liability - promoter) for Rs.350.00 lakh (31 March 2018 : Rs.350.00 lakh) is repayable in year 2022. This loan was initially measured at fair value using market rate of interest at the time when loan was taken.
- Interest free Unsecured loan from others (inclusive of amount considered under Note 12 as Deferred Revenue Liability - Othes) for Rs.33.42 lakh (31 March 2018 : Rs.33.42 lakh) is repayable in year 2021. This loan was initially measured at fair value using market rate of interest at the time when loan was taken.

The term loan carrying floating interest rate calculated in accordance with the terms of arrangement which is specified benchmark rate (reset periodic interval), adjusted for agreed spread. During the year ended 31 March 2019, the interest rate on rupee loan and foreign currency loans ranges from 9.00% to 11.65% per annum (31 March 2018: ranges from 11.40% to 12%) and Libor/ Euribor +175 bps to L+225 bps (31 March 2018: L+250 bps to L+350 bps) respectively.

The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

Maturity Profile	Rs. In lakh		
	Bank Borrowing	Vehicle loan	Total
Not later than 1 year	1,084.12	41.29	1,125.41
Later then one but not two years	1,702.05	31.19	1,733.25
Later then two but not three years	1,674.05	13.12	1,687.17
Later then three but not four years	1,683.05		1,683.05
Later then four but not five years	1,036.16		1,036.16
Later then five but not six years	186.63		186.63
	7,366.07	85.61	7,451.67

10.2 Short-term borrowings

	Rs. In lakh			
	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Secured - At Amortised Cost				
Working Capital Loans				
From Banks				
Foreign currency loan	-	-	2,851.76	5,831.69
Indian rupee loan (unsecured)	-	-	-	-
Indian rupee loan from financial institutions (unsecured)	-	-	-	-
Rupee Loans	-	-	2,638.99	1,591.49
Unsecured - At Amortised Cost				
Working Capital Loans				
From Banks				
Unsecured Loan	-	-	1,500.00	-
	-	-	6,990.74	7,423.18

Nature of security of Current borrowings and other terms of repayment

- Working capital facilities availed from State Bank of India, HDFC Bank Ltd and Standard Chartered Bank are secured by a first charge ranking pari-passu inter-se banks, on all current assets of the company, both present and future, wherever the same may be or be held and have a second charge ranking pari- passu on all movable and immovable fixed assets of the Company, present and future. Working capital facilities are repayable on demand.
- Unsecured loan amounting to Rs.1500.00 lakh from Federal Bank is repayable within six months from the date of disbursement.
- Working capital are availed in Indian rupees and in foreign currency which carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2019, the interest rate on Indian currency and foreign currency limits ranges from 9.00 % to 10.55% per annum (31 March, 2018: 11.80% to 12.15%) and Libor/ Euribor + 200 bps per annum (31 March 2017: L+250 bps) respectively.

The composition of property, plant and equipment and current assets as mentioned above are defined in detail in the respective financing/credit arrangements.

10.3 Trade payables

	Rs. In lakh			
	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to micro and small enterprises)	-	-	-	-
Total outstanding dues of creditors	-	-	2,694.95	3,388.60
Total outstanding dues of creditors from MSME	-	-	38.35	33.54
	-	-	2,733.30	3,422.14

Amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises (MSME) Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The total outstanding Rs.38.35 lakh as at the end of the year is Principal amount due to MSME.

10.4 Other financial liabilities

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial liabilities at fair value	-	-	-	-
Foreign exchange forward contracts	-	-	-	121.80
	-	-	-	121.80
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (note 11.1)	-	-	1,125.41	1,021.13
Security deposits received*	-	-	0.12	20.52
Liability towards Capital vendors	-	-	8.62	-
Interest accrued but not due on borrowings	-	-	21.14	10.84
	-	-	1,155.30	1,052.49
	-	-	1,155.30	1,174.29

Financial liabilities at fair value through profit and loss

11. Provisions

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits				
Provision for gratuity (note 28)	90.61	80.58	9.95	11.41
Provision for compensated absences	65.53	55.14	5.86	5.42
Provision for Bonus	-	-	35.06	26.98
	156.15	135.72	50.86	43.81
Other provisions				
Provision towards vendors	-	-	-	1.35
	-	-	-	-
Total Provisions	156.15	135.72	50.86	45.16

As per the leave policy of the Company, an employee is entitled to be paid the accumulated leave balance on post retirement. The Company presents provision for leave salaries as current and non-current based on actuarial valuation.

12. Other liabilities

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Advance from customers	-	-	165.24	207.90
Statutory dues payable	-	-	41.35	35.69
Expenses Payable	-	-	477.75	413.71
Deferred Revenue Liability (Govt. Grant)	618.27	321.30	-	-
Deferred Revenue Liability (Others)	4.47	9.45	-	-
Deferred Revenue Liability (Promoters)	113.71	151.76	-	-
Total Other liabilities	736.45	482.50	684.34	657.31

Deferred Revenue Liability (Govt Grants)

- i Deferred Revenue Liability (Govt Grants) relate to duty saved on import of capital goods and spares under the EPCG scheme. Under the scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. Such grants recognised are released to the statement of profit and loss based on fulfilment of related export obligations.
- ii During the year Rs.78.66 lakh (2017-18: Rs.47.25 lakh) was released from deferred income to the statement of profit and loss on fulfilment of export obligations.

13. Current tax liabilities

	Non-current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Liabilities for income tax (net of taxes paid)	-	-	619.98	61.62
Total tax liabilities	-	-	619.98	61.62

Notes forming part of Financial Statements

Rs. In lakh

14. Revenue from operations

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of products (including excise duty)		
Export	29,581.58	23,064.39
Domestic	16,485.47	10,889.81
	46,067.05	33,954.20

15. Other income

	Year ended March 31, 2019	Year ended March 31, 2018
Profit on sale of Fixed assets	8.69	112.35
Deferred Interest Income - Interest Free Loan	43.02	27.66
Government grants	78.67	47.25
Rental Income	11.40	11.40
Misc. Income	2.06	30.72
Interest on security deposit	4.47	-
Interest income on Bank deposits	11.01	4.40
	159.32	233.78

Notes forming part of Financial Statements

Rs. In lakh

16. Cost of raw material consumed

	Year ended March 31, 2019	Year ended March 31, 2018
Inventory at the beginning of the year	3,132.37	3,803.83
Add: Purchases	26,068.63	17,174.43
Less: Inventory at the end of the year	(3,845.11)	(3,132.37)
	25,355.89	17,845.89

17. (Increase)/Decrease in inventories

	Year ended March 31, 2019	Year ended March 31, 2018
Inventory at the beginning of the year		
-Work-in-progress	159.30	46.63
- Finished goods	1,556.62	1,325.13
Inventories at the end of the year		
-Work-in-progress	(336.98)	(159.30)
- Finished goods	(1,254.15)	(1,556.62)
Net (increase)/decrease in inventories	124.80	(344.17)

18. Employee benefit expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	2,771.05	2,841.44
Contribution to provident fund & Other funds	78.15	80.02
Gratuity expense (note 28)	32.32	29.00
Compensated absences	23.35	9.78
Staff welfare expenses	94.73	57.07
	2,999.60	3,017.31

19. Other expenses

	Year ended March 31, 2019	Year ended March 31, 2018
Manufacturing Expenses		
Store & Spares	659.15	633.80
Packing Stores	1,206.81	904.91
Freight	758.31	512.88
Electric Power, Fuel & Water	2,910.72	1,984.76
Repairs and maintenance		
- Buildings	71.05	29.58
- Plant & Machinery	179.24	122.24
Excise Duty #	-	(110.88)
	5,785.28	4,077.28
Selling & Distribution Expenses		
Business promotion expenses	478.39	247.26
Distribution Expenses - Export	1,897.08	1,396.70
Distribution Expenses - Domestic	571.81	740.81
Certification Expenses	25.41	12.75
	2,972.69	2,397.52
Establishment Expenses		
Professional and consultancy fees	42.24	52.90
Rent	184.19	256.01
Rates and taxes	61.14	54.75
Insurance	65.91	42.47
Travelling and conveyance expenses	191.97	201.12
Other Repairs	193.89	123.94
Payment to Auditors	2.00	1.50
Loss on sale of property, plant and equipment (net)	27.54	28.66
Charity and Donation	1.61	1.05
Corporate Social Responsibility	53.51	58.73
Miscellaneous expenses	261.03	292.81
	1,085.03	1,113.95
	9,843.00	7,588.75

a) Details of remuneration to auditors included under professional and consultancy fees

	Year ended March 31, 2019	Year ended March 31, 2018
As auditors		
-Audit fee	1.50	1.25
-Limited review of interim financial statements	0.25	-
-Tax audit fee	0.25	0.25
-Out of pocket expenses	-	-
	2.00	1.50

b) Details of CSR expenditure

	Year ended March 31, 2019	Year ended March 31, 2018
Gross amount required to be spent by the Company during the year		
i) Sanitation		10.65
ii) Rural transformation	0.53	25.99
iii) Donation for Ambulance & Mortuary Van	29.78	20.01
vi) Child welfare	0.21	0.24
v) Social welfare		0.11
vi) Plantation		1.63
vii) Women Empowerment	2.25	0.10
viii) Healthcare	-	-
ix) Education for under-privileged children	0.74	-
x) Prime Minister National Relief Fund	20.00	-
	53.51	58.73

20. Depreciation and amortisation expense

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment (note 3.1)	1,579.09	1,083.02
	1,579.09	1,083.02

21. Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Interest cost	718.55	619.88
Loan facility fees	8.45	6.41
Other Borrowing cost	210.58	144.16
Exchange difference	175.41	-
	1,112.98	770.45

22. Earnings per share (EPS)

	Year ended March 31, 2019	Year ended March 31, 2018
The following reflects the profit/(loss) and share data used in the basic		
Profit after tax as per Statement of Profit and Loss (used for both calculation of basic and diluted EPS)	3,507.79	2,005.70
Weighted average number of equity shares in calculating basic and diluted EPS (in million)	81.66	8.07
Basic - Par value of INR 10 per share (in INR)	42.95	24.84
Diluted - Par value of INR 10 per share (in INR)	42.95	24.84

23. Fair value Hierarchy

a) Financial instruments by category

Rs. In lakh

	Note	Level of hierarchy	As at March 31, 2019			As at March 31, 2018		
			Amortised Cost	FVOCI	Fair Value	Amortised Cost	FVOCI	Amortised Cost
Financial Assets								
Investments	e	3	102.37	-	102.37	-	-	-
Loans and advances	a, b		97.25	-	97.25	109.24	-	109.24
Trade and other receivables	a		7,712.38	-	7,712.38	5,721.33	-	5,721.33
Cash and cash Equivalents	a		155.18	-	155.18	31.28	-	31.28
Other bank balances	a		989.46	-	989.46	54.44	-	54.44
Other financial assets	a		6.24	-	6.24	1.02	-	1.02
Total Financial Assets			9,062.88	-	9,062.88	5,917.31	-	5,917.31
Financial Liabilities								
Borrowings (including current maturities)	c		14,707.66	-	14,707.66	12,680.43	-	12,680.43
Trade payables	a		2,733.30	-	2,733.30	3,422.14	-	3,422.14
Foreign Exchange contracts	d	2	-	-	-	-	121.80	121.80
Other financial liabilities	a		29.89	-	29.89	31.36	-	31.36
Total Financial Liabilities			17,470.85	-	17,470.85	16,133.93	121.80	16,255.73

a. Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b. Fair value for security deposits has not been disclosed as there is no significant differences between carrying value and fair value.

c. The fair values of long term borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

d. The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date

e. Investments of unquoted equity instruments has been considered as an approximate estimate and published price information.

There are no transfers between level 1, Level 2 and Level 3 during the year ended 31 March 2019 and 31 March 2018.

The following explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard.

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) and the fair value is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Currently, the Company does not have any such financial instruments.

b) Financial assets and liabilities measured at amortised cost**Fair value of financial assets and liabilities measured at amortised cost**

Rs. In lakh

	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Investments	102.37	102.37	-	-
Loans and advances	97.25	97.25	109.24	109.24
Trade and other receivables	7,712.38	7,712.38	5,721.33	5,721.33
Cash and cash Equivalents	155.18	155.18	31.28	31.28
Other bank balances	989.46	989.46	54.44	54.44
Other financial assets	6.24	6.24	1.02	1.02
Total Financial Assets	9,062.88	9,062.88	5,917.31	5,917.31
Financial Liabilities				
Borrowings (including current maturities)	14,708	14,707.66	12,680.43	12,680.43
Trade payables	2,733.30	2,733.30	3,422.14	3,422.14
Foreign Exchange contracts	-	-	121.80	121.80
Other financial liabilities	29.89	29.89	31.36	31.36
Total Financial Liabilities	17,470.85	17,470.85	16,255.73	16,255.73

Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

For financial assets & liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Investments of unquoted equity instruments has been considered as an approximate estimate and published price information is considered as its carrying value.

c) Valuation techniques used to determine fair value through profit or loss for financial instruments

Specific valuation techniques used to value financial instruments include:

- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(i) The carrying amounts of trade receivables, trade payables, capital creditors, short term borrowings, bank balances and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits are calculated based on cash flows discounted using a current lending rate.

(ii) The fair values of long term borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

(iii) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

24. FINANCIAL RISK MANAGEMENT**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defense namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the Risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- a. credit risk
- b. liquidity risk
- c. market risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit risk exposure.

Trade receivables and other financial assets

The Company has established a credit policy under which customer is analysed individually for creditworthiness before the payment and In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual The Company based on internal assessment which is driven by the historical experience/ current facts available, the management believes With regards to all other financial assets with contractual cash flows management believes these to be high quality assets with negligible

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities.

The Company has mature liquidity risk management processes covering short-term, mid-term and long-term funding. Liquidity risk is controlled through maintaining sufficient reserves, adequate amount of committed credit facilities and loan funds.

The contractual maturities of the Company's financial liabilities are presented below:-

Rs. In lakh

31 March 2019	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	14,707.66	1,125.41	13,582.25	14,707.66
Trade payable	2,733.30	2,733.30	-	2,733.30
Other financial liabilities	29.90	29.90	-	29.90

Rs. In lakh

31 March 2018	Contractual cash flows			
	Carrying amount	Within one year	More than one year	Total
Non-derivative financial liabilities				
Borrowings (including current maturities)	12,680.43	1,021.13	11,659.30	12,680.43
Trade payable	3,422.14	3,422.14	-	3,422.14
Other financial liabilities	31.36	31.36	-	31.36
Derivative financial liabilities	121.80	121.80	-	121.80

Foreign exchange forward contracts is the difference between the booking rate and exchange rate at the balance sheet date, and not considered under financial obligation.

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the EUR and USD against the functional currency at 31 March would have affected the measurement of financial exposure denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact on forecast sales and purchases.

	Movement	Rs. In lakh	
		Profit or Loss (before tax)	
		Strengthening	Weakening
Year ended March 31, 2019			
USD	1%	(37.39)	37.39
EURO	1%	(32.11)	32.11
Year ended March 31, 2018			
USD	1%	(105.69)	105.69
EURO	1%	(44.71)	44.71

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 both fixed and 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 and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	Rs. In lakh	
	Year ended March 31, 2019	Year ended March 31, 2018
Fixed rate borrowings	5,343.83	2,108.72
Floating rate borrowings	9,363.84	10,571.71
Total borrowings	14,707.66	12,680.43

Sensitivity analysis

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

If interest rates had been 25 basis points higher / lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2019 would decrease / increase by Rs 15.54 lakh (for the year ended 31 March 2018: decrease / increase by Rs. 7.82 lakh). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income, assets, liabilities or expected cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD and EUR

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, entering into forward contracts.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	Rs. In lakh			
	31 March 2019		31 March 2018	
	USD	EUR	USD	EUR
Trade receivables	3,465.46	1,885.00	2,907.12	1,278.12
Trade payables	(1,248.22)	(647.45)	(1,496.89)	(659.96)
Borrowings	(5,416.40)	(3,947.44)	(6,165.15)	(2,532.48)
	(3,199.16)	(2,709.89)	(4,754.92)	(1,914.32)

Trade receivables include advance to suppliers for material and Capital advances.

Trade payables includes payable towards material and capital goods. It also includes advance from customers.

25. Capital Management

Risk management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that its can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it as and when required. To maintain or adjust the capital structure, the Company plan either to raise fresh debt or to repay it, to raise fresh equity or sell those assets which have little contribution in the company's overall performance, when to pay dividends etc.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity'

	Year ended March 31, 2019	Year ended March 31, 2018
Net debt	14,499.42	12,594.71
Total equity	18,082.39	14,563.78
Net debt to equity ratio	0.80	0.86

26 Employee benefits in respect of the Company have been calculated as under:

1 Defined Contribution Plans

The Company has certain defined contribution plan such as provident fund and employee state insurance wherein specified percentage is contributed to them.

	Rs in lakh	
	31-03-19	31-03-18
Employer's contribution to provident fund	52.14	51.71
Employer's contribution to employee state insurance	24.49	26.58
Employer's contribution to welfare funds	1.53	1.73

2 Defined Benefit Plans

Gratuity:

The Company has a defined benefit gratuity plan as per the provisions of the Payment of Gratuity Act, 1972. Every employee who has completed five years or In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.5% p.a. (31 March 2018: 8% p.a.) which is determined by reference to market yield at the Balance Sheet date on Government bonds. The retirement age has been considered at 58 years (31 March 2018: 58 years) and mortality table is as per IALM (2006-08) (31 March 2018: IALM (2006-08)).

The estimates of future salary increases, considered in actuarial valuation is 5% p.a. (31 March 2018: 5% p.a.). The rate of attrition considered in actuarial valuation is 10% (31 March 2018:10%)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	Rs in lakh	
	31-03-19	31-03-18
Present value of obligation at the beginning of the year	91.98	89.72
Current Service Cost	25.43	21.82
Interest Cost	6.90	7.18
Benefits paid	15.72	2.25
Actuarial (gain)/ loss	(8.02)	(24.50)
Present value of obligation at the end of the year	100.56	91.98

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	Rs in lakh	
	31-03-19	31-03-18
Current Service Cost	25.43	21.82
Interest Cost	6.90	7.18
Expenses recognised in the Statement of profit & loss Account	32.32	29.00

Amount recognised in the other comprehensive income:

	Rs in lakh	
	31-03-19	31-03-18
Actuarial (gain)/ loss due to experience variance	(8.02)	(24.50)
Net (Income)/ Expenses recognised in OCI	(8.02)	(24.50)

Sensitivity analysis

	Rs in lakh			
Assumption	31-03-19		31-03-19	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	(94.44)	107.44	(107.54)	94.25

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and *Other long term benefits (compensated absences)*:

	Rs in lakh	
	31-03-19	31-03-18
Present value of obligation at the beginning of the year	60.56	57.41
Current Service Cost	23.98	18.84
Interest Cost	4.54	4.59
Benefits paid	12.52	6.64
Actuarial (gain)/ loss	(5.17)	(13.65)
Present value of obligation at the end of the year	71.39	60.56

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	Rs in lakh	
	31-03-19	31-03-18
Current Service Cost	23.98	18.84
Interest Cost	4.54	4.59
Actuarial (gain)/ loss	(5.17)	(13.65)
Expenses recognised in the Statement of profit & loss Account	23.35	9.78

27 **Sensitivity Analysis**

	Rs in lakh			
Assumption	31-03-19		31-03-19	
	Discount Rate		Future salary increase	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit	(67.69)	75.48	(75.55)	67.55

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Notes forming part of Financial Statements

28. Related Party Disclosures

Key Management Personnel (KMP) and their relatives**As per Ind AS 24, the disclosures of transactions with the related parties are given below:**

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Name of related party	Relationship
Sh .Jagdish Gupta Mr.Manav Gupta	Key Managerial Personnel (KMP)
Smt.Usha Gupta Smt. Pushpa Gupta Ms.Nidhi Gupta Ms.Saru Gupta Ms.Dipti Gupta Sh.Satish Gupta	Relative of KMP
Golden Chem-tech Limited	Associate Concern

Transactions during the year with related parties

Rs in lakh

Nature of transactions	2018-19		2017-18	
	Associate	Key Managerial Personnel/ Relative	Entities over which control is exercised	Key Managerial Personnel/ Relative
Purchase of Goods	398.88		86.49	
Sale of Goods	1,320.63		604.42	
Rent paid	120.00		120.00	
Rent received	11.40		11.40	
Salary Paid		199.50		191.65
Interest Paid		-		20.84
Addition in Borrowings		-		357.57
Borrowings repaid back		-		1,907.37
Balances as at	Year ended March 31, 2019		Year ended March 31, 2018	
Borrowings	350.00		350.00	

29. CONTINGENT LIABILITIES AND COMMITMENTS**1 Contingent liabilities****(a) Claims against Company, disputed by the Company, not acknowledged as debt**

Rs in lakh

	Year ended March 31, 2019	Year ended March 31, 2018
Income Tax	269.68	218.47

(b) Guarantees

Furnished by Banks on behalf of the Company

Rs in lakh

	Year ended March 31, 2019	Year ended March 31, 2018
Sales Tax, Dehradun	0.50	0.50
GST, Punjab	4.00	4.00
GST, U.P	8.64	-

(c) Other Money for which the Company is contingently liable

Rs in lakh

	Year ended March 31, 2019	Year ended March 31, 2018
Liability in respect of Bill discounted with Banks	476.12	-

2 Commitments**(a) Estimated amount of contracts remaining to be executed on capital account (net of advances)**

Rs in lakh

	Year ended March 31, 2019	Year ended March 31, 2018
Others	397.38	4,226.00

(b) Other commitments

Rs in lakh

	Year ended March 31, 2019	Year ended March 31, 2018
Export obligation under Advance License Scheme on duty free import of specific raw materials	33,155.40	17,511.05
Export obligation under EPCG License Scheme on duty free import of Capital Goods	4,658.28	3,600.54

- (c) Government grant deferred liability to be settled is Rs.618.27 lakh (31 March 2018: Rs.321.30 lakh) and Government grant recognized Rs.78.67 lakh (31 March 2018: Rs.47.25 lakh) in Statement of Profit and Loss.

Hedging instruments

The Company uses various derivative instruments such as foreign exchange forward contracts to hedge its exposures to movement in foreign exchange rates. These instruments are not used for speculative or trading purposes.

The following are the outstanding derivative contracts entered into by the Company:

Category	Currency	Cross Currency	Amount (in lakh)		Buy/Sell
<i>Forward Contracts</i>					
As at 31 March 2019	USD	INR	USD	61.00	Sell
	Euro	USD	Euro	42.00	Sell
As at 31 March 2018	USD	INR	USD	14.00	Sell
	Euro	USD	Euro	53.00	Sell

Mark to market loss amounting to Nil (31 March 2018: Rs. 121.80 lakh in respect of forward contract was charged to the Statement of Other Comprehensive Income).

3 **Details of dues to Micro and Small Enterprises as per MSMED Act 2006**

Particulars	Rs in lakh	
	Year ended March 31, 2019	Year ended March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
i) Principal amount due to micro and small enterprise	38.35	33.54
ii) Interest due on above	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv) 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 the MSMED Act 2006.	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) 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 the MSMED Act 2006.	-	-

4 **Leases: Operating leases**

The Company has entered into lease arrangements for office premises, guest houses varying different time intervals. There is an escalation clause in some of the lease agreement during the primary lease period. There are no contingent rents. There are no restrictions imposed by lease arrangements. There are no subleases. Details of non- cancellable lease is as follows:

Particulars	Rs in lakh	
	Year ended March 31, 2019	Year ended March 31, 2018
Lease payments for the year	184.19	256.01
Future minimum lease payments:		
- Not later than one year	176.23	200.00
- Later than one year and not later than five year	12.68	
- Five years and above	-	-

NOTICE OF 28th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 28th Annual General Meeting of Stylam Industries Limited will be held on Monday 30th Day of September, 2019 at Chandigarh Club Limited, Sector-1, Chandigarh at 10:00 a.m. to transact the following Business:

Ordinary Business**1. Adoption of Audited Standalone Financial Statement**

To receive, consider, approve and adopt the Audited Statement of Profit & Loss for the financial year ended on 31st March, 2019 and Balance Sheet as at that date together with Reports of the Directors and Auditors thereon.

2. To approve Re-appointment of Mr. Manit Gupta, Director

To appoint a Director in place of Mr. Manit Gupta (DIN 00889528) who retires by rotation and being eligible offers himself for re-appointment.

3. To approve Re-appointment of Mr. Sachin Bhatla, Director

To appoint a Director in place of Mr. Sachin Bhatla (DIN 08182443) who retires by rotation and being eligible offers himself for re-appointment.

4. To take note of appointment of Statutory Auditors

To take note of the appointment of the Statutory Auditors and to fix their remuneration and in this regard to consider and pass the following resolution as an Ordinary Resolution

“RESOLVED THAT the appointment of M/s Mittal Goel & Associates, Chartered Accountants (Firm Registration No. 017577N) as Auditors of the Company pursuant to provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, and The Companies (Audit and Auditors) Rules, 2014, as approved by the members of the Company at the 28th Annual General Meeting (AGM) held on 30.09.2019 for a period upto the conclusion of the 31st AGM to be held in the year 2022, at such remuneration plus applicable taxes, out-of-pocket and other expenses in connection with the Company’s audit, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Special Business**5. To approve Re-appointment of Mr. Satpal Garg as an Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149(10), 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, as amended (“the Act”) The Companies (Appointment and Qualification of Directors) Rules, 2014, the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) (including any statutory modifications or re-enactment(s) thereof for the time being in force). Mr. Satpal Garg (DIN:1074514), who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence as provided under the Act and the SEBI Listing Regulations and who is eligible for reappointment, and whose re-appointment has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, for a second term of five (5) consecutive years till conclusion of 33rd AGM, be and is hereby approved”.

6. Authorisation of sell property situated at Plot No. 19, Sector -22, Panchkula Technology Park, Panchkula

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

“Resolved that pursuant Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments

thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to sell/transfer/dispose-off the whole/part of the property, including land and building, situated at Plot No.19, Sector 22, Panchkula Technology Park, Panchkula, Haryana, on such terms and conditions as the Board may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit.”

7. To approve alteration in Articles of Association of the Company and to incorporate on Appointment of Nominee Director in Articles of Association of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution

“RESOLVED THAT the following Article be inserted after Article 89 (ii) in Part I of the Articles of Association of the Company on Appointment of Nominee Director

89(iii) Notwithstanding anything to the contrary contained in these Articles, so long as “the company shall be entitled to agree with any person, firm or institution that he/she or it shall have the right to appoint his/her or its nominee on the Board of Directors of the Company upon such terms and conditions as Company may deem fit. The person, firm or institution shall be entitled, from time to time, to remove any such Director or Directors and appoint another or others in his or their places.

The Board of Directors of the Company shall have no power to remove the Nominee Director(s) from office. Also at the option of the institution, such Nominee Director(s) shall not be liable for retirement by rotation of directors. The nominee director(s) shall have the same rights and privileges and be subjected to the same obligations as any other director of the Company”.

8. To increase salary of Mrs. Usha Gupta, Related Party, from Rs.1.20 lakh p.m. to Rs.3.00 lakh p.m.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and all other applicable provisions of Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force, and as per the recommendation and approval of Nomination and Remuneration Committee, approval of shareholders be and is hereby accorded to enhance the prescribed limit of salary to Mrs. Usha Gupta, from Rs.120,000 per month upto Rs.300,000 per month with effect from July 01, 2019.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit.”

9. To approve appointment Ms.Purva Kansal as an Independent Director

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“Resolved That Ms. Purva Kansal, who was appointed as an Additional and Independent Director on the Board of the Company on 28th September 2018 be and is hereby appointed as a Director and Independent Director of the Company.

RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV and all other

applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder and pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), the appointment of Ms. Purva Kansal (DIN:08205836), as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 28th September 2018 to 27th September 2023 be and is hereby approved.”

10. To approve appointment of Mrs.Renu Sood as an Independent Director

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“Resolved That Mrs. Renu Sood, who was appointed as an Additional and Independent Director on the Board of the Company on 13th June 2019 be and is hereby appointed as a Director and Independent Director of the Company.

“RESOLVED THAT pursuant to the provisions of Section 149 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder and pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), the appointment of Mrs. Renu Sood (DIN:02280973), as an Independent Director of the Company, to hold office for a term of 5 (five) consecutive years, from 13th June 2019 to 12th June 2024 be and is hereby approved.”

11. To approve appointment of Mr.Ashutosh Pradeep Sardesai as aNominee Director

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 161(1) of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Ashutosh Pradeep Sardesai (DIN: 07860331) who was appointed as an Nominee Director at the meeting of the Board of Directors of the Company held on 27th June, 2019 and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 proposing his candidature for the office of director be and is hereby appointed as the Nominee Director of the Company.”

12. To approve re-appointment of Shri Jagdish Gupta as Managing Director

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Shri Jagdish Gupta (DIN: 00115113) as a Managing Director, for a further period of 5 (five) years, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

13. To approve re-appointment of Mr.Manav Gupta as a Whole-Time Director

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Mr.Manav Gupta (DIN: 03091842) as a Whole-Time Director, for a further period of 5 (five) years with effect from 27th June 2019 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

14. To increase salary of Shri Jagdish Gupta, Managing Director, from Rs.10.00 lakh p.m. to Rs.12.00 lakh p.m.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Shri Jagdish Gupta, Managing Director be and hereby increased from Rs.10,00,000/- p.m. to Rs.12,00,000/- p.m. with effect from 1st October,2019, unless revised, till the remainder of his term and that the use of Company’s car and telephone at residence used by him for official duties, shall not be included in the remuneration package.

RESOLVED FURTHER THAT that the remuneration stated above shall be paid to Shri Jagdish Gupta even in case of inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit.”

15. To increase salary of Mr. Manav Gupta, Director, from Rs.4.00 lakh p.m. to Rs.6.00 lakh p.m.

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the monthly remuneration of Sh. Manav Gupta, Whole Time Director be and hereby increased from Rs.4,00,000/- p.m. to Rs.6,00,000/- p.m with effect from 1st October,2019, unless revised, till the remainder of his term and that the use of Company’s car used by him for official duties, shall not be included in the remuneration package.

RESOLVED FURTHER THAT that the remuneration stated above be paid to Mr. Manav Gupta even in case of inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above

Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale/transfer of the property as they may in their absolute discretion deem fit.”

Other Business

To take note of disclosure made in Abridged Prospectus on the scheme of amalgamation between Golden Chem-Tech Limited (Transferor Company) with Stylam Industries Limited (Transferee company)

Pursuant to Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder as in force from time to time Company had filed First Motion Petition for “Scheme for Amalgamation between Golden Chem-Tech Limited (Transferor Company) with Stylam Industries Limited (Transferee Company)” with Hon’ble NCLT, Chandigarh Bench in the month of December 2018.

As per direction of NCLT the Company had sent Notice with all relevant documents to all Shareholders, secured creditors, unsecured creditors and statutory regulators.

NCLT convened meeting of shareholders, creditors were held on February 09, 2019 at Chandigarh Club, Sector -1, Chandigarh, for the purpose of considering and if thought fit, approving with or without modification(s), the arrangement proposed in the Scheme.

The Scheme is also uploaded on the web-site of company.

Scheme was unanimously approved by shareholders.

Thereafter, company has filed the Second Motion Petition to Sectoral Regulators for getting approval on the Scheme with or without modification(s). Bombay Stock Exchange (BSE), has raised an observation that the details of unlisted company i.e Golden Chem-Tech Limited was not in the form of Abridged Prospectus, as specified in Circular dated March 10, 2017 by Securities and Exchange Board of India (SEBI) and it was required to be sent along-with the Notice sent to Shareholders for the First Motion Petition.

Though contents of Abridged Prospectus were brought to the knowledge of shareholders:

First, through the Scheme itself;

Secondly, it is uploaded on the website of company at www.stylam.com; and

Lastly, it was placed at Meeting of shareholders held on February 09, 2019

But still to resolve the observation raised by BSE, Company seek to all shareholders to “Take Note of disclosure made in Abridged Prospectus (enclosed) on the scheme of amalgamation between Golden Chem-Tech Limited (Transferor Company) with Stylam Industries Limited (Transferee company)”.

By Order of the Board,

Sd/-

Jagdish Gupta

Managing Director

Place: Chandigarh

Date: 26th August, 2019

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of special business as set out above is annexed to this Notice and forms part of the same.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to

3. *attend and vote instead of him-self and a proxy need not be a member of the Company.* The instrument of Proxy, in order to be effective, should be deposited at the registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.
4. Corporate Members intending to send their 107authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) 107authorized under the said resolution to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 24th September, 2019 to Monday, 30th September, 2019 (Both days inclusive)
6. Members holding shares in physical form are requested to intimate any change of address, if any, to the Company /Registrar and Share Transfer Agent (RTA). The shareholders may contact for matters relating to dematerialization of shares to RTA directly.
7. Members holding shares in demat form are requested to intimate any change in their address immediately to their Depository Participants.
8. The Securities and Exchange Board of India (SEBI) vide its circular dated 20th April, 2018 has mandated registration of Permanent Account Number (PAN) for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN to RTA / Company by sending a duly signed letter along with self-attested copy of PAN Card. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
9. In accordance with the amendments to Regulation 40 of Listing Regulation, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). This measure is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, facilitate convenience and safety of transactions for investors.
10. Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to eliminate all risks associated with physical shares.
Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s).
10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM.

11. Members are requested to hand over the Attendance Slip, duly signed in accordance with the specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for verification.

12. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Monday, 23rd September 2019**, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (remote e-voting). **The remote e-voting period will commence at 10.00 a.m. on Friday, 27th September, 2019 and will end at 5.00 p.m. on Sunday, 29th September, 2019.** In addition, the facility for voting through electronic voting system shall also be made available at the

AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM.

The Company has appointed Mr. Sanjiv Kumar Goel, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.

The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING**❖ Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under ‘Shareholders’ section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option 'Abstain' and the shares held will not be counted under ‘Favour/Against’.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186000.

EXPLANATORY STATEMENT REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

ItemNo.5

Pursuant to the provisions of Companies Act 2013, Mr. Satpal Garg was appointed as Independent directors on the Board of the Company for five consecutive years (first term) upto the conclusion of the Annual General Meeting (AGM) to be held in the calendar year 2024.

Pursuant to section 149 of the Companies Act 2013, an Independent director shall hold office for a term upto five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a Special Resolution by the company. Further, no independent director shall hold office for more than two consecutive terms.

The Nomination & Remuneration Committee and the Board of Directors of the Company, have recommended the re-appointment of Mr.Satpal Garg as Independent Director for a second term of five consecutive years from conclusion of this AGM till conclusion of 33rd AGM.

Mr.Satpal Garg, has consented to his re-appointment and confirmed that he does not suffer from any disqualifications which stand in the way of his reappointment as Independent Directors.

The Company has also received a declaration from Mr.Satpal Garg that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations. He has further affirmed that he is not debarred from holding the office of an Independent director by virtue of any SEBI order or any other such Authority. In the opinion of the Board, Mr. Satpal Garg fulfils the conditions specified in the Act and rules made thereunder for his re-appointment as Independent Director of the Company and are independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as an Independent Director. Accordingly, considering his overall contribution, knowledge, expertise, experience, performance and fitness, the Board approved the proposal for their re-appointment and recommends the resolutions as set out in Item Nos. 4 of the Notice for approval of the Members by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

ItemNo.6

The Company, had planned to diversify into IT/BPO Sector in the year 2012-13 and purchased land ad-measuring 5573sq mtr in Panchkula Technology Park in Haryana, India.

With the expansion in the laminate business and the strategy going forward to concentrate on its core business related with 'Building Materials', the Company endeavors to sell-off the tower.

In compliance with the applicable provisions of the Companies Act, 2013 and as per the corporate governance requirements, the Directors recommend the Special Resolution as set out at Item No. 5 of the accompanying Notice, for members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

The Board of Directors recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members

ItemNo. 7

The Company has availed various credit facilities from Banks / Financial Institutions / others and has issued shares under Preferential Allotment and shall do so in the course of its business. The Banks / Financial Institutions / others may nominate their representatives on the Board of Directors of your Company who shall act as the Nominee Directors of the Lenders/ equity participant and participate in the affairs and governance of the Company.

The clause was mentioned at Article No.110 under the earlier approved Articles of Association framed under Companies Act 1956 but was missed out when the Articles of Association was re-drafted and substituted in accordance provisions of Companies Act 2013. The re-drafted Articles of Association was approved at 26th AGM held on 29th September 2017.

The Articles of Association of the Company are required to be amended to include the appointment of Nominee Directors of the Banks / Financial Institutions / others on the Board of the Company. The draft of the Amended Articles of Association is placed at the Registered Office of your Company for inspection between 11 a.m. to 1 p.m. on any working day up to date of AGM.

Your Directors recommend the resolution for approval of the shareholders of the Company.

None of the Directors, Key Managerial Personnel and Relatives of Directors or Key Managerial Personnel of the Company are interested in this resolution.

The Board of Directors recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the Members.

ItemNo. 8

The provisions of section 188(1) of the Companies Act, 2013 Act that govern the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Section 188(1)(f) of the Companies Act, 2013 provides for the related party's appointment to any office or place of profit. The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, had consented for Increase of remuneration payable to Mrs. Usha Gupta (related parties holding office or place of profit) to Rs.300,000 per month w.e.f 01st July 2019, subject to approval of the Shareholders by way of an Ordinary Resolution.

As per section 188(1)(f) of the Companies Act, 2013, your Directors recommends the resolutions for your approval. Shri Jagdish Gupta, Managing Director, Mr. Manit Gupta, Director, being relative are deemed to

be interested or concerned in this resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members

Item No. 9

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has proposed that Ms.Purva Kansal (DIN: 08205836), be appointed as an Independent Director on the Board of the Company.

Ms.Purva Kansal, has consented to her appointment and confirmed that she does not suffer from any disqualifications which stand in the way of her appointment as Independent Directors.

The Company has also received a declaration from Ms.Purva Kansal that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations. She has further affirmed that she is not debarred from holding the office of an Independent director by virtue of any SEBI order or any other such Authority. In the opinion of the Board, Ms. Purva Kansal fulfils the conditions specified in the Act and rules made thereunder for her appointment as Independent Director of the Company and are independent of the management

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

Item No. 10

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs.Renu Sood (DIN: 02280975), be appointed as an Independent Director on the Board of the Company.

Mrs.Renu Sood, has consented to her appointment and confirmed that she does not suffer from any disqualifications which stand in the way of her appointment as Independent Directors.

The Company has also received a declaration from Mrs.Renu Sood that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI Listing Regulations. She has further affirmed that she is not debarred from holding the office of an Independent director by virtue of any SEBI order or any other such Authority. In the opinion of the Board, Mrs. Renu Sood fulfils the conditions specified in the Act and rules made thereunder for her appointment as Independent Director of the Company and are independent of the management

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval by the Members.

Item No. 11

Company has issued shares to Lighthouse Emerging India Investors Limited, under Preferential Allotment in 2017. The Company has received a written communication from the Lighthouse for nominating Mr. Ashutosh Pradeep Sardesai as a Nominee Director to represent on the Board of the Company on behalf of Lighthouse.

Pursuant to nomination received from Lighthouse, the said resolution is being placed before the members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 11 of the Notice for approval by the Members.

Item No. 12

Shri Jagdish Gupta, is a graduate with a vast managerial experience. He is one of the promoters and main contributor to the growth and development of the company. Shri Gupta, is well-versed in international market, is equally excellent in ensuring growth by improving productivity, cost control.

There has been considerable synergy in his leading in segments of business and his effective contribution has fostered the growth of the Company's business. His vision on development of Export, increasing presence of the Company and Monitoring Manufacturing operations are unmatched.

Nomination and Remuneration Committee recommended and the Board of Directors on approved the re-appointment of Shri Jagdish Gupta for further period of 5 years.

Shri Jagdish Gupta satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for re-appointment.

Shri Jagdish Gupta, Managing Director, Mr. Manit Gupta, Director, being relative are deemed to be interested or concerned in this resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 12 of the Notice for approval by the Members

Item No. 13

Mr. Manav Gupta, is Engineering graduate and has done MBA from Thapar. He is well-versed in sourcing of material, and domestic market.

His vision on development of Domestic market.

Nomination and Remuneration Committee recommended and the Board of Directors on approved the re-appointment of Mr. Manav Gupta for further period of 5 years.

Mr. Manav Gupta satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for re-appointment.

Shri Manav Gupta, being the Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the Members.

Item No. 14

The Board has proposed to increase their monthly remuneration of Shri Jagdish Gupta, Managing Director to be increased to Rs.12,00,000/- p.m. each. The remuneration payable to them commensurate with responsibilities conferred on him.

The remuneration has been approved by Remuneration Committee as per Schedule V of the Companies Act, 2013.

Shri Jagdish Gupta, being the Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 14 of the Notice for approval by the Members.

Item No. 15

The Board has proposed to increase their monthly remuneration of Mr. Manav Gupta, Whole –Time Director to be increased to Rs.6,00,000/- p.m. each. The remuneration payable to them commensurate with responsibilities conferred on him.

The remuneration has been approved by Remuneration Committee as per Schedule V of the Companies Act, 2013.

Mr. Manav Gupta, being the Director of the Company is concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 15 of the Notice for approval by the Members.

ANNEXURE

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 with regard to the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of Director	Mr. Manit Gupta	Mr.Sachin Bhatla	Mr.Satpal Garg	Mr.Ashutosh Pradeep Sardesai	Ms. Purva Kansal	Mrs. Renu Sood	Shri Jagdish Gupta	Mr. Manav Gupta
DIN	03091842	08182443	01074514	07860331	08205836	02280975	00115113	03091842
Designation	Director	Director - Technical	Independent Director	Nominee Director	Independent Director	Independent Director	Managing Director	Whole-Time Director
D.O.B	14.08.88	15.02.75	14.08.57	06.07.84	17.06.75	07.08.64	01.09.56	28.01.89
Expertise in specific Functional areas	Chemical Engineering from Thapar and MBA from Mumbai. He joined the Company in 2012. His expertise is in sourcing of material and marketing activities.	B.E. in Mechanical Engg from Deedandhu Chhotu Ram University of Science and Technology, Sonipat (Haryana) with Post Graduate Diploma form IGNOU. Mr. Bhatla joined company in 2009 and has nearly 23 years of experience in Technical side.	Successful entrepreneur with expertise in building scaling	He is Nominee Director on behalf of Lighthouse Emerging India Investors Ltd.	She has done Ph.D from the University Business School, Punjab University, Chandigarh. She has also earned FDP certification from IIM, Ahmedabad. She has more than 15 years' experience in strategic management	She has substantial experience in infrastructure field.	His considerable synergy in leading in segments of business and his effective contribution has fostered the growth of the Company's business .	Computer Engineer and MBA. He looks after sourcing of material and general admn of plants
Date of first appointment in the current designation	2015	2018	2004	2019	2018	2019	1991	2012
Inter-se relationship between -Directors	Son of Jagdish Gupta	NA	NA	NA	NA	NA	M.D	Director
-Key Managerial Personnel	NA	NA	NA	NA	NA	NA	NA	NA
No. of shares held in the Company	412198	Nil	Nil	Nil	Nil	Nil	985450	355400
Directorship held in other Public companies	1	Nil	Nil	1	Nil	Nil	1	Nil
Position held in mandatory Committees of other Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
No. of Board Meetings	11	2	11	NA	3	NA	11	11

Item No. 16**Abridged Prospectus**

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE SCHEME OF AMALGAMATION BETWEEN GOLDEN CHEM-TECH LIMITED AND STYLAM INDUSTRIES LIMITED UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER. (HEREINAFTER REFERRED TO AS THE "SCHEME")

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of Securities and Exchange Board of India. (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

THIS ABRIDGED PROSPECTUS CONSISTS OF 10 (TEN) PAGES. PLEASE ENSURE THAT YOUHAVE RECEIVED ALL THE PAGES,

This document is prepared to comply with the requirement of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No CFD/D1L3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements): Regulations, 2009, to the extent applicable. Stylam Industries Limited (hereinafter referred to as "SIL" "Issuing Company" or "Transferee company") is already listed on the BSE Ltd hereinafter referred to the "Stock Exchange"). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Golden Chem-Tech Limited (hereinafter referred to as "GCL" "Transferor Company"). The equity shares so issued will be listed on the Stock Exchange under Regulation 19 of Securities Contracts (Regulation) Rules 1957. Therefore, the requirements with respect to GID (General Information Document) is not applicable and this abridged prospectus be read accordingly.

You may also download this Abridged Prospectus along-with the Scheme as approved by the Board of Directors of the Transferor Company and Transferee Company and the Audit Committee of the Transferee Company vide their resolution dated- 21st December 2017, and copy of the Swap Ratio Report issued by Gandhi & Associates LLP, Chartered Accountants, dated 20th December, 2017 and Fairness Report issued by V B Desai Financial Services Ltd, Category – I Merchant Banker dated 21st December, 2017 from the websites: of the BSE Limited ("BSE") where the equity shares of the Transferee Company is listed [i.e. www.bseindia.com](http://www.bseindia.com). A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India ("SEBI").

GOLDEN CHEM-TECH LIMITED

Registered Office-S.C.O. 14, Sector-7C, Madhya Marg, Chandigarh

Contact Person: Mr. Jagdish Gupta, Promoter & Director

Telephone: 0172-5021555

Email: info@stylam.com Website: not available

CIN: U24200CH1995PLC017101

NAMES OF PROMOTER OF THE COMPANY- JAGDISH GUPTA
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OFFER DETAILS, LISTING AND PROCEDURE

GOLDEN CHEM-TECH LIMITED (HEREINAFTER REFERRED TO AS "GCL" OR THE "TRANSFERORCOMPANY") THE ENTIRE EQUITY CAPITAL OF THE GCL IS HELD BY PROMOTERS AND THEIR FAMILY MEMBERS OF STYLAM INDUSTRIES LIMITED (HEREINAFTER REFERRED TO AS "SIL" OR THE "ISSUING COMPANY" OR THE "TRANSFEREE COMPANY").

IT IS PROPOSED TO AMALGAMATE GOLDEN CHEM-TECH LIMITED WITH STYLAM INDUSTRIES LIMITED PURSUANT TO THE SCHEME, AS A RESULT OF WHICH SHAREHOLDERS OF GCL, SHALL DIRECTLY HOLD SHARES IN SIL.

The details with respect to the meeting of the shareholders (including Postal Ballot and e-Voting) of the Issuing Company as convened in accordance with Sections 230 to 232 of the Companies Act, 2013, and e-Voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the Scheme would be placed before the shareholders will be published in two newspapers as may be directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at Chandigarh.

DETAILS ABOUT THE BASIS FOR THE SWAP OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE SHARE SWAP RATIO REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITE OF THE TRANSFEREE COMPANY AND BSE.

PROCEDURE

The procedure with respect to Public Issue / Offer would not be applicable as this issue is only to the shareholders of the Transferor Company, pursuant to the Scheme without any cash consideration. Hence the procedure with respect to GID may be applicable only to the limited extent as specifically provided.

ELIGIBILITY

- In compliance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable;
- The equity shares sought to be listed are proposed to be allotted by the listed issuer to the holders of securities of an unlisted entity pursuant to a Scheme of Amalgamation (Scheme) to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013;
- The percentage of shareholding, of pre-scheme public shareholders of the listed entity, and the public shareholders and Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the "Merged" company shall not be less than 25%;
- The transferee entity will not issue / reissue any shares, not covered under the Draft Scheme of Amalgamation;
- As on date of application, there are no outstanding warrants / instruments / agreements which gives right to any person to take the equity shares in the Transferee Company at any future date. If there are such instruments stipulated in the Scheme, the percentage referred above shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised; and
- The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity will be subject to lock-in for the remaining period, if any.

INDICATIVE TIMELINE

This Abridged Prospectus is filed pursuant to the Scheme, and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the NCLT, the time frame cannot be established with certainty. However, in general, it may take 5 to 6 months after the shareholders' meeting.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the equity of the Issuing Company unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors mentioned in this Abridged Prospectus carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Issuing Company and this Offer, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or Abridged Prospectus. Specific attention of the investors is invited to the section "Risk Factors" at Page 9 of this Abridged Prospectus. —Not Applicable as the offer is not for public at large

Price information of Lead Manager

Issue Name	Name of Merchant Banker	+1- % change in closing price, [+/- % change in closing benchmark]		
		30 th Calendar day from listing	90 th Calendar day from listing	180 th Calendar day from listing
Not Applicable Since the proposed issue is not to public shareholders but to the shareholders of the Transferor Company pursuant to Scheme of Amalgamation between the Transferor Company and the Transferee Company				

Lead Manager- Not Applicable	Statutory Auditors– Akhil Raman & Associates, Chartered Accountants Address:S.C.O.12, Sector-7-C, Chandigarh-160017 Tel :0172-4654944 Registration No. FRN : 021433N
Syndicate Members- Not Applicable Credit Rating Agencies- CARE-Rating BB Debenture Trustee – Not Applicable Self Certified Syndicate Banks- Not Applicable	Registrar : Not Applicable Non Syndicate Registered Broker- Not Applicable Collection Bankers- Not Applicable

PROMOTERS OF GOLDEN CHEM-TECH LIMITED

Mr. Jagdish Gupta, aged 61 years, is a visionary with zeal to build enterprises. He is a graduate. He is also a Managing Director of Stylam Industries Ltd. He is guiding force behind the strategic decisions of the company and looks after all the prominent activities of the Company. With his planning and strong business development attitude, he has been instrumental in the growth of company. He is actively involved in developing the overseas market for the products of Stylam and Golden Chem-tech.

Name of the top 5 (five) largest Listed Group Companies: Stylam Industries Limited

BUSINESS OVERVIEW / STRENGTH AND STRATEGY

Overview

The Company was originally incorporated on 1995 as Golden Mechtronics Private Limited under Companies Act 1956 and certificate of Incorporation was issued by the Registrar of Companies, Punjab, H.P. & Chandigarh on 4th October 1995.

Subsequently, the name of the company was changed as Golden Chem-tech and it is also converted into Public Limited Company vide a fresh Certificate of Incorporation was issued by Registrar of Companies, Punjab, H.P. & Chandigarh on 28th September 2000. The Registered office of the Company is located at Chandigarh.

Plant Location

The company is into manufacturing of two verticals: Adhesives, & Solid Acrylic Surfaces.

The manufacturing facility for Adhesives of the Company is located at Village Mankya, Ramgarh, Distt Panchkula, Haryana and the manufacturing of Solid Acrylic Surfaces is located at Mank-tabra, Raipur Rani, Distt. Panchkua, Haryana.

Strategy

Manufacturing

Golden Chem-tech is in business of Chemicals and involved in the manufacturing of adhesives and Paint Binder. In 2016, the company has diversified into manufacturing of Solid Acrylic Surfaces. As the adhesives is very competitive and less margin product, the company has closed down its Adhesives operations from the mid of this year and will focus on manufacturing of Solid Acrylic Panels. This will be first plant in India for manufacturing of Solid Acrylic Surface. The technology for setting –up the plant is provided by Germany company. All the machineries are installed and the production will start by the last quarter of financial year 2018.

Maintain and expand long-term relationships with clients

The Company believes that business is a by-product of relationship. The business model is based on client relationships that are established over period of time rather than a project-based execution approach. The Company believes that a long-term client relationship with large clients fetches better dividends. Long-term relations are built on trust and continuous maintaining of the requirements of the customers. It forms basis of further expansion for Company, as we are able to monitor a potential product/ market closely.

Optimal Utilization of Resources

The Company constantly endeavors to improve production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. The company regularly analyzes existing material procurement policy and manufacturing process to identify the areas of bottlenecks and correct the same. This helps the company in improving efficiency and putting resources to optimal use.

BOARD OF DIRECTORS

Name	Designation	Experience including current / past position held in other firms
Jagdish Gupta	Promoter & Director	He has been into business since the inception of the company. He looks after the export market and finances of the Company. He is also Managing Director of Stylam Industries Ltd and instrumental in the business development of that company.
Usha Gupta	Director	Usha Gupta has been appointed as Director on 15 th December, 2006
Pushpa Gupta	Director	Pushpa Gupta has been appointed as Director in 2006.
Manit Gupta	Director	Manit Gupta has been appointed as Director in 2012. He has done Chemical Engineering from Thapar and MBA from Mumbai. He is looking after operational activities including operational activities of planning, marketing & sourcing of raw material. He is also Director in Stylam Industries Ltd.

Details of means of finance	Not Applicable
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OBJECTS

To amalgamate with Stylam Industries Limited

The object is to amalgamate GCL into SIL as a result of which, shareholders of GCL (who are also the promoters of SIL), shall directly hold shares in SIL.

GCL has recently diversified into the manufacturing of Solid Acrylic Surface Panels, and is a well-recognized part of the Building Material Industry. This product is complementary to the products of other building material product in which Group company is involved i.e., Laminates which are manufactured by SIL.

Benefit of the operational synergies to the combined entity in various operational areas can be put to the best advantage of all the stakeholders. Also significant cost savings are expected to flow from more focused operational efforts, rationalization and standardization and simplification of the business processes, productivity and improvements, improved procurement, elimination of duplication and rationalization of administrative expenses.

The equity shares of the Transferee Company are already listed on the Recognized Stock Exchanges. The Scheme provides for cancellation of 1,142,050 number of equity shares of the Transferee Company held by the promoters and their family members of Transferor Company and the consequent new issue of 307,830 (Three Lakh Seven Thousand Eight Hundred and Thirty) number of equity shares to the shareholders of the Transferor Company. Such cancellation of shares would happen as an integral part of the Scheme.

<p>Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years</p>	<p>Not Applicable</p>
<p>Name of monitoring agency, if any:</p>	<p>As the equity shares are issued pursuant to Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and the size of such issue being less than Rs. 5,000 million, the appointment of a monitoring agency is not required. Accordingly, no monitoring agency has been appointed in respect of the Offer.</p>
<p>Terms of Issuance of Convertible Security, if any</p>	<p>Not Applicable</p>

Shareholding Pattern of the Transferor Company as on the date of the Scheme is as follows:

Sr. No.	Particulars	Pre-Offer No. of equity shares	% holding of Pre-Offer	Post-Offer No. of equity shares	% holding of Post-Offer
1	Mr. Satish Gupta	640,829	56.10	Nil	Nil
2	Mr. Jagdish Gupta	266,500	23.34	Nil	Nil
3	Mrs. Pushpa Gupta	229,421	20.09	Nil	Nil
4	Mrs. Usha Gupta	5,100	0.45	Nil	Nil
5	Mr. Manit Gupta	100	0.01	Nil	Nil
6	Ms. Saru Gupta	100	0.01	Nil	Nil
	Total	<u>1,142,050</u>	<u>100.00</u>		

Shareholding Pattern of the Transferee Company as on the date of the Scheme is as follows:

Sr. No.	Particulars	Pre-Offer No. of equity shares	% holding of Pre-Offer	Post-Offer No. of equity shares	% holding of Post-Offer
A	<i>Promoter & Promotes Group</i>				
1	Mr. Jagdish Gupta	985,450	12.07	1,057,283	12.48
2	Mr. Satish Gupta	868,963	10.64	1,041,693	12.29
3	Mrs. Usha Gupta	712,875	8.73	714,250	8.43
4	Mrs. Pushpa Gupta	550,970	6.75	612,808	7.23
5	Mr. Manit Gupta	412,198	5.05	412,225	4.87
6	Smt. Rattan Devi	385,700	4.72	385,700	4.55
7	Ms. Nidhi Gupta	184,100	2.25	184,100	2.17
8	Ms. Dipti Gupta	170,700	2.09	170,700	2.01
9	Ms. Saru Gupta	33,100	0.41	33,127	0.39
A	<i>Promoter & Promoter Group Shareholding</i>	<i>4,304,056</i>	<i>52.71</i>	<i>4,611,886</i>	<i>54.42</i>
B	<i>Others</i>	<i>3,862,144</i>	<i>47.29</i>	<i>3,862,144</i>	<i>45.58</i>
	Total (A+B)	<i>8,166,200</i>	<i>100.00</i>	<i>8,474,030</i>	<i>100.00</i>

Details of material related party transaction

Company has entered into Related Party Transaction which is as follows:

Rs in crore

Nature of Related Party Transaction	For the period ended June 30, 2017	For the Year ended on March 31, 2017	For the Year ended on ended on March 31, 2016
Purchase	0.98	0.29	0.34
Sale	0.16	5.14	3.56
Rent Paid	0.06	0.11	Nil
Rent Received	0.60	1.20	1.20

RESTATED AUDITED FINANCIALS - STANDALONE*(Rs.inCrores)*

PARTICULARS	Half Year Ended 30.09.17	31.03.17	31.03.16	31.03.15	31.03.14	31.03.13
Total Income	5.70	14.31	14.78	9.98	12.49	27.03
Net Profit before Tax and extraordinary items	0.09	0.90	0.75	0.22	0.25	0.18
Net Profit after Tax and extraordinary items	0.24	0.65	0.50	0.06	0.06	0.01
Equity Share Capital	1.14	1.14	1.14	0.98	0.98	0.98
Reserve & Surplus	6.22	5.85	5.12	3.97	3.86	3.76
Net worth	7.36	6.99	6.26	4.95	4.84	4.74
Basic and diluted Earnings per Share (Rs.) –Restated	2.09	5.22	4.37	0.44	0.52	0.13
Return on Net worth (%)	3.26	9.30	7.98	1.21	1.24	0.22
Net asset value per Share (Rs.) –Restated	64.44	61.23	54.82	43.30	42.42	41.60

INTERNAL RISK FACTORS

1. The company has closed down its existing business of Adhesives and now dependent on the new business opportunities which have not even started, any change in the market dynamics of that business may adversely affect the business, results of operations and financial condition. The success of the new operations is dependent on the quality control processes and any failure to maintain the quality of product may affect the business.
2. The company is exposed to foreign exchange risk. As management for the new project has envisaged its main focus on exports and also the source of raw material is import. Any fluctuation in currency could adversely affect the financial condition.
3. Any fluctuation in prices of raw materials or shortage in supply of raw material and failure to manage labor or failure to ensure availability of 'skilled and unskilled' labor could adversely affect the business operations of the Company. Failure to source business opportunities effectively, may adversely affect the financial objectives. The growth in the revenue is wholly based on management estimates and if the company is unable to sustain or manage the growth, the result of operation and financial condition may be adversely affect.
4. The company has closed down its existing adhesive business and liabilities in relation to some of the employees of that division which are not absorbed in Solid Acrylic Surface Panels unit are still being negotiated. As and when such liability is crystalized, it may have to be borne by SIL
5. The capacity utilization is wholly based on management estimates, the under-utilization of capacities, could affect the ability to absorb fixed cost and thus adversely impact financial performances.
6. The upcoming operations of the Company are subject to high working capital requirements. Inability to obtain and/or maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay our debts, could adversely affect operations.
7. The company operates under several statutory and regulatory permits, licenses and approvals, including that required for operational hazards. Failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on business operations.
8. There are certain outstanding Demands and any adverse decision in such proceedings may have adverse effect on finances.
9. GCL's statutory registers and some of historical legal and secretarial records are lost during transfer of record from our Sector 7 office to factory at Panchkula. Non-availability of these records exposes the Transferee Company to the risk of consequences as applicable under the Companies Act, 2013 (which may also include penalties as may be imposed by the competent regulatory authority) in future.
10. GCL do not own Registered Office from which it operates. If the Registered Office is maintained post amalgamation, the transferee Company would incur expense towards rent to related parties.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**A. Demand involving Tax Liabilities****(i) Direct Tax Liabilities - Nil****(ii) Indirect Tax Liabilities**

Company is involved in five Sales Tax related proceedings which have outstanding as on the date of the Prospectus. Total amount involved in all the proceedings wherever quantifiable is Rs.1,133,859/-.

B. Brief details of top 5 material outstanding Demands against the company and amount involved:

Particulars/ Demand No.	Demand raised by	Current Status	Amount involved (in Rs.)
1026/2012-13	Sales Tax Authorities	Case Pending	282,911/-
1026/2011-12	Sales Tax Authorities	Case Pending	404,466/-
Nil- 31/03/2017	Sales Tax Authorities	Case Pending	537/-
1026/2012-13	Sales Tax Authorities	Case Pending	16,398/-
1458/2010-11	Sales Tax Authorities	Case Pending	429,547/-

C. Regulatory Action, if any – disciplinary action taken by SEBI or Stock Exchanges against the Promoter / Group companies in last 5 financial years including outstanding action, if any – None**D. Brief details of outstanding criminal proceedings against Promoters - None****DECLARATION BY THE COMPANY**

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made or guidelines issued there-under, as the case may be. We further certify that all disclosures made in the Abridged Prospectus are true and correct

STYLAM INDUSTRIES LIMITED

**28TH ANNUAL GENERAL MEETING
ON MONDAY, 30TH SEPTEMBER, 2019 AT 10.00 A.M.
AT CHANDIGARH CLUB LTD, SECTOR-1, CHANDIGARH**

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :	
Registered address :	
E-mail ID :	
Folio No. /DP ID & Client ID* :	
No. of shares held :	

** Applicable in case shares are held in electronic form. I/We, being the member(s) of [_____] shares of STYLAM INDUSTRIES LIMITED, hereby appoint*

1.Name: _____

Address: _____

Email – ID: _____

Signature: _____ or failing him

2. Name: _____

Address: _____

Email – ID: _____

Signature: _____, or failing him

3. Name: _____

Address: _____

Email – ID: _____

Signature: _____, or failing him

as my / our proxy, to attend and vote for me/ us and on my / our behalf at the Annual General Meeting to be held on September 30, 2019 at 10:00 a.m. at Chandigarh Club, Sector- 1, Chandigarh.

Resolution No.	Resolution	Optional	
		Favour	Against
ORDINARY BUSINESS			
1	<i>Adoption of Financial Statement, Board's Report and Auditors' Reports for the year ended March 31, 2019</i>		
2	<i>Approval for re-appointment of Mr. Manit Gupta, (DIN 00889528), who retires by rotation</i>		
3	<i>Approval for re-appointment of Mr. Sachin Bhatla, (DIN 08182443), who retires by rotation</i>		
4	<i>Take note of appointment of Statutory Auditor and to fixing their remuneration</i>		
SPECIAL BUSINESS			
5	<i>To approve Re-appointment of Mr.Satpal Garg as an Independent Director, for further period of 5 years</i>		
6	<i>Authorisation of sell property situated at Plot No. 19, Sector -22, Panchkula Technology Park, Panchkula</i>		
7	<i>To approve alteration in Articles of Association of the Company and to incorporate on Appointment of Nominee Director in Articles of Association of the Company</i>		
8	<i>To increase salary of Mrs. Usha Gupta, Related Party, from Rs.1.20 lakh p.m. to Rs.3.00 lakh p.m.</i>		
9	<i>To approve appointment Ms.Purva Kansal as an Independent Director</i>		
10	<i>To approve appointment of Mrs.Renu Sood as an Independent Director</i>		
11	<i>To approve appointment of Mr.Ashutosh Pradeep Sardesai as a Nominee Director</i>		
12	<i>To approve re-appointment of Shri Jagdish Gupta as Managing Director</i>		
13	<i>To approve re-appointment of Mr.Manav Gupta as a Whole-Time Director</i>		
14	<i>To increase salary of Shri Jagdish Gupta, Managing Director, from Rs.10.00 lakh p.m. to Rs.12.00 lakh p.m</i>		
15	<i>To increase salary of Mr.Manav Gupta, Director, from Rs.4.00 lakh p.m. to Rs.6.00 lakh p.m.</i>		
OTHER BUSINESS			
16	<i>To take Note of disclosure made in Abridged Prospectus on the scheme of amalgamation between Golden Chem-Tech Limited (Transferor Company) with Stylam Industries Limited (Transferee company)</i>		

Mark a tick mark (√) in the appropriate box below

Affix Revenue Stamp

Signed this ___ day of _____ 2019

Signature of Shareholder(s)

Signature of Proxy Holder(s)

Notes:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Please affix revenue stamp before putting signature.
3. Alterations, if any, made in the Form of Proxy should be initialed.
4. In case of multiple proxies, the Proxy later in time shall be accepted.
5. Proxy need not be shareholder of the Company.

STYLAM INDUSTRIES LIMITED
28TH ANNUAL GENERAL MEETING
ON MONDAY, 30TH SEPTEMBER, 2019 AT 10.00 A.M.
AT CHANDIGARH CLUB LTD, SECTOR-1, CHANDIGARH.

ATTENDANCE SLIP

I/ We hereby record my/ our presence at the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Company at Chandigarh Club, Chandigarh, on Friday, the 30th September 2019 at 10.00 a.m.

Member's Folio No.	Member's/ Proxy's Name (in Block Letters)	Member's/ Proxy's DP ID- Client ID No

Notes:

1. Only Member/ Proxy-holder can attend the Meeting.
2. Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.
3. Shareholder/ Proxy-holder desiring to attend the Meeting should bring his/ her copy of the Annual Report for reference at the Meeting.

Voting through Electronic means

For Members opting to vote through electronic means, instead of voting at the Annual General Meeting, facility is available at the web link: <https://www.instavote.linkintime.co.in>

Particulars for electronic voting are as under:

EVEN (E-Voting Event Number)	User ID	Password
190204		

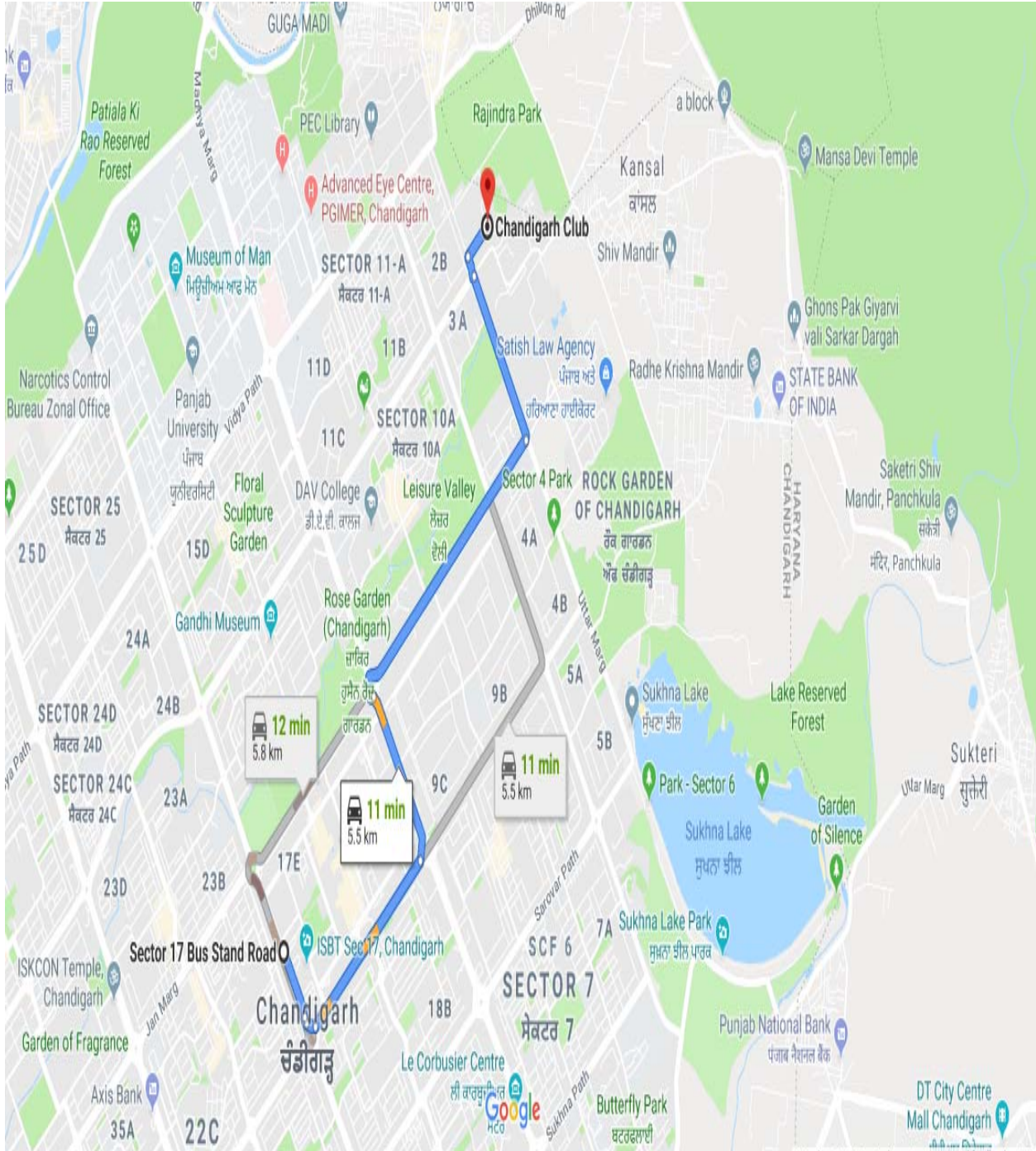
Note:

1. Please refer to the instructions printed above **PROCEDURE FOR REMOTE E-VOTING**
2. The e-voting period starts from 10:00 am on Friday 27th September, 2019 and will end at 5:00 pm on Sunday, 29th September, 2019.
3. The voting module shall be disabled by linkintime for voting thereafter.

**ROAD MAP FOR ANNUAL GENERAL MEETING VENUE OF STYLAM INDUSTRIES LIMITED
(FROM SECTOR 17 BUS STAND TO CHANDIGARH CLUB)**

GOOGLE MAP

DISTANCE-5.5 KM (APPROX 11 MIN BY DRIVE VIA JAN MARG)





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