

**Independent Auditor's Report on Standalone Audited Annual Financial Results of the Sheela Foam Limited pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended**

**To the Board of Directors of Sheela Foam Limited**

**Report on the Audit of Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of standalone annual financial results of **Sheela Foam Limited** (hereinafter referred to as 'the Company') for the year ended March 31, 2024 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

(ii) gives a true and fair view, in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone financial results 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 Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.



## Management and Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, issued thereunder and other accounting principles generally accepted in India and is in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 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 Statement, 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.



# MSKA & Associates

Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement 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 Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## Other Matters

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

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

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W

  
Nipun Gupta  
Partner  
Membership No. 502896  
UDIN: 24502896BKGFLP3524



Place: Gurugram  
Date: 21.05.2024

**SHEELA FOAM LIMITED**

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Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P) -201301  
Tel: 0120-4162200, Fax: 0120-41622825  
CIN- L74899DL1971PLC005679

AUDITED STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(Rs. in Crores, Except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	<b>Income</b>					
	a) Revenue from operations	486.88	513.36	518.89	1879.52	2038.57
	b) Other Income	30.57	22.05	17.76	96.88	75.09
	<b>Total Income [(a) + (b)]</b>	<b>517.45</b>	<b>535.41</b>	<b>536.65</b>	<b>1976.40</b>	<b>2113.66</b>
II	<b>Expenses</b>					
	a) Cost of materials consumed	265.18	263.66	267.60	1016.35	1154.48
	b) Purchase of stock-in-trade	20.67	31.01	36.94	81.76	138.08
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	4.12	4.89	4.06	25.38	(16.59)
	d) Other manufacturing expenses	17.02	15.30	8.23	53.51	38.15
	e) Employee benefits expense	42.68	40.55	41.32	165.85	151.10
	f) Finance costs	20.09	18.07	2.23	43.75	8.13
	g) Depreciation and amortisation expense	20.34	14.71	12.13	58.44	41.08
	h) Other expenses	87.02	104.78	102.40	326.82	365.12
	<b>Total Expenses [(a) to (h)]</b>	<b>477.12</b>	<b>492.97</b>	<b>474.91</b>	<b>1771.86</b>	<b>1879.55</b>
III	<b>Profit before tax and Exceptional Items (I-II)</b>	<b>40.33</b>	<b>42.44</b>	<b>61.74</b>	<b>204.54</b>	<b>234.11</b>
IV	Exceptional items	(28.77)	-	-	(17.82)	-
V	<b>Profit before tax (III-IV)</b>	<b>69.10</b>	<b>42.44</b>	<b>61.74</b>	<b>222.36</b>	<b>234.11</b>
VI	<b>Tax expenses</b>					
	Current tax	5.27	11.93	17.18	45.96	62.19
	Earlier tax adjustment	-	-	2.29	-	1.74
	Deferred tax	7.50	(0.39)	0.47	8.17	(0.91)
	<b>Total Tax Expenses</b>	<b>12.77</b>	<b>11.54</b>	<b>19.94</b>	<b>54.13</b>	<b>63.02</b>
VII	<b>Profit for the period/year (V-VI)</b>	<b>56.33</b>	<b>30.90</b>	<b>41.80</b>	<b>168.23</b>	<b>171.09</b>
VIII	<b>Other Comprehensive Income/(Loss)</b>					
	(a) Items that will not be reclassified to profit or loss					
	Remeasurements gain/(loss) of net defined benefit plans	0.96	(0.47)	1.39	(0.45)	(1.80)
	Income tax effect on above	(0.25)	0.12	(0.35)	0.11	0.45
	(b) Items that will be reclassified to profit or loss					
	Fair value gain/(loss) on investments and other financial instruments	(0.17)	1.75	2.79	0.45	(3.48)
	Income tax effect on above	0.05	(0.45)	(0.70)	(0.11)	0.88
	<b>Total Other Comprehensive Income/(Loss) for the period/year (a+b)</b>	<b>0.59</b>	<b>0.95</b>	<b>3.13</b>	<b>-</b>	<b>(3.95)</b>
IX	<b>Total Comprehensive Income for the period/year (VII+VIII)</b>	<b>56.92</b>	<b>31.85</b>	<b>44.93</b>	<b>168.23</b>	<b>167.14</b>
X	Paid up Equity Share Capital (Face value of Rs. 5/- each)	54.35	54.35	48.78	54.35	48.78
XI	Other Equity				2619.94	1313.33
XII	Earning per share (not annualised)					
	Basic	5.18	2.84	4.28	16.29	17.54
	Diluted	5.18	2.84	4.28	16.28	17.54

The above audited standalone results of Sheela Foam Limited are available on our website, www.sheelafilm.com and on the stock exchange websites www.nseindia.com and www.bseindia.com.

**Notes:**

- These standalone financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors, in their respective meetings held on May 21, 2024.
- These standalone financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.



3 Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :

Particulars	Quarter Ended			Year Ended	
	March 31, 2024 (Audited)	December 31, 2023 (Unaudited)	March 31, 2023 (Audited)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
a) ** Net Worth (Rs. in Crores)	2,674.29	2,637.25	1,362.11	2,674.29	1,362.11
b) Outstanding Unsecured Non-convertible Debentures (Rs. in Crores)	725.00	725.00	-	725.00	-
c) Debt service coverage ratio (Number of times, Not annualised)	0.41	0.44	2.09	1.39	6.69
d) Interest service coverage ratio (Number of times, Not annualised)	3.01	3.35	28.69	5.68	29.80
e) Debt equity ratio (Number of times)	0.37	0.37	0.11	0.37	0.11
f) Current Ratio (Number of times)	0.63	0.65	2.80	0.63	2.80
g) Long term debt to working capital ratio (Number of times)	(3.71)	(3.41)	0.21	(3.71)	0.21
h) Bad debts to Account receivable ratio (%)	0%	0%	0%	0%	0%
i) Current liability ratio (Number of times)	0.43	0.46	0.72	0.43	0.72
j) Total debts to total assets (Number of times)	0.24	0.23	0.08	0.24	0.08
k) Debtors Turnover Ratio (Number of times, Not annualised)	2.71	2.97	4.03	11.49	14.64
l) Inventory Turnover Ratio (Number of times, Not annualised)	2.02	1.97	1.52	6.61	6.33
m) Basic EPS	5.18	2.84	4.28	16.29	17.54
n) Diluted EPS	5.18	2.84	4.28	16.28	17.54
o) Operating margin percent ratio (%)	37%	39%	39%	37%	36%
p) Net profit margin percent ratio (%)	12%	6%	8%	9%	8%

Formulas for computation of ratios are as follows:-

Debt service coverage ratio (Number of times)	$\frac{\text{Profit before tax + Finance costs + Depreciation}}{\text{Finance cost + Borrowings (Current) + Lease Liabilities (Current)}}$
Interest service coverage ratio	$\frac{\text{Earnings before interest, tax and exceptional items}}{\text{Finance cost}}$
Debt equity ratio	$\frac{\text{Total Borrowings + Total Lease Liabilities}}{\text{Equity Share Capital + Other Equity}}$
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Long term debt to working capital ratio	$\frac{\text{Non-Current Borrowings + Non-Current Lease Liabilities} + \text{Current Maturities of Long term borrowings and Lease liabilities}}{\text{Current Assets - Current Liabilities}}$
Bad debts to Account receivable ratio	$\frac{\text{Bad Debts}}{\text{Average Trade Receivables}}$
Current liability ratio	$\frac{\text{Total Current liabilities}}{\text{Total liabilities}}$
Total debts to total assets	$\frac{\text{Total Borrowings + Total Lease Liabilities}}{\text{Total Assets}}$
Debtors Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Average Trade receivables}}$
Inventory Turnover Ratio	$\frac{\text{*Cost of Goods sold}}{\text{Average Inventories}}$
Operating margin percent ratio	$\frac{\text{Revenue from operations - *Cost of Goods sold}}{\text{Revenue from operations}}$
Net profit margin percent ratio	$\frac{\text{Profit After Tax (after exceptional item)}}{\text{Revenue from operations}}$

Notes:-

\* Cost of goods sold includes Cost of materials consumed, Purchases of Stock-in-trade, Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress and Other manufacturing expenses.

\*\* Net worth has been computed on the basis as stated in Clause(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 i.e. Net worth as defined in subsection (57) of section 2 of the Companies Act, 2013.





- 4 The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there are no reportable segments as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
- 5 The Board of Directors of the Company ('Board') at its meeting held on November 08, 2022, has approved the Scheme of Amalgamation of the wholly owned subsidiary of the Company, i.e., International Comfort Technologies Private Limited ("ICTPL" or "Transferor Company") with Sheela Foam Limited ("SFL" or "Transferee Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"). Accordingly, the aforesaid scheme of arrangement has been approved by National Company Law Tribunal, Bench at Delhi ("NCLT") vide order date February 09, 2024 and the same has been accounted as required under Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, the current annual reporting period and comparative accounting periods presented above have been prepared by "Pooling of Interest Method" and by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements, i.e. April 1, 2022. The assets and liabilities of the acquired business have been recorded in the books of the Company at their pre-acquisition carrying amounts and no adjustments have been made to reflect fair values. There is no recognition of any new assets or liabilities arising from this business combination. The retained earnings of the ICTPL have been merged with the retained earnings of the company.
- 6 During the year, the Company has entered into an agreement with shareholders of 'House of Kieraya Private Limited (Furlenco)' to acquire 35% stake on fully diluted basis w.e.f. August 29, 2023. Accordingly, the company has invested Rs. 360.70 Crores (including acquisition cost of Rs. 4.75 Crores) out of which unpaid amount of Rs. 55.85 Crores is recognised under financial liabilities. The same has been considered as jointly controlled entity.
- 7 During the year, the Company has acquired 3,46,05,369 equity shares representing 94.67% shareholding in 'Kurlon Enterprise Limited' for a consideration of Rs. 1,940.78 Crores resulting in transfer of its control to the company w.e.f. October 20, 2023 and same has been accounted for in accordance with Ind AS 103 - 'Business Combination'. As part of this transaction, there is an outstanding unpaid amount of Rs. 71.00 Crores, which has been duly recognized under 'financial liabilities'. The Company has additionally acquired 9,40,582 equity shares and 67,569 equity shares representing 2.58% and 0.18% shareholding for the consideration of Rs. 55.33 Crores and Rs. 3.92 Crores respectively, resulting in total equity shareholding of 97.43% as at March 31, 2024.
- 8 The Board of Directors of the Company ('Board') at its meeting held on March 28, 2024, has approved the Scheme of Amalgamation of subsidiary of the Company, i.e., Kurlon Enterprise Limited ("KEL" or "Amalgamating") with Sheela Foam Limited ("SFL" or "Amalgamated Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"). The Scheme is subject to necessary statutory and regulatory approvals including the approvals of National Company Law Tribunal, Bench at Mumbai ("NCLT"). Accordingly, the aforesaid scheme of arrangement cannot be considered as highly probable unless the regulatory approvals are received and hence, the same has not been accounted in these financial results.
- 9 The Company has raised money by the way of Qualified Institutions Placement ('QIP') and allotted 1,11,31,725 equity shares of face value Rs. 5/- each to the eligible qualified institutional buyers (QIB) at a price of Rs. 1,078/- per equity share (including a premium of Rs. 1,073 per equity share) aggregating to Rs. 1,200.00 Crores on September 26, 2023. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Expenses incurred in relation to QIP amounting to Rs. 58.47 Crores has been adjusted from Securities Premium Account and balance has been charged to statement of profit and loss amounting Rs. 0.18 Crores. As per the placement document, QIP proceeds are for part-funding the acquisition of equity shares of Kurlon Enterprise Limited and for general corporate purposes. As on March 31, 2024, these funds have been utilised for acquiring equity stake in 'Kurlon Enterprise Limited'.
- 10 The Company has further raised the additional required funds through issue of 72,500 unsecured Non-Convertible Debentures in four tranches of 18,125 each having a fixed coupon rate of 8.45%, of face value of Rs. 1,00,000 amounting Rs. 725.00 Crores on October 06, 2023 through private placement within the borrowing limits of the Company as approved by the shareholders. The said funds are utilised for part funding of the aforementioned transactions.
- 11 During the year, a fire outbreak at Silvassa location on June 28, 2023 which resulted in loss of inventory and fixed assets (including dismantling cost) amounting to Rs. 11.56 Crores. The Company has recognized this loss as 'Exceptional items' in the statement of profit and loss. The Company has filed the insurance claim and in the absence of reasonable certainty of it's collection, the same has not been accounted in these financial results.
- 12 During the year, the Company has executed the sale deeds in respect of certain land and building for a consideration of Rs. 29.90 Crores and has recognised gain of Rs. 29.38 Crores as exceptional item for the quarter ended March 31, 2024.
- 13 Pursuant to the provisions of Sections 196, 197, 203 and any other applicable provision of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company has approved appointment of Mr. Rahul Gautam (DIN: 00192999), as the Whole-Time Director (Executive Chairman) w.e.f. November 02, 2023 and appointment of Mr. Tushaar Gautam (DIN: 01646487) as the Managing Director of the Company w.e.f. November 02, 2023.
- 14 The Board, on November 02, 2023 and February 06, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved the grant of 102,592 and 1,57,260 stock options respectively, to the eligible employees of the company under the SF ESOP - 2022 scheme. These will vest over the period upto 3 years or on satisfaction of market conditions.
- 15 During the year ended March 31, 2024, the Company has purchased a land situated at Nandigram, Gujarat on February 29, 2024 for a consideration of Rs. 43.65 Crores.
- 16 The figures for the quarters ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31st of the respective financial years, which were subject to limited review.
- 17 Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Place: Noida  
Date: May 21, 2024

For Sheela Foam Limited  
Tushaar Gautam  
Managing Director  
DIN : 01646487



**SHEELA FOAM LIMITED**

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 CIN- L74899DL1971PLC005679

AUDITED STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT MARCH 31, 2024

(Rs. in Crores)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	433.10	269.75
Right-of-use assets	67.81	37.67
Capital work-in-progress	80.22	103.40
Investment property	2.95	3.43
Equity Investments in Subsidiaries and Joint venture company	2,558.45	196.58
<b>Financial assets</b>		
(i) Other investments	510.00	56.41
(ii) Loans	72.44	71.80
(iii) Other financial assets	6.28	4.53
Non current tax assets (net)	39.14	11.74
Other non-current assets	6.94	35.42
<b>Total non-current assets</b>	<b>3,777.33</b>	<b>790.73</b>
<b>Current assets</b>		
Inventories	149.59	206.58
<b>Financial assets</b>		
(i) Investments	-	706.58
(ii) Trade receivables	188.90	138.31
(iii) Cash and cash equivalents	12.61	12.71
(iv) Bank balances other than cash and cash equivalents	0.28	0.27
(v) Loans	0.80	0.61
(vi) Other financial assets	10.90	3.42
Other current assets	55.29	57.99
<b>Total current assets</b>	<b>418.37</b>	<b>1,126.47</b>
<b>Total assets</b>	<b>4,195.70</b>	<b>1,917.20</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	54.35	48.78
Other equity	2,619.94	1,313.33
<b>Total equity</b>	<b>2,674.29</b>	<b>1,362.11</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	787.39	98.75
(ii) Lease liabilities	36.24	15.66
(iii) Other non current financial liabilities	15.81	25.48
Long-term provisions	10.43	9.10
Other non-current liabilities	0.17	0.20
Deferred tax liabilities (net)	11.70	3.53
<b>Total non-current liabilities</b>	<b>861.74</b>	<b>152.72</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	169.04	32.92
(ii) Lease liabilities	7.59	1.27
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	21.15	7.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	139.94	180.90
(iv) Other financial liabilities	254.01	109.67
Short-term provisions	11.17	11.35
Other current liabilities	56.77	59.06
<b>Total current liabilities</b>	<b>659.67</b>	<b>402.37</b>
<b>Total liabilities</b>	<b>1,521.41</b>	<b>555.09</b>
<b>Total equity and liabilities</b>	<b>4,195.70</b>	<b>1,917.20</b>



For Sheela Foam Limited  
 (Tushaar Gautam)  
 Managing Director  
 DIN: 01646417



Place: Noida  
 Date: May 21, 2024

**SHEELA FOAM LIMITED**

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 Tel: 0120-4162200, Fax: 0120-41622825  
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AUDITED STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(Rs. in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax and exceptional items</b>	<b>204.54</b>	<b>234.11</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	58.44	41.08
Finance costs	47.79	10.68
Gain on termination of lease	(1.65)	(0.13)
Liabilities/provisions no longer required written back	(0.02)	(0.12)
Provision for doubtful receivables	1.09	1.87
Provision for warranty	9.01	11.76
Expenses on employees stock option schemes	2.42	-
Investment Subsidy income	(0.03)	(0.03)
Advances/Balances written off	0.28	0.36
Fair value gain on investments (net)	(28.97)	(8.73)
Profit on sale of investments (net)	(39.78)	(18.64)
(Profit) / Loss on sale of property, plant and equipment (net)	0.27	(0.49)
Net loss on foreign currency forward contracts	0.44	13.22
Unrealised foreign exchange (gain) / loss (net)	(0.03)	4.05
Rental income (short term lease)	(2.09)	(2.39)
Interest income	(12.00)	(34.14)
<b>Operating profit before working capital changes</b>	<b>239.71</b>	<b>252.46</b>
<b>Changes in working capital:</b>		
Decrease/(Increase) in Inventories	46.64	2.37
(Increase) / Decrease in loans and trade receivables	(52.40)	5.39
Decrease/ (Increase) in other financial and non-financial assets	(10.77)	(26.09)
(Decrease)/increase in trade payables	(27.73)	(10.67)
(Decrease) / Increase in other financial liabilities, non-financial liabilities and provisions	(3.17)	(8.28)
<b>Cash generated from operations</b>	<b>192.28</b>	<b>215.18</b>
Income tax paid (net of refunds)	(73.36)	(68.59)
<b>Net cash flow from operating activities (A)</b>	<b>118.92</b>	<b>146.59</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and change in capital work-in-progress	(207.15)	(110.54)
Proceeds from Sales of property, plant and equipment	44.84	1.76
Increase / (Decrease) in creditors for capital goods (net of capital advances)	29.03	(5.54)
Investment in shares of Subsidiaries (net)	(1,930.17)	-
Investment in bonds, debentures and mutual funds (net)	321.74	(127.05)
Investment made in Joint Venture	(304.85)	-
Proceeds from bank deposits	(0.01)	0.05
Rental income (short term lease)	2.09	2.39
Interest income received	10.88	52.34
<b>Net cash flow / (used in) investing activities (B)</b>	<b>(2,033.60)</b>	<b>(186.59)</b>
<b>C. Cash flow from financing activities</b>		
Net Proceeds from issuance of equity share capital including securities premium (net of expenses)	1,141.53	-
Net Proceeds from Non-convertible debentures (net of interest and expenses)	719.87	-
Proceeds from long term borrowings	-	50.78
Repayment of long term borrowings	(32.89)	-
Net proceeds from short term borrowings (including working capital loan and bank overdraft)	106.22	-
Payment of lease liabilities (principal and interest)	(5.74)	(2.69)
Fees paid for increase in authorised share capital	-	(0.50)
Finance costs	(14.41)	(9.51)
<b>Net cash flow from Financing Activities (C)</b>	<b>1,914.58</b>	<b>38.08</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(0.10)</b>	<b>(1.92)</b>
Cash and cash equivalents at the beginning of the year	12.71	14.63
<b>Cash and cash equivalents at the end of the year</b>	<b>12.61</b>	<b>12.71</b>
<b>Notes to statement of cash flows :</b>		
Components of cash and cash equivalents as under :		
Cash on hand	0.09	0.07
Deposits with bank with original maturity of less than 3 months	0.01	0.01
Balance with banks - Current Accounts	12.51	12.63
	<b>12.61</b>	<b>12.71</b>



For Sheela Foam Limited



(Tushaar Gauham)  
 Managing Director  
 DIN : 01696487

Place: Noida  
 Date: May 21, 2024



**Independent Auditor's Report on Consolidated Audited Annual Financial Results of the Sheela Foam Limited pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended**

**To the Board of Directors of Sheela Foam Limited**

**Report on the Audit of Consolidated Financial Results**

**Opinion**

We have audited the accompanying Statement of Consolidated annual financial results of Sheela Foam Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its share of the net (loss) after tax and total other comprehensive (loss) of its jointly controlled entity for the year ended March 31, 2024 ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries and jointly controlled entity, the aforesaid Statement:

(i) includes the annual financial results of Holding Company and the following entities:

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Staqa Software Private Limited	Wholly Owned Subsidiary
2	Sleepwell Enterprises Private Limited	Wholly Owned Subsidiary
3	Staqa World Private Limited (SWPL India)	Wholly Owned Subsidiary
4	Staqa Incorporated	Wholly Owned Subsidiary of SWPL India
5	Staqa World KFT	Wholly Owned Subsidiary of SWPL India
6	Staqa Technologies LLC	Subsidiary of SWPL India
7	Joyce Foam Pty Limited (JFPL Australia)	Wholly owned Subsidiary
8	Joyce WC NSW Pty Limited	Wholly owned Subsidiary of JFPL Australia



# MSKA & Associates

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Sr. No	Name of the Entity	Relationship with the Holding Company
9	International Foam Technologies Spain, S.L.U (IFTS Spain)	Wholly owned Subsidiary
10	Interplasp S.L	Subsidiary of IFTS Spain
11	Sheela Foam Trading L.L.C	Wholly owned Subsidiary
12	Kurlon Enterprise Limited (“KEL”)	Subsidiary
13	Kurlon Retail Limited	Wholly owned Subsidiary of KEL
14	Belvedere International Limited	Wholly owned Subsidiary of KEL
15	Komfort Universe Products and Services Limited	Wholly owned Subsidiary of KEL
16	Starship Value Chain and Manufacturing Private Limited	Wholly owned Subsidiary of KEL
17	Kanvas Concepts Private Limited	Wholly owned Subsidiary of KEL
18	International Comfort Technologies Private Limited*	Wholly owned Subsidiary
19	House of Kieraya Private Limited (formerly known as Kieraya Furnishing Solutions Private Limited)	Jointly controlled entity
20	Kreate One Manufacturing Private Limited	Wholly owned Subsidiary of Jointly controlled entity
21	HOK Retail Private Limited	Wholly owned Subsidiary of Jointly controlled entity
22	Furlenco Global Pte Ltd.	Wholly owned Subsidiary of Jointly controlled entity

\* Merged with the holding company

(ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (“the Act”), read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the net profit, and other comprehensive income and other financial information of the Group, and its jointly controlled entity for the year ended March 31, 2024.



## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, and of its jointly controlled entity 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 consolidated financial statements under the provisions of the Act 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 obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

## Management and Board of Directors' Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit, and other comprehensive income and other financial information of the Group including its jointly controlled entity in accordance with the recognition and measurement principles laid down in accordance with the applicable Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and is in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its jointly controlled entity 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entity.



## Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this 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 Statement, 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of its jointly controlled entity 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and of its jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and of its jointly controlled entity to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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

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

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

## Other Matters

1. The Statement includes the audited financial results of 16 subsidiaries, whose Financial Statements reflect Group's share of total assets of Rs. 1,155.89 crores as at March 31, 2024, Group's share of total revenue of Rs. 846.16 crores, Group's share of total net profit after tax of Rs. 6.93 crores, and Group's share of total comprehensive income of Rs. 6.63 crores for the period from April 01, 2023 to March 31, 2024 and Group's net cash flow of Rs. 0.02 crores for the year ended as on date respectively, as considered in the Statement, which have been audited by the other auditors whose reports on financial statements of these entities have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on the reports of such other auditors and the procedures performed by us are as stated in paragraph above.

Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

2. Certain subsidiaries are located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

We have audited these conversion adjustments made by the Holding Company's Management. Our opinion on the Statement, in so far as it relates to the financial statements of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

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





# MSKA & Associates

Chartered Accountants

3. The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

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

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

*Nipun Gupta*

**Nipun Gupta**  
Partner

Membership No.: 502896  
UDIN: 24502896BKGFL03837



Place: Gurugram  
Date: 21.05.2024

**SHEELA FOAM LIMITED**

Regd. office: 604, Ashadeep, 9 Hailey Road, New Delhi-110001  
 Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P) -201301  
 Tel: 0120-4162200, Fax: 0120-41622825  
 CIN- L74899DL1971PLC005679

AUDITED STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2024

(Rs. in Crores, Except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	<b>Income:</b>					
	a) Revenue from operations	845.15	878.89	729.04	2,982.31	2,873.32
	b) Other Income	36.67	31.84	17.61	117.10	85.62
	<b>Total Income [(a) + (b)]</b>	<b>881.82</b>	<b>910.73</b>	<b>746.65</b>	<b>3,099.41</b>	<b>2,958.94</b>
II	<b>Expenses:</b>					
	a) Cost of materials consumed	429.38	455.45	390.76	1,582.32	1,661.90
	b) Purchase of stock-in-trade	37.18	41.16	36.94	108.42	138.08
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	9.86	15.77	14.38	59.41	(12.09)
	d) Other manufacturing expenses	40.69	36.06	17.01	111.93	66.74
	e) Employee benefits expense	98.54	94.99	73.82	344.11	282.90
	f) Finance costs	26.98	25.20	7.04	68.62	21.07
	g) Depreciation and amortisation expense	41.34	29.92	26.07	115.79	89.62
	h) Other expenses	148.96	159.28	117.82	475.58	437.63
	<b>Total Expenses [(a) to (h)]</b>	<b>832.93</b>	<b>857.83</b>	<b>683.84</b>	<b>2,866.18</b>	<b>2,685.85</b>
III	<b>Profit before tax and Exceptional Items (I-II)</b>	<b>48.89</b>	<b>52.90</b>	<b>62.81</b>	<b>233.23</b>	<b>273.09</b>
IV	Exceptional items	(33.65)	-	-	(22.70)	-
V	<b>Profit before tax (III-IV)</b>	<b>82.54</b>	<b>52.90</b>	<b>62.81</b>	<b>255.93</b>	<b>273.09</b>
VI	<b>Tax expenses</b>					
	Current tax	2.54	14.58	12.86	50.74	72.79
	Earlier tax adjustment	-	-	2.28	-	1.67
	Deferred tax	11.83	(0.14)	4.08	10.68	(2.21)
	<b>Total Tax Expenses</b>	<b>14.37</b>	<b>14.44</b>	<b>19.22</b>	<b>61.42</b>	<b>72.25</b>
VII	<b>Profit for the period/year after tax and before share of profit/(loss) of Joint venture accounted for using equity method (V-VI)</b>	<b>68.17</b>	<b>38.46</b>	<b>43.59</b>	<b>194.51</b>	<b>200.84</b>
VIII	Share in profit/(loss) of Joint venture accounted for using equity method	(3.02)	(7.29)	-	(10.58)	-
IX	<b>Profit for the period/year (VII + VIII)</b>	<b>65.15</b>	<b>31.17</b>	<b>43.59</b>	<b>183.93</b>	<b>200.84</b>
X	<b>Other Comprehensive Income/(Loss)</b>					
	(a) Items that will not be reclassified to profit or loss					
	Re-measurements gain/(loss) of the net defined benefit plans	(1.19)	(0.48)	1.38	(2.62)	(1.81)
	Income tax effect on above	(0.25)	0.12	(0.34)	0.11	0.46
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	0.04	(0.01)	-	0.03	-
	(b) Items that will be reclassified to profit or loss					
	Fair value gain/(loss) on investments and other financial instruments	(0.17)	1.75	2.79	0.45	(3.48)
	Income tax effect on above	0.05	(0.45)	(0.70)	(0.11)	0.88
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	0.01	-	-	0.01	-
	(c) Exchange difference on translation of foreign operations	(10.38)	17.78	12.30	(0.57)	16.47
	<b>Total Other Comprehensive Income/(Loss) for the period/year (a+b+c)</b>	<b>(11.89)</b>	<b>18.71</b>	<b>15.43</b>	<b>(2.70)</b>	<b>12.52</b>
XI	<b>Total Comprehensive Income for the period/year (IX + X)</b>	<b>53.26</b>	<b>49.88</b>	<b>59.02</b>	<b>181.23</b>	<b>213.36</b>
XII	<b>Profit for the period/year attributable to:</b>					
	Shareholders of the parent company	64.62	30.77	43.23	182.44	198.93
	Non-controlling Interest	0.53	0.40	0.36	1.49	1.91
XIII	<b>Other Comprehensive Income/(loss) for the period/year attributable to:</b>					
	Shareholders of the parent company	(11.89)	18.71	15.43	(2.70)	12.52
	Non-controlling Interest	-	-	-	-	-
XIV	<b>Total Comprehensive Income for the period/year attributable to:</b>					
	Shareholders of the parent company	52.73	49.48	58.66	179.74	211.45
	Non-controlling Interest	0.53	0.40	0.36	1.49	1.91
XV	Paid up Equity Share Capital (Face value of Rs. 5/- each)	54.35	54.35	48.78	54.35	48.78
XVI	Other Equity				2,865.84	1,549.40
XVII	Earning per share (not annualised)					
	Basic	5.94	2.83	4.43	17.66	20.39
	Diluted	5.94	2.83	4.43	17.66	20.39

The above audited consolidated results of Sheela Foam Limited are available on our website, www.sheelafoam.com and on the stock exchange websites www.nseindia.com and www.bseindia.com.



**Notes:**

- These consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors, in their respective meetings held on May 21, 2024.
- These consolidated financial results of Sheela Foam Limited ("the Holding Company") and its subsidiaries ("the Group") together with jointly controlled entity for the quarter and year ended March 31, 2024 have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.
- Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 :**

Particulars	Quarter Ended			Year Ended	
	March 31, 2024 (Audited)	December 31, 2023 (Unaudited)	March 31, 2023 (Audited)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
a) ** Net Worth (Rs. in Crores)	2,980.69	2,958.52	1,606.45	2,980.69	1,606.45
b) Outstanding Unsecured Non-convertible Debentures (Rs. in Crores)	725.00	725.00	-	725.00	-
c) Debt service coverage ratio (Number of times, Not annualised)	0.29	0.29	0.46	0.94	1.74
d) Interest service coverage ratio (Number of times, Not annualised)	2.81	3.10	9.92	4.40	13.96
e) Debt equity ratio (Number of times)	0.50	0.51	0.36	0.50	0.36
f) Current Ratio (Number of times)	0.77	0.78	2.10	0.77	2.10
g) Long term debt to working capital ratio (Number of times)	(5.02)	(4.93)	0.66	(5.02)	0.66
h) Bad debts to Account receivable ratio (%)	0%	0%	-1%	0%	2%
i) Current liability ratio (Number of times)	0.48	0.49	0.62	0.48	0.62
j) Total debts to total assets (Number of times)	0.28	0.28	0.21	0.28	0.21
k) Debtors Turnover Ratio (Number of times, Not annualised)	2.41	2.79	2.70	9.24	10.42
l) Inventory Turnover Ratio (Number of times, Not annualised)	1.52	1.80	1.49	5.55	5.74
m) Basic EPS	5.94	2.83	4.43	17.66	20.39
n) Diluted EPS	5.94	2.83	4.43	17.66	20.39
o) Operating margin percent ratio (%)	39%	38%	37%	38%	35%
p) Net profit margin percent ratio (%)	8%	4%	6%	6%	7%

Formulas for computation of ratios are as follows:-

Debt service coverage ratio	$\frac{\text{Profit before tax} + \text{Finance costs} + \text{Depreciation}}{\text{Finance cost} + \text{Borrowings (Current)} + \text{Lease Liabilities (Current)}}$
Interest service coverage ratio	$\frac{\text{Earnings before interest, tax and exceptional items}}{\text{Finance cost}}$
Debt equity ratio	$\frac{\text{Total Borrowings} + \text{Total Lease Liabilities}}{\text{Equity Share Capital} + \text{Other Equity}}$
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
Long term debt to working capital ratio	$\frac{\text{Non-Current Borrowings} + \text{Non-Current Lease Liabilities} + \text{Current Maturities of Long term borrowings and Lease liabilities}}{\text{Current Assets} - \text{Current Liabilities}}$
Bad debts to Account receivable ratio	$\frac{\text{Bad Debts}}{\text{Average Trade Receivables}}$
Current liability ratio	$\frac{\text{Total Current liabilities}}{\text{Total liabilities}}$
Total debts to total assets	$\frac{\text{Total Borrowings} + \text{Total Lease Liabilities}}{\text{Total Assets}}$
Debtors Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Average Trade receivables}}$
Inventory Turnover Ratio	$\frac{\text{*Cost of Goods sold}}{\text{Average Inventories}}$
Operating margin percent ratio	$\frac{\text{Revenue from operations} - \text{*Cost of Goods sold}}{\text{Revenue from operations}}$
Net profit margin percent ratio	$\frac{\text{Profit After Tax (after exceptional item)}}{\text{Revenue from operations}}$

**Notes:-**

\* Cost of goods sold includes Cost of materials consumed, Purchases of Stock-in-trade and Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress.

\*\* Net worth has been computed on the basis as stated in Clause(2) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 i.e. Net worth as defined in subsection (57) of section 2 of the Companies Act, 2013.

- Segment Reporting as per Indian Accounting Standard for Operating Segments (Ind AS 108), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder:

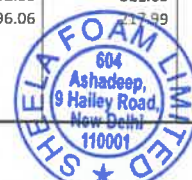
The Group is mainly engaged in manufacturing of the products of same type/class, and therefore there is no reportable Business Segments . The Group has geographical segments as given below:

**Geographical Segment:**

The analysis of the geographical segment based on sales made within India and outside India by the Group is as under:

(Rs. in Crores)

Particulars	Quarter Ended			Year Ended	
	March 31, 2024 (Audited)	December 31, 2023 (Unaudited)	March 31, 2023 (Audited)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
Revenue from operations :					
Within India	671.17	682.83	511.05	2,222.91	1,998.22
Outside India	173.98	196.06	217.99	759.40	875.10
Non Current Assets :					
Within India				2,935.77	528.23
Outside India				770.55	676.89



- 5 The Board of Directors of the Company ('Board') at its meeting held on November 08, 2022, has approved the Scheme of Amalgamation of the wholly owned subsidiary of the Company, i.e., International Comfort Technologies Private Limited ("ICTPL" or "Transferor Company") with Sheela Foam Limited ("SFL" or "Transferee Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"). Accordingly, the aforesaid scheme of arrangement has been approved by National Company Law Tribunal, Bench at Delhi ("NCLT") vide order date February 09, 2024 and the same has been accounted as required under Appendix C (Business Combinations of Entities under Common Control) of Ind AS 103, the current annual reporting period and comparative accounting periods presented above have been prepared by "Pooling of Interest Method" and by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements, i.e. April 1, 2022. The assets and liabilities of the acquired business have been recorded in the books of the Company at their pre-acquisition carrying amounts and no adjustments have been made to reflect fair values. There is no recognition of any new assets or liabilities arising from this business combination. The retained earnings of the ICTPL have been merged with the retained earnings of the company.
- 6 During the year, the Holding Company has entered into an agreement with shareholders of 'House of Kieraya Private Limited (Furlenco)' to acquire 35% stake on fully diluted basis w.e.f. August 29, 2023. Accordingly, the holding company has invested Rs. 360.70 crores (including acquisition cost of Rs. 4.75 crores) out of which unpaid amount of Rs. 55.85 Crores is recognised under financial liabilities. The same has been considered as jointly controlled entity and has been accounted using Equity method as per Ind AS from August 29, 2023 being the date of acquisition and accordingly, 17.70% [equity stake as on March 31, 2024] of their profit/(loss) is included in the above results.
- 7 During the year, the Holding Company has acquired 3,46,05,369 equity shares representing 94.67% shareholding in 'Kurlon Enterprise Limited' for a consideration of Rs. 1,940.78 Crores resulting in transfer of its control to the company w.e.f. October 20, 2023 and same has been accounted for in accordance with Ind AS 103 - 'Business Combination' resulting in recognition of Brand amounting to Rs. 884.23 Crores, Franchisees amounting to Rs. 155.11 Crores and Goodwill amounting to Rs. 376.80 Crores. As part of this transaction, there is an outstanding unpaid amount of Rs. 71.00 Crores, which has been duly recognized under 'financial liabilities'. The Company has additionally acquired 9,40,582 equity shares and 67,569 equity shares representing 2.58% and 0.18% shareholding for the consideration of Rs. 55.33 crores and Rs. 3.92 crores respectively, resulting in total equity shareholding of 97.43% as at March 31, 2024.
- 8 The Board of Directors of the Holding Company ('Board') at its meeting held on March 28, 2024, has approved the Scheme of Amalgamation of subsidiary of the Company, i.e., Kurlon Enterprise Limited ("KEL" or "Amalgamating") with Sheela Foam Limited ("SFL" or "Amalgamated Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"). The Scheme is subject to necessary statutory and regulatory approvals including the approvals of National Company Law Tribunal, Bench at Mumbai ("NCLT"). Accordingly, the aforesaid scheme of arrangement cannot be considered as highly probable unless the regulatory approvals are received and hence, the same has not been accounted in these financial results.
- 9 During the year, the Holding Company has acquired major equity stake in 'Kurlon Enterprise Limited' and therefore, the results for the year ended March 31, 2024 and quarter ended March 31, 2024 include the impact of this transaction w.e.f. October 20, 2023 and are not comparable with previous corresponding periods.
- 10 The Holding Company has raised money by the way of Qualified Institutions Placement ('QIP') and allotted 1,11,31,725 equity shares of face value Rs. 5/- each to the eligible qualified institutional buyers (QIB) at a price of Rs. 1,078/- per equity share (including a premium of Rs. 1,073 per equity share) aggregating to Rs. 1,200.00 Crores on September 26, 2023. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Expenses incurred in relation to QIP amounting to Rs. 58.47 Crores has been adjusted from Securities Premium Account and balance has been charged to statement of profit and loss amounting Rs. 0.18 Crores. As per the placement document, QIP proceeds are for part-funding the acquisition of equity shares of Kurlon Enterprise Limited and for general corporate purposes. As on March 31, 2024, these funds have been utilised for acquiring equity stake in 'Kurlon Enterprise Limited'.
- 11 The Holding Company has further raised the additional required funds through issue of 72,500 unsecured Non-Convertible Debentures in four tranches of 18,125 each having a fixed coupon rate of 8.45%, of face value of Rs. 1,00,000 amounting Rs. 725.00 Crores on October 06, 2023 through private placement within the borrowing limits of the Company as approved by the shareholders. The said funds are utilised for part funding of the aforementioned transactions.
- 12 During the year, a fire outbreak at Silvassa location on June 28, 2023 which resulted in loss of inventory and fixed assets (including dismantling cost) amounting to Rs. 11.56 Crores. The Company has recognized this loss as 'Exceptional items' in the statement of profit and loss. The Company has filed the insurance claim and in the absence of reasonable certainty of it's collection, the same has not been accounted in these financial results.
- 13 During the year, the Holding Company has executed the sale deeds in respect of certain land and building for a consideration of Rs. 29.90 Crores and has recognised gain of Rs. 29.38 Crores as exceptional item for the quarter ended March 31, 2024.
- 14 The Holding company has incorporated a wholly owned subsidiary 'Sheela Foam Trading L.L.C' in Dubai on September 25, 2023.
- 15 Pursuant to the provisions of Sections 196, 197, 203 and any other applicable provision of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Holding Company has approved appointment of Mr. Rahul Gautam (DIN: 00192999), as the Whole-Time Director (Executive Chairman) w.e.f. November 02, 2023 and appointment of Mr. Tushaar Gautam (DIN: 01646487) as the Managing Director of the Company w.e.f. November 02, 2023.
- 16 The Board, on November 02, 2023 and February 06, 2024, based on the recommendations of the Nomination and Remuneration Committee, approved the grant of 102,592 and 1,57,260 stock options respectively, to the eligible employees of the company under the SF ESOP - 2022 scheme. These will vest over the period upto 3 years or on satisfaction of market conditions.
- 17 During the year ended March 31, 2024, the Holding Company has purchased a land situated at Nandigram, Gujarat on February 29, 2024 for a consideration of Rs. 43.65 Crores.
- 18 The figures for the quarters ended March 31, 2024 and March 31, 2023 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto December 31st of the respective financial years, which were subject to limited review. The profit/(loss) for the jointly controlled entity has been disclosed from the date of acquisition and accordingly, the same is not comparable with the previous quarter / period.
- 19 (a) Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Place: Noida  
Date: May 21, 2024



For Sheela Foam Limited

(Tushaar Gautam)  
Managing Director  
DIN: 01646487





## SHEELA FOAM LIMITED

Regd. office: 604, Ashadeep, 9 Hailey Road, New Delhi-110001  
Corporate Office: Sleepwell Tower, Plot No.-14, Sector 135, Noida, Gautam Budh Nagar (U.P) -201301  
Tel: 0120-4162200, Fax: 0120-41622825  
CIN- L74899DL1971PLC005679

AUDITED STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT MARCH 31, 2024

Particulars	(Rs. In Crores)	
	As at March 31, 2024	As at March 31, 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,159.56	429.04
Right-of-use assets	229.66	108.55
Capital work-in-progress	161.40	287.49
Intangible assets	1,688.91	274.02
Intangible assets under development	4.22	-
Investment property	50.46	53.39
Investments accounted for using the equity method	350.16	-
Financial assets		
(i) Investments	510.00	56.41
(ii) Loans	1.92	1.94
(iii) Other financial assets	21.33	5.19
Deferred tax assets	225.17	7.13
Non current tax assets (net)	54.74	17.21
Other non-current assets	7.21	35.42
<b>Total non-current assets</b>	<b>4,464.74</b>	<b>1,275.79</b>
<b>Current assets</b>		
Inventories	339.37	331.33
Financial assets		
(i) Investments	17.82	711.95
(ii) Trade receivables	363.77	281.98
(iii) Cash and cash equivalents	44.02	42.27
(iv) Bank balances other than cash and cash equivalents	4.93	0.27
(v) Loans	1.14	0.67
(vi) Other financial assets	7.84	1.00
Current tax assets (net)	0.42	-
Other current assets	95.49	63.80
<b>Total current assets</b>	<b>874.80</b>	<b>1,433.27</b>
<b>Total assets</b>	<b>5,339.54</b>	<b>2,709.06</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	54.35	48.78
Other equity	2,865.84	1,549.40
<b>Equity attributable to shareholders of the parent Company</b>	<b>2,920.19</b>	<b>1,598.18</b>
Non-controlling Interest	60.50	8.27
<b>Total equity</b>	<b>2,980.69</b>	<b>1,606.45</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowing	944.59	283.81
(ii) Lease liabilities	174.23	87.49
(iii) Other non current financial liabilities	71.58	25.94
Long-term provisions	21.69	13.04
Other non-current liabilities	0.17	0.20
Deferred tax liabilities	17.70	9.96
<b>Total non-current liability</b>	<b>1,229.96</b>	<b>420.44</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Borrowing	336.74	183.82
(ii) Lease liabilities	37.55	15.98
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	22.28	7.22
- Total outstanding dues of creditors other than micro enterprises and small enterprises	365.25	252.14
(iv) Other financial liabilities	265.30	112.38
Short-term provisions	29.12	20.51
Current tax liabilities (net)	0.89	0.02
Other current liabilities	71.76	90.10
<b>Total current liabilities</b>	<b>1,128.89</b>	<b>682.17</b>
<b>Total liabilities</b>	<b>2,358.85</b>	<b>1,102.61</b>
<b>Total equity and liabilities</b>	<b>5,339.54</b>	<b>2,709.06</b>



Place: Noida  
Date: May 21, 2024

For Sheela Foam Limited

(Jashnar Gautam)  
Managing Director  
DIN : 01646487





## SHEELA FOAM LIMITED

Regd. office: 604, Ashadeep, 9 Hailey Road, New Delhi-110001  
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Tel: 0120-4162200, Fax: 0120-41622825  
CIN- L74899DL1971PLC005679

AUDITED STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(Rs. In Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax and exceptional items	233.23	273.09
<b>Adjustments for:</b>		
Depreciation and amortisation expense	115.79	89.62
Finance costs	68.62	21.07
Gain on termination of lease	(1.92)	-
Advances/Balances written off (including bad debts)	0.88	5.11
Provision for doubtful receivables	-	3.60
Provision for warranty	10.38	11.76
Expenses on employees stock option schemes	2.42	-
Investment subsidy income	(0.52)	(0.37)
Net loss on foreign currency forward contracts	0.44	13.22
Fair value (gain)/loss on investments (net)	(29.27)	(8.99)
Profit on sale of investments (net)	(40.28)	(18.69)
Liabilities/provisions no longer required written back	(10.46)	(0.12)
Unrealised foreign exchange loss/(gain) (net)	(0.03)	4.05
Rental income	(13.58)	(12.57)
Interest income	(9.13)	(32.76)
Loss/(profit) on sale of property, plant and equipment (net)	3.55	(0.49)
<b>Operating profit before working capital changes</b>	<b>330.12</b>	<b>347.53</b>
<b>Changes in working capital:</b>		
Decrease/(Increase) in Inventories	(18.74)	(11.85)
Decrease/(Increase) in loans and trade receivables	(83.43)	(18.61)
Decrease/(Increase) in other financial and non-financial assets	(58.29)	(19.54)
(Decrease)/Increase in trade payables	127.85	(29.25)
(Decrease)/Increase in other financial liabilities, non-financial liabilities and provisions	68.00	29.98
<b>Cash generated from operations</b>	<b>365.51</b>	<b>298.26</b>
Income tax paid (net of refunds)	(308.95)	(80.70)
<b>Net cash flow from operating activities (A)</b>	<b>56.56</b>	<b>217.56</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and change in capital work-in-progress	(705.36)	(211.62)
Intangible Assets acquired and expenditure on intangibles under development	(1,420.67)	-
Proceeds from Sales of property, plant and equipment	44.21	1.74
Increase / (Decrease) in creditors for capital goods (net of capital advances)	28.76	(5.55)
Payable against subsidiary acquisition	123.59	-
Deposits matured/made during the year (net)	(4.66)	0.05
Investment in bonds, debentures and mutual funds (net)	310.09	(126.70)
Investment made in Joint Venture	(307.48)	-
Loans & advances given	-	3.04
Rental income	13.58	12.57
Interest income received	8.84	52.51
<b>Net cash (used in) investing activities (B)</b>	<b>(1,909.10)</b>	<b>(273.96)</b>
<b>C. Cash flow from financing activities</b>		
Payment of Dividend during the year	(0.96)	(2.80)
Fees paid for increase in Authorised Share capital	-	(0.50)
Net Proceeds from issuance of paid up Equity share capital including security premium.	1,141.53	-
Proceeds from long term borrowings	-	76.84
Net Proceeds from Non-convertible debentures (net of interest and expenses)	719.87	-
Repayment of long term borrowings	(83.17)	(37.60)
Net Proceeds from short term borrowings	144.92	64.82
Payment of lease liabilities	(40.49)	(28.21)
Finance costs	(27.41)	(16.43)
<b>Net Cash from Financing Activities (C)</b>	<b>1,854.29</b>	<b>56.12</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>1.75</b>	<b>(0.28)</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	1.74
Cash and cash equivalents at the beginning of the year	42.27	40.81
<b>Cash and cash equivalents at the end of the year</b>	<b>44.02</b>	<b>42.27</b>
<b>Notes to statement of cash flows :</b>		
Components of cash and cash equivalents as under :		
Cash on hand	0.21	0.13
Deposits with bank with original maturity of less than 3 months	0.11	1.42
Balance with banks - Current Accounts	43.70	40.72
	44.02	42.27

Place: Noida  
Date: May 21, 2024



For Sheela Foam Limited

(Munishar Gautam)  
Managing Director  
DIN: 01646477

