

Independent Auditor's Review Report on unaudited Standalone financial results for the quarter and year to date of Sheela Foam Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors of Sheela Foam Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Sheela Foam Limited('the Company') for the quarter ended September 30, 2023 and the year to-date results for the period from April 01, 2023 to September 30, 2023 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. This Statement, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

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


Nipun Gupta

Partner
Membership No.: 502896
UDIN: 23502896BGTEYG7475



Place: Gurugram
Date: November 02, 2023

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

UNAUDITED STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(Rs. in Lakhs, Except per share data)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Income						
	a) Revenue from operations	41,694.14	44,783.14	49,575.68	86,477.28	98,350.81	2,01,981.56
	b) Other Income	2,324.31	2,338.39	1,935.87	4,662.70	3,513.96	7,861.27
	Total Income [(a) + (b)]	44,018.45	47,121.53	51,511.55	91,139.98	1,01,864.77	2,09,842.83
II	Expenses						
	a) Cost of materials consumed	22,962.02	24,860.61	28,588.86	47,822.63	59,601.66	1,13,311.05
	b) Purchase of stock-in-trade	2,064.93	1,243.50	3,915.65	3,308.43	6,025.39	14,887.73
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27.45	1,397.12	(1,757.55)	1,424.57	(2,614.58)	(360.40)
	d) Other manufacturing expenses	1,013.26	1,162.59	1,114.33	2,175.85	2,125.16	3,626.01
	e) Employee benefits expense	4,187.46	3,935.47	3,565.59	8,122.93	7,135.72	14,519.48
	f) Finance costs	227.62	204.35	194.53	431.97	379.41	637.38
	g) Depreciation and amortisation expense	1,073.55	911.38	784.91	1,984.93	1,512.07	3,376.39
	h) Other expenses	6,583.51	5,993.75	7,854.49	12,577.26	15,292.33	33,778.17
	Total Expenses [(a) to (h)]	38,139.80	39,708.77	44,260.81	77,848.57	89,457.16	1,83,775.81
III	Profit before tax and Exceptional Items (I-II)	5,878.65	7,412.76	7,250.74	13,291.41	12,407.61	26,067.02
IV	Exceptional items	-	1,095.25	-	1,095.25	-	-
V	Profit before tax (III-IV)	5,878.65	6,317.51	7,250.74	12,196.16	12,407.61	26,067.02
VI	Tax expenses						
	Current tax	1,515.99	1,648.43	1,789.70	3,164.42	3,069.53	6,815.87
	Earlier tax adjustment	-	-	-	-	-	(70.49)
	Deferred tax	17.91	33.59	259.62	51.50	306.51	(164.30)
	Total Tax Expenses	1,533.90	1,682.02	2,049.32	3,215.92	3,376.04	6,581.08
VII	Profit for the period/year (V-VI)	4,344.75	4,635.49	5,201.42	8,980.24	9,031.57	19,485.94
VIII	Other Comprehensive Income/(Loss)						
	(a) Items that will not be reclassified to profit or loss						
	Remeasurements gain/(loss) of net defined benefit plans	(43.39)	(43.38)	(107.86)	(86.77)	(215.72)	(165.27)
	Income tax effect on above	10.92	10.92	27.15	21.84	54.29	41.60
	(b) Items that will be reclassified to profit or loss						
	Fair value gain/(loss) on investments and other financial instruments	(90.08)	85.24	219.09	(4.84)	(135.98)	(347.78)
	Income tax effect on above	22.67	(21.45)	(55.14)	1.22	34.22	87.53
	Total Other Comprehensive Income/(Loss) for the period/year (a+b)	(99.88)	31.33	83.24	(68.55)	(263.19)	(383.92)
IX	Total Comprehensive Income for the period/year (VII+VIII)	4,244.87	4,666.82	5,284.66	8,911.69	8,768.38	19,102.02
X	Paid up Equity Share Capital (Face value of Rs. 5/- each)	5,434.87	4,878.28	2,439.14	5,434.87	2,439.14	4,878.28
XI	Other Equity						1,34,701.83
XII	Earning per share (not annualised)						
	Basic and Diluted	4.43	4.75	5.33	9.18	9.26	19.97

The above unaudited standalone results of Sheela Foam Limited are available on our website, www.sheelaf foam.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 November 02, 2023.
- 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.
- 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.
- 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"). The Scheme is subject to necessary statutory and regulatory approvals including the approvals of National Company Law Tribunal, Bench at Delhi ("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.
- During the quarter, 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. 36,070.35 Lakhs (including acquisition cost of Rs. 474.97 Lakhs) out of which unpaid amount of Rs. 5,595.32 Lakhs recognised under financial liabilities. The same has been considered as jointly controlled entity.
- Subsequent to the quarter ended September 30, 2023, the Company has acquired 94.66% shareholding in 'Kurlon Enterprise Limited' at value of Rs. 2,03,548.40 Lakhs resulting in transfer of its control w.e.f. October 20, 2023 to the Company. However, being subsequent event, this transaction has not been accounted in these financial results.
- 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. 1,20,000 Lakhs 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. 1,671.01 Lakhs has been adjusted from Securities Premium Account. 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 September 30, 2023, 100% of QIP's net proceeds were utilised and were temporarily invested in liquid instruments and Subsequently on October 20, 2023, funds have been utilised for acquiring equity stake of 94.66% in "Kurlon Enterprise Limited".
- The Company has further raised the additional required funds through issue of 72,500 unsecured Non-Convertible Debentures having a fixed rate coupon of 8.45%, of face value of Rs. 1,00,000 amounting Rs. 72,500 Lakhs 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.
- During the half year ended September 30, 2023, a fire occurred at Silvassa location on June 28, 2023 which resulted in loss of inventory and fixed assets amounting to Rs. 1,095.25 Lakhs. The Company has recognised this loss as 'Exceptional items' in the statement of profit and loss. The Company is in the process of filing an insurance claim. In the absence of reasonable certainty of collection, the same has not been accounted in these financial results.



- 10 The figures for the quarters ended September 30, 2023 and September 30, 2022 are the balancing figures between unaudited figures in respect of half year ended September 30th and the unaudited published quarter ended figures upto June 30th of the respective financial years, which were subject to limited review.
- 11 Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current period's financial statements and better representation of the standalone financial results. As a result, certain line items have been reclassified in the standalone statement of profit and loss, which has no impact on net results. The details of which are as under:

Particulars	(Rs. in Lakhs)	
	Quarter Ended September 30, 2022	Half Year Ended September 30, 2022
	(Unaudited)	(Unaudited)
Income:		
Revenue from operations (Before reclassification)	53,341.33	1,04,778.46
Add /(Less) : Reclassification	(3,765.65)	(6,427.65)
Total Revenue from Operations (After reclassification)	49,575.68	98,350.81
Other Income (Before reclassification)	1,986.47	3,609.29
Add /(Less) : Reclassification	(50.60)	(95.33)
Total Other Income (After reclassification)	1,935.87	3,513.96
Expenses:		
Cost of Materials Consumed (Before reclassification)	27,509.76	56,955.56
Add /(Less) : Reclassification	1,079.10	2,646.10
Total Cost of Materials Consumed (After reclassification)	28,588.86	59,601.66
Finance Costs (Before reclassification)	245.13	474.74
Add /(Less) : Reclassification	(50.60)	(95.33)
Total Finance Costs (After reclassification)	194.53	379.41
Other Expenses (Before reclassification)	12,699.24	24,366.08
Add /(Less) : Reclassification	(4,844.75)	(9,073.75)
Total Other Expenses (After reclassification)	7,854.49	15,292.33

Place: Noida
Dated: November 02, 2023



For Sheela Foam Limited

(Rahul Gautam)
Managing Director
DIN : 00192999

SHEELA FOAM LIMITED

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UNAUDITED STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

Particulars	(Rs. In Lakhs)	
	As at September 30, 2023	As at March 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	23,435.26	23,709.63
Right-of-use assets	3,660.45	1,631.09
Capital work-in-progress	1,910.14	188.78
Investment property	301.68	342.50
Equity Investments in Subsidiaries and Joint venture company	55,737.73	19,667.38
Financial assets		
(i) Investment in preference shares	2,990.00	2,990.00
(ii) Other investments	8,779.88	5,641.29
(iii) Loans	16,336.34	12,229.14
(iv) Other financial assets	1,697.69	1,698.07
Non current tax assets (net)	570.38	671.16
Other non-current assets	881.46	323.67
Total non-current assets	1,16,301.01	69,092.71
Current assets		
Inventories	14,724.02	18,894.37
Financial assets		
(i) Investments	1,50,968.74	70,647.60
(ii) Trade receivables	21,703.25	16,400.40
(iii) Cash and cash equivalents	4,256.83	1,042.61
(iv) Bank balances other than cash and cash equivalents	26.65	26.65
(v) Loans	52.82	59.07
(vi) Other financial assets	883.91	640.00
Other current assets	3,316.24	3,704.13
Total current assets	1,95,932.46	1,11,414.83
Total assets	3,12,233.47	1,80,507.54
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5,434.87	4,878.28
Other equity	2,61,385.92	1,34,701.83
Total equity	2,66,820.79	1,39,580.11
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	3,201.36	1,488.19
(ii) Other non current financial liabilities	2,568.60	2,548.16
Long-term provisions	931.27	897.43
Other non-current liabilities	18.43	19.85
Deferred tax liabilities (net)	239.30	189.02
Total non-current liabilities	6,958.96	5,142.65
Current liabilities		
Financial liabilities		
(i) Lease liabilities	437.68	127.06
(ii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	337.20	630.91
- Total outstanding dues of creditors other than micro enterprises and small enterprises	14,353.72	17,645.99
(iii) Other financial liabilities	14,539.12	8,627.40
Short-term provisions	889.72	1,088.59
Current tax liabilities (net)	602.60	115.53
Other current liabilities	7,293.68	7,549.30
Total current liabilities	38,453.72	35,784.78
Total liabilities	45,412.68	40,927.43
Total equity and liabilities	3,12,233.47	1,80,507.54

Place: Noida
 Dated: November 02, 2023



For Sheela Foam Limited

(Rahul Gautam)
 Managing Director
 DIN : 00192999

SHEELA FOAM LIMITED

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UNAUDITED STATEMENT OF STANDALONE CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

Particulars	(Rs. in Lakhs)	
	For the half year ended September 30, 2023	For the half year ended September 30, 2022
A. Cash flow from operating activities		
Profit before tax and exceptional items	13,291.41	12,407.61
Adjustments for:		
Depreciation and amortisation expense	1,984.93	1,512.07
Finance costs	431.97	474.74
Liabilities/provisions no longer required written back	(0.16)	(3.58)
Provision for doubtful receivables	67.57	-
Provision for warranty	359.89	596.46
Investment Subsidy income	(1.42)	(1.42)
Advances/Balances written off	21.57	0.71
Fair value (gain) / loss on investments (net)	(477.94)	(662.74)
(Profit) / Loss on sale of investments (net)	(2,520.79)	(249.37)
(Profit) / Loss on sale of property, plant and equipment (net)	44.99	3.27
Net (gain) / loss on foreign currency forward contracts	(251.90)	-
Unrealised foreign exchange (gain) / loss (net)	14.06	190.94
Rental income (short term lease)	(112.34)	(124.83)
Interest income	(836.35)	(2,184.69)
Operating profit before working capital changes	12,015.49	11,959.17
Changes in working capital:		
Decrease/(Increase) in Inventories	3,124.60	(1,498.01)
(Increase) / Decrease in loans and trade receivables	(5,400.58)	(351.67)
Decrease/ (Increase) in other financial and non-financial assets	205.54	(649.94)
(Decrease)/Increase in trade payables	(3,585.98)	(1,901.65)
(Decrease) / Increase in other financial liabilities, non-financial liabilities and provisions	(149.67)	(3,513.13)
Cash generated from operations	6,209.40	4,044.77
Income tax paid (net of refunds)	(2,554.73)	(3,054.45)
Net cash flow from operating activities (A)	3,654.67	990.32
B. Cash flow from investing activities		
Purchase of property, plant and equipment and change in capital work-in-progress	(3,811.97)	(1,631.55)
Proceeds from Sales of property, plant and equipment	348.35	57.82
Capital Advances	(474.87)	47.57
Investment in bonds, debentures and mutual funds (net)	(80,461.00)	1,100.38
Investment made in Joint Venture	(30,475.03)	-
Loans given to Subsidiary Company	(4,930.00)	(1,699.20)
Repayment of loans by Subsidiary Company	690.00	-
Proceeds from bank deposits	-	6.60
Interest and principal on lease receivable received	105.73	100.70
Rental income (short term lease)	112.34	124.83
Interest income received	586.52	2,141.92
Net cash flow / (used in) investing activities (B)	(1,18,309.93)	249.07
C. Cash flow from financing activities		
Net Proceeds from issuance of paid up Equity share capital including security premium	1,18,328.99	-
Payment of lease liabilities (principal and interest)	(120.08)	(158.19)
Finance costs	(339.43)	(474.74)
Net Cash (used in) Financing Activities (C)	1,17,869.48	(632.93)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	3,214.22	606.46
Cash and cash equivalents at the beginning of the period	1,042.61	1,431.36
Cash and cash equivalents at the end of the period	4,256.83	2,037.82
Notes to statement of cash flows :		
Components of cash and cash equivalents as under :		
Balance with banks - Current Accounts	4,248.91	1,379.50
Deposits with bank with original maturity of less than 3 months	1.00	645.58
Cash on hand	6.92	12.74
	4,256.83	2,037.82



For Sheela Foam Limited

(Rahul Gautam)
Managing Director
DIN : 00192999

Place: Noida
Dated: November 02, 2023

Independent Auditor's Review Report on unaudited consolidated financial results for the quarter and year to date financial results of Sheela Foam Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors Sheela Foam Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Sheela Foam Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') and its share of the net (loss) after tax and total comprehensive (loss) of its jointly controlled entity for the quarter ended September 30, 2023 and the year to-date results for the period from April 01, 2023 to September 30, 2023 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Regulations').
2. 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 in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS 34') and other recognised accounting principles generally accepted in India and is in compliance with the Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. This Statement includes the results of the Holding Company and the following entities:

Sr. No.	Name of the Entity	Relationship with the Holding Company
1	Staqa Software Private Limited (formerly known as Divya Software Solution 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	Wholly Owned Subsidiary of SWPL India
7	International Comfort Technologies Private Limited	Wholly owned Subsidiary
8	Joyce Foam Pty Limited (JFPL Australia)	Wholly owned Subsidiary
9	Joyce WC NSW Pty Limited	Wholly owned Subsidiary of JFPL Australia
10	International Foam Technologies Spain, S.L.U (IFTS Spain)	Wholly owned Subsidiary
11	Interplasp S.L	Subsidiary of IFTS Spain
12	House of Kieraya Private Limited (formerly known as Kieraya Furnishing Solutions Private Limited)	Jointly controlled entity

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred to in paragraph 6 to 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 and other recognised accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the financial results of 10 subsidiaries included in the Statement, whose financial results reflects total assets of Rs. 1,06,335 lakhs as at September 30, 2023 and total revenues of Rs. 20,059 lakhs and Rs. 39,862 lakhs, total net profit after tax of Rs. 655 lakhs and Rs. 744 lakhs and total comprehensive income/(loss) of Rs. 183 lakhs and Rs. (48 lakhs), for the quarter ended September 30, 2023 and for the period from April 01, 2023 to September 30, 2023, respectively, and cash flows (net) of Rs. (1,805 lakhs) for the period from April 01, 2023 to September 30, 2023, as considered in the Statement.



MSKA & Associates

Chartered Accountants

These interim financial results has been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion 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 report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

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

We have reviewed these conversion adjustments made by the Holding Company's Management. Our conclusion on the Statement, in so far as it relates to the interim financial results 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 reviewed by us.

Our conclusion 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: 23502896BGTEYH9809



Place: Gurugram

Date: November 02, 2023

SHEELA FOAM LIMITED

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UNAUDITED STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(Rs. in Lakhs, Except per share data)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I	Income:						
	a) Revenue from operations	61,318.60	64,508.56	68,269.46	1,25,827.16	1,38,336.54	2,87,332.09
	b) Other Income	2,439.40	2,419.35	2,201.41	4,858.75	3,998.87	8,650.12
	Total Income [(a) + (b)]	63,758.00	66,927.91	70,470.87	1,30,685.91	1,42,335.41	2,95,982.21
II	Expenses:						
	a) Cost of materials consumed	33,918.66	35,396.79	39,994.33	69,315.45	83,297.13	1,61,830.43
	b) Purchase of stock-in-trade	2,066.68	1,248.33	4,343.02	3,315.01	6,452.76	18,063.14
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	456.98	2,920.99	(3,274.88)	3,377.97	(3,210.55)	(1,208.72)
	d) Other manufacturing expenses	1,769.66	1,886.96	1,800.21	3,656.62	3,547.64	6,764.73
	e) Employee benefits expense	7,803.66	7,321.14	6,763.09	15,124.80	13,658.46	27,915.33
	f) Finance costs	855.02	788.48	449.63	1,643.50	930.92	2,107.07
	g) Depreciation and amortisation expense	2,187.68	2,265.59	2,050.44	4,453.27	4,115.06	8,962.43
	h) Other expenses	8,680.99	7,972.21	10,816.29	16,653.20	20,177.85	44,239.52
	Total Expenses [(a) to (h)]	57,739.33	59,800.49	62,942.13	1,17,539.82	1,28,969.27	2,68,673.93
III	Profit before tax and Exceptional Items (I-II)	6,018.67	7,127.42	7,528.74	13,146.09	13,366.14	27,308.28
IV	Exceptional items	-	1,095.25	-	1,095.25	-	-
V	Profit before tax (III-IV)	6,018.67	6,032.17	7,528.74	12,050.84	13,366.14	27,308.28
VI	Tax expenses						
	Current tax	1,639.68	1,722.44	2,048.60	3,362.12	3,682.68	7,875.59
	Earlier tax adjustment	-	-	-	-	0.33	(77.20)
	Deferred tax	(79.09)	(22.22)	121.55	(101.31)	72.53	(796.33)
	Total Tax Expenses	1,560.59	1,700.22	2,170.15	3,260.81	3,755.54	7,002.06
VII	Profit for the period/year after tax and before share of profit/loss of Joint venture accounted for using equity method (V-VI)	4,458.08	4,331.95	5,358.59	8,790.03	9,610.60	20,306.22
VIII	Share in profit/(loss) of Joint venture accounted for using equity method	(27.27)	-	-	(27.27)	-	-
IX	Profit for the period/year (VII + VIII)	4,430.81	4,331.95	5,358.59	8,762.76	9,610.60	20,306.22
X	Other Comprehensive Income/(Loss)						
	(a) Items that will not be reclassified to profit or loss						
	Re-measurements gain/(loss) of the net defined benefit plans	(47.57)	(47.55)	(105.83)	(95.12)	(212.64)	(181.17)
	Income tax effect on above	11.97	11.97	26.38	23.94	53.52	45.60
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	(0.11)	-	-	(0.11)	-	-
	(b) Items that will be reclassified to profit or loss						
	Fair value gain/(loss) on investments and other financial instruments	(198.65)	85.24	228.03	(113.41)	(135.98)	(347.78)
	Income tax effect on above	49.99	(21.45)	(55.15)	28.54	34.22	87.53
	Share of Other Comprehensive Income of Joint venture accounted for using equity method	(0.07)	-	-	(0.07)	-	-
	(c) Exchange difference on translation of foreign operations	(478.64)	(318.62)	868.46	(797.26)	562.93	1,647.08
	Total Other Comprehensive Income/(Loss) for the period/year (a+b+c)	(663.08)	(290.41)	961.89	(953.49)	302.05	1,251.26
XI	Total Comprehensive Income for the period/year (IX + X)	3,767.73	4,041.54	6,320.48	7,809.27	9,912.65	21,557.48
XII	Profit for the period/year attributable to:						
	Shareholders of the parent company	4,400.63	4,306.63	5,309.19	8,707.26	9,518.17	20,115.67
	Non-controlling Interest	30.18	25.32	49.40	55.50	92.43	190.55
XIII	Other Comprehensive Income/(loss) for the period/year attributable to:						
	Shareholders of the parent company	(663.08)	(290.41)	961.89	(953.49)	302.05	1,251.26
	Non-controlling Interest	-	-	-	-	-	-
XIV	Total Comprehensive Income for the period/year attributable to:						
	Shareholders of the parent company	3,737.55	4,016.22	6,271.08	7,753.77	9,820.22	21,366.93
	Non-controlling Interest	30.18	25.32	49.40	55.50	92.43	190.55
XV	Paid up Equity Share Capital (Face value of Rs. 5/- each)	5,434.87	4,878.28	2,439.14	5,434.87	2,439.14	4,878.28
XVI	Other Equity	-	-	-	-	-	1,55,160.90
XVII	Earning per share (not annualised)	4.48	4.41	5.49	8.90	9.85	20.81
	Basic and Diluted						

The above unaudited consolidated 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 consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors, in their respective meetings held on November 02, 2023.
- 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 half year ended September 30, 2023 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 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:

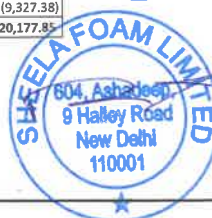
The analysis of the geographical segment based on sales made within India and outside India by the Group is as under:

Particulars	Quarter Ended			Half Year Ended		(Rs. in Lakhs)
	September 30, 2023 (Unaudited)	June 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	Year Ended March 31, 2023 (Audited)
Revenue from operations :						
Within India	41,937.94	44,954.04	48,726.65	86,891.98	96,730.05	1,99,822.20
Outside India	19,380.66	19,554.52	19,542.81	38,935.18	41,606.49	87,509.89
Non Current Assets :						
Within India				58,877.92	45,615.94	52,341.68
Outside India				73,578.79	61,186.96	67,688.51

- 4 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"). The Scheme is subject to necessary statutory and regulatory approvals including the approvals of National Company Law Tribunal, Bench at Delhi ("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.
- 5 During the quarter, 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. 36,070.35 Lakhs (including acquisition cost of Rs. 474.97 Lakhs) out of which unpaid amount of Rs. 5,595.32 Lakhs 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, 3.25% (equity stake as on September 30, 2023) of their profit/(loss) is included in the above results.
- 6 Subsequent to the quarter ended September 30, 2023, the Holding Company has acquired 94.66% shareholding in 'Kurlon Enterprise Limited' at value of Rs. 2,03,548.40 Lakhs resulting in transfer of its control w.e.f October 20, 2023 to the Holding Company. However, being subsequent event, this transaction has not been accounted in these financial results.
- 7 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. 1,20,000 Lakhs on dated 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. 1,671.01 Lakhs has been adjusted from Securities Premium Account. 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 September 30, 2023, 100% of QIP's net proceeds were unutilised and were temporarily invested in liquid instruments and Subsequently on dated 19th October, 2023, funds have been utilised for acquiring equity stake of 94.66% in "Kurlon Enterprise Limited".
- 8 The Holding Company has further raised the additional required funds through issue of 72,500 unsecured Non-Convertible Debentures having a fixed rate coupon of 8.45%, of face value of Rs. 1,00,000 amounting Rs. 72,500 Lakhs 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.
- 9 During the half year ended September 30, 2023, a fire outbreaked at Silvassa location on June 28, 2023 which resulted in loss of inventory and fixed assets amounting to Rs. 1,095.25 Lakhs. The Company has recognised this loss as 'Exceptional Items' in the statement of profit and loss. The Company is in the process of filing the insurance claim. In the absence of reasonable certainty of collection, the same has not been accounted in these financial results.
- 10 In Dubai, Sheela Foam Trading L.L.C, a wholly owned subsidiary incorporated on September 25, 2023.
- 11 The figures for the quarters ended September 30, 2023 and September 30, 2022 are the balancing figures between unaudited figures in respect of half year ended September 30th and the unaudited published quarter ended figures upto June 30th of the respective financial years, which were subject to limited review. The profit 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.
- 12 Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current period's financial statements and better representation of the consolidated financial results. As a result, certain line items have been reclassified in the consolidated statement of profit and loss, which has no impact on net results. The details of which are as under:

Particulars	(Rs. in Lakhs)	
	Quarter ended September 30, 2022 (Unaudited)	Half Year Ended September 30, 2022 (Unaudited)
Income		
Revenue from operations (Before reclassification)	72,215.87	1,45,128.30
Add /(Less) : Reclassification	(3,946.41)	(6,791.76)
Total Revenue from Operations (After reclassification)	68,269.46	1,38,336.54
Other Income (Before reclassification)	2,252.01	4,094.20
Add /(Less) : Reclassification	(50.60)	(95.33)
Total Other Income (After reclassification)	2,201.41	3,998.87
Expenses		
Cost of Materials Consumed (Before reclassification)	38,915.23	80,651.03
Add /(Less) : Reclassification	1,079.10	2,646.10
Total Cost of Materials Consumed (After reclassification)	39,994.33	83,297.13
Employee Benefits Expense (Before reclassification)	6,823.03	13,768.94
Add /(Less) : Reclassification	(59.94)	(110.48)
Total Employee Benefits Expense (After reclassification)	6,763.09	13,658.46
Finance Costs (Before reclassification)	500.23	1,026.25
Add /(Less) : Reclassification	(50.60)	(95.33)
Total Finance Costs (After reclassification)	449.63	930.92
Other Expenses (Before reclassification)	15,781.86	29,505.23
Add /(Less) : Reclassification	(4,965.57)	(9,327.38)
Total Other Expenses (After reclassification)	10,816.29	20,177.85

Place: Noida
Dated: November 02, 2023



For Sheela Foam Limited

(Rahul Gautam)
Managing Director
DIN : 00192999

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

UNAUDITED STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

Particulars	(Rs. In Lakhs)	
	As at September 30, 2023	As at March 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	48,190.88	42,903.60
Right-of-use assets	15,992.35	10,854.80
Capital work-in-progress	33,291.90	28,749.03
Intangible assets	26,909.01	27,402.04
Intangible assets under development	218.93	-
Investment property	5,175.56	5,338.81
Investments accounted for using the equity method	36,042.90	-
Financial assets		
(i) Investments	8,779.88	5,641.29
(ii) Loans	191.27	193.91
(iii) Other financial assets	685.12	518.97
Deferred tax assets	1,555.38	1,367.82
Non current tax assets (net)	1,380.72	1,238.76
Other non-current assets	1,297.36	3,543.14
Total non-current assets	1,79,711.26	1,27,752.17
Current assets		
Inventories	27,134.31	33,132.68
Financial assets		
(i) Investments	1,51,652.48	71,195.73
(ii) Trade receivables	29,138.80	28,197.60
(iii) Cash and cash equivalents	5,467.36	4,227.05
(iv) Bank balances other than cash and cash equivalents	285.65	26.65
(v) Loans	63.82	67.05
(vi) Other financial assets	272.84	99.98
Other current assets	7,091.84	6,381.02
Total current assets	2,21,107.10	1,43,327.76
Total assets	4,00,818.36	2,71,079.93
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5,434.87	4,878.28
Other equity	2,80,763.17	1,55,160.90
Equity attributable to shareholders of the parent Company	2,86,198.04	1,60,039.18
Non-controlling Interest	697.56	826.46
Total equity	2,86,895.60	1,60,865.64
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowing	26,120.02	28,380.63
(ii) Lease liabilities	13,035.39	8,749.07
(iii) Other non current financial liabilities	2,662.56	2,593.96
Long-term provisions	1,386.52	1,304.19
Other non-current liabilities	18.43	19.85
Deferred tax liabilities	881.81	831.69
Total non-current liability	44,104.73	41,879.39
Current liabilities		
Financial liabilities		
(i) Borrowing	15,685.76	18,380.43
(ii) Lease liabilities	2,424.05	1,598.40
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	367.00	722.01
- Total outstanding dues of creditors other than micro enterprises and small enterprises	24,981.01	25,219.37
(iv) Other financial liabilities	15,075.50	9,170.50
Short-term provisions	1,804.50	2,050.75
Current tax liabilities (net)	631.49	117.14
Other current liabilities	8,848.62	11,076.30
Total current liabilities	69,818.03	68,334.90
Total liabilities	1,13,922.76	1,10,214.29
Total equity and liabilities	4,00,818.36	2,71,079.93

Place: Noida
Dated: November 02, 2023



For Sheela Foam Limited

(Rahul Gautam)
Managing Director
DIN : 00192999

SHEELA FOAM LIMITED

Regd. office: 604, Ashadeep, 9 Hailey Road, New Delhi-110001
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UNAUDITED STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

Particulars	(Rs. In Lakhs)	
	For the half year ended September 30, 2023	For the half year ended September 30, 2022
A. Cash flow from operating activities		
Profit before tax and exceptional items	13,146.09	13,366.14
Adjustments for:		
Depreciation and amortisation expense	4,453.27	4,115.06
Finance costs	1,643.50	1,026.25
Advances/Balances written off (including bad debts)	52.39	453.95
Provision for doubtful receivables	67.57	45.53
Provision for warranty	359.89	596.46
Investment subsidy income	(25.89)	(1.42)
Net (gain) / loss on foreign currency forward contracts	(251.90)	-
Fair value (gain) / loss on investments (net)	(496.05)	(674.78)
(Profit) on sale of investments (net)	(2,524.80)	(249.00)
Liabilities/provisions no longer required written back	(41.02)	(4.07)
Unrealised foreign exchange loss/(gain) (net)	4.95	508.05
Rental income	(637.88)	(592.60)
Interest income	(360.18)	(2,039.73)
Loss/(profit) on sale of property, plant and equipment (net)	43.91	3.11
Operating profit before working capital changes	15,433.85	16,552.95
Changes in working capital:		
Decrease/(Increase) in Inventories	4,708.35	(1,781.51)
Decrease/(Increase) in loans and trade receivables	(1,332.39)	1,171.08
Decrease/(Increase) in other financial and non-financial assets	1,173.82	(832.83)
(Decrease)/Increase in trade payables	(360.22)	(6,498.47)
(Decrease)/Increase in other financial liabilities, non-financial liabilities and provisions	(2,013.09)	(345.46)
Cash generated from operations	17,610.32	8,265.76
Income tax paid (net of refunds)	(2,991.85)	(2,941.10)
Net cash flow from operating activities (A)	14,618.47	5,324.66
B. Cash flow from investing activities		
Purchase of property, plant and equipment and change in capital work-in-progress	(14,315.98)	(9,128.18)
Expenditure on Intangible Assets under development	(218.93)	-
Proceeds from Sales of property, plant and equipment	407.26	57.82
Deposits matured/made during the period (net)	(259.00)	6.60
Investment in bonds, debentures and mutual funds (net)	(80,575.00)	1,123.42
Investment made in Joint Venture	(30,475.03)	-
Rental income	637.88	592.60
Interest income received	352.65	2,039.73
Net cash (used in) investing activities (B)	(1,24,446.15)	(5,308.01)
C. Cash flow from financing activities		
Payment of Dividend during the period	(97.18)	(121.68)
Net Proceeds from issuance of paid up Equity share capital including security premium	1,18,328.99	-
Repayment of long term borrowings	(4,759.13)	(2,405.22)
Net Proceeds from short term borrowings	814.97	6,394.95
Repayment of short term borrowings	(443.35)	-
Payment of lease liabilities	(1,492.47)	(1,854.10)
Finance costs	(1,266.79)	(1,026.25)
Net Cash from / (used in) Financing Activities (C)	1,11,085.04	987.70
Net (decrease)/increase in cash and cash equivalents (A+B+C)	1,257.36	1,004.35
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(17.05)	-
Cash and cash equivalents at the beginning of the period	4,227.05	4,081.28
Cash and cash equivalents at the end of the period	5,467.36	5,085.63
Notes to statement of cash flows :		
Components of cash and cash equivalents as under :		
Cash on hand	17.90	17.88
Deposits with bank with original maturity of less than 3 months	1.00	646.08
Balance with banks - Current Accounts	5,448.46	4,421.67
	5,467.36	5,085.63

Place: Noida
Dated: November 02, 2023



For Sheela Foam Limited

(Rahul Gautam)
Managing Director
DIN : 00192999