

GLF Lifestyle Brands Private Limited

Financial Statements

2021-22

INDEPENDENT AUDITOR'S REPORT
To The Members of GLF Lifestyle Brands Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of GLF Lifestyle Brands Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

- e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Also refer note 29 to the Financial Statements);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not proposed, declared or paid any dividend during the current year.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in “Annexure B”, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Manoj H. Dama
Partner
(Membership No. 107723)
UDIN: 22107723AHBDZW8202

Mumbai, dated: 14th April 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **GLF Lifestyle Brands Private Limited** for the year ended 31st March 2022)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GLF Lifestyle Brands Private Limited** ("the Company") as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama

Partner

(Membership No. 107723)

UDIN: 22107723AHBDZW8202

Mumbai, dated: 14th April 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **GLF Lifestyle Brands Private Limited** for the year ended 31st March 2022)

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

(i)	(a)	(A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.												
		(B)	The Company has maintained proper records showing full particulars of intangible assets.												
	(b)		Some items of Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.												
	(c)		The Company does not have any immovable properties, and hence reporting under clause 3(i)(c) of the Order is not applicable.												
	(d)		The Company has not revalued any of its Property, Plant and Equipment, Right of Use Assets and intangible assets during the year.												
	(e)		No proceedings have been initiated during the year or are pending against the Company as at 31 st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder, and hence reporting under clause 3(i)(e) of the Order is not applicable.												
(ii)	(a)		The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.												
		(b)	At any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.												
(iii)	(a)		During the year, the Company has granted loans and advances in the nature of loan to its associate company. The Company has not made any investment, provided any guarantee or security to any other entity during the year.												
		(A)	The Company has provided loans and advances in the nature of loans during the year and details of which are given below: <table border="1" data-bbox="331 1688 1519 2033"> <thead> <tr> <th>Particulars</th> <th>Loans</th> </tr> </thead> <tbody> <tr> <td>Aggregate amount granted / provided during the year:</td> <td></td> </tr> <tr> <td>Associate company</td> <td>13.99</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td>Balance Outstanding as at the balance sheet date in respect of above cases *:</td> <td></td> </tr> <tr> <td>Associate company</td> <td>7.61</td> </tr> </tbody> </table>	Particulars	Loans	Aggregate amount granted / provided during the year:		Associate company	13.99			Balance Outstanding as at the balance sheet date in respect of above cases *:		Associate company	7.61
Particulars	Loans														
Aggregate amount granted / provided during the year:															
Associate company	13.99														
Balance Outstanding as at the balance sheet date in respect of above cases *:															
Associate company	7.61														

			* The amounts reported are at gross amounts, without considering provision made
	(b)		The terms and conditions of the grant of the loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
	(c)		In respect of loans and advances granted in the nature of loan, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
	(d)		According to information and explanations given to us and based on the audit procedures performed, in respect of loans and advances granted in the nature of loan, there is no overdue amount remaining outstanding as at the balance sheet date.
	(e)		No loans and advances granted by the Company in the nature of loan which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
	(f)		According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
(iv)			The Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of loans and advances granted in the nature of loan and Investment made. The Company has not given any guarantee or security and hence, reporting in respect thereof is not applicable.
(v)			The Company has not accepted any deposit during the year nor has any unclaimed deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence reporting under clause 3(v) of the Order is not applicable to the Company.
(vi)			Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
(vii)	(a)		In respect of statutory dues: Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues applicable to the Company have been regularly deposited with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues in arrears as at March 31 st , 2022 for a period of more than six months from the date they became payable.
	(b)		Details of dues of Income Tax, Value Added Tax, Goods and Services Tax and Customs Duty which have not been deposited as on 31 st March 2022 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Involved(Rs. In Crore)	Amount Paid Under Protest(Rs. In Crore)	Amount Unpaid (Rs. In crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.24	0.05	0.19	A.Y. 2017-18	Commissioner of Income Tax (Appeals), Delhi

Delhi VAT Act, 2004	Value Added Tax	2.70	-	1.14	April 2012 to March 2016	Objections Hearing Authority, Value Added Tax, New Delhi
(viii)			There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.			
(ix)	(a)		The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3 (ix)(a) of the Order is not applicable to the Company.			
	(b)		The Company has not been declared wilful defaulter by any bank, financial institution or other lender.			
	(c)		The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.			
	(d)		On an overall examination of the financial statements of the Company, funds raised on short-term basis have, <i>prima facie</i> , not been used during the year for long-term purposes by the Company.			
	(e)		On an overall examination of the financial statements of the Company, the Company has not taken any fund from any entity or person on account of or to meet the obligations of its associate.			
	(f)		The Company has not raised loans during the year on the pledge of securities held in its associate company.			
(x)	(a)		The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3 (ix)(a) of the Order is not applicable to the Company.			
	(b)		During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.			
(xi)	(a)		To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.			
	(b)		To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.			
	(c)		As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.			
(xii)			The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.			
(xiii)			The Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.			
(xiv)	(a)		The Company has an internal audit system commensurate with the size and nature of its business.			
	(b)		We have considered, the internal audit reports issued to the Company during the year covering the period upto March 31, 2022.			
(xv)			During the year, the Company has not entered into any non-cash transactions with any of its directors, or directors of its holding company, subsidiary companies, associate companies or persons connected with such directors and hence provisions of Section 192 of the Act are not applicable to the Company.			
(xvi)			The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable. The Company does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.			
(xvii)			The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.			

(xviii)			There has been no resignation of the statutory auditors of the Company during the year.
(xix)			On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)			The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
Partner
(Membership No. 107723)
UDIN: 22107723AHBDZW8202

Mumbai, dated: 14th April 2022

GLF Lifestyle Brands Private Limited
Balance Sheet as at 31st March, 2022

	Notes	As at		₹ Crores
		31st March, 2022		As at 31st March, 2021
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1	26.62	26.40	
Capital Work-in-Progress	1	0.62	2.38	
Intangible Assets	1	0.06	-	
		<u>27.30</u>	<u>28.78</u>	
Financial Assets				
Investments	2	0.15	0.15	
Loans	3	7.61	21.61	
Other Financial Assets	4	4.01	3.71	
Deferred Tax Assets (Net)	5	1.98	2.22	
Other Non Current Assets	6	0.05	0.23	
Total Non-Current Assets			41.10	56.70
Current Assets				
Inventories	7	33.28	26.33	
Financial Assets				
Investments	8	59.44	11.52	
Trade Receivables	9	2.52	5.29	
Cash and Cash Equivalents	10	4.16	20.35	
Other Financial Assets	11	2.21	1.77	
Other Current Assets	12	6.55	4.51	
Total Current Assets			1 08.16	69.77
Total Assets			1 49.26	1 26.47
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	13	89.94	89.94	
Other Equity	14	0.40	(6.15)	
Total Equity			90.34	83.79
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Lease Liabilities	15	16.58	17.36	
Provisions	16	0.23	0.19	
Total Non-Current Liabilities			16.81	17.55
Current Liabilities				
Financial Liabilities				
Lease Liabilities	17	7.33	5.57	
Trade Payables Due to:				
- Micro and Small Enterprises		-	0.04	
- Other than Micro and Small Enterprise	18	31.98	17.14	
Other Financial Liabilities	19	0.98	0.60	
Other Current Liabilities	20	1.81	1.07	
Provisions	21	0.01	0.71	
Total Current Liabilities			42.11	25.13
Total Liabilities			58.92	42.68
Total Equity and Liabilities			1 49.26	1 26.47
Significant Accounting Policies				
See accompanying Notes to the Financial Statements	1 to 39			

As per our Report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration no: 117366W/W-100018

Manoj H. Dama
Partner
(Membership No: 107723)

Mumbai
Dated : April 14th, 2022

For and on behalf of the Board

Sanjay Kapoor
Director
(DIN: 00264602)

C.S. Gokhale
Director
(DIN : 00012666)

Jayanti Chaurasia Naita
Company Secretary
(PAN: BDCPC1962P)

Ashish Patil
Director
(DIN : 00076627)

Vaibhav Tewari
Chief Executive Officer
(PAN: AECPT2741P)

K. Sudarshan
Director
(DIN : 01029826)

Yogesh Sharma
Chief Financial Officer
(PAN: BNKPS7108B)

GLF Lifestyle Brands Private Limited
Statement of Profit and Loss for the year ended 31st March, 2022

	Notes	2021-22	₹ Crores 2020-21
INCOME			
Value of Sales		1 15.58	73.07
Less: Goods and Service Tax Recovered		<u>20.08</u>	<u>12.21</u>
Revenue from Operations		95.50	60.86
Other Income	22	<u>5.46</u>	<u>5.34</u>
Total Income		<u>1 00.96</u>	<u>66.20</u>
EXPENSES			
Purchases of Stock-in-Trade		54.40	20.61
Changes in Inventories of Stock-in-Trade	23	(6.63)	10.02
Employee Benefits Expense	24	4.00	4.40
Finance Costs	25	1.96	1.98
Depreciation and Amortisation Expense	1	8.13	8.41
Other Expenses	26	29.78	17.19
Total Expenses		<u>91.64</u>	<u>62.61</u>
Profit before Tax		9.32	3.59
Tax expenses:			
Current Tax		2.55	1.57
Deferred Tax	30	<u>0.23</u>	<u>(0.62)</u>
Profit for the year		6.54	2.64
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss	24.1	0.02	0.02
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.01)	(0.01)
Total Comprehensive Income for the Year		<u>6.55</u>	<u>2.65</u>
Earnings per Equity Share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	28	0.73	0.29
Significant Accounting Policies See accompanying Notes to the Financial Statements			
	1 to 39		

As per our Report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration no: 117366W/W-100018

Sanjay Kapoor
Director
(DIN: 00264602)

Ashish Patil
Director
(DIN : 00076627)

K. Sudarshan
Director
(DIN : 01029826)

Manoj H. Dama
Partner
(Membership No: 107723)

C.S. Gokhale
Director
(DIN : 00012666)

Vaibhav Tewari
Chief Executive Officer
(PAN: AECPT2741P)

Yogesh Sharma
Chief Financial Officer
(PAN: BNKPS7108B)

Jayanti Chaurasia Naita
Company Secretary
(PAN: BDCPC1962P)

Mumbai
Dated : April 14th, 2022

GLF Lifestyle Brands Private Limited
Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

	Balance at the beginning of the reporting period i.e. 1st April, 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March, 2021	Changes in equity share capital during the year 2021-22	₹ Crores Balance at the end of the reporting period i.e. 31st March, 2022
	89.94	-	89.94	-	89.94

B. Other Equity

	Reserves and Surplus	Other Comprehensive Income	₹ Crores Total
	Retained Earnings		
As on 31st March, 2021			
Balance at the beginning of the reporting period i.e. 1st April, 2020	(8.83)	0.03	(8.80)
Total Comprehensive income for the year	2.64	0.01	2.65
Balance at the end of reporting period 31st March, 2021	(6.19)	0.04	(6.15)
As on 31st March, 2022			
Balance at the beginning of the reporting period i.e. 1st April, 2021	(6.19)	0.04	(6.15)
Total Comprehensive income for the year	6.54	0.01	6.55
Balance at the end of reporting period 31st March, 2022	0.35	0.05	0.40

As per our Report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration no: 117366W/W-100018

Manoj H. Dama
Partner
(Membership No: 107723)

Mumbai
Dated : April 14th, 2022

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GLF Lifestyle Brands Private Limited
Cash Flow Statement for the year ended 31st March, 2022

	2021-22	₹ Crores 2020-21
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax as per Statement of Profit and Loss	9.32	3.59
Adjusted for:		
Loss on sale/ discard of Property, Plant and Equipment (Net)	-	1.86
Depreciation and Amortisation Expense	8.13	8.41
Effect of Exchange Rate Change	0.04	(0.11)
Gain on Mutual Funds	(1.47)	0.02
Lease Liability written back	(2.28)	(2.66)
Interest Income	(1.71)	(2.66)
Finance Costs	1.96	1.98
	4.67	6.84
Operating Profit before Working Capital Changes	13.99	10.43
Adjusted for:		
Trade and Other Receivables	1.19	(1.67)
Inventories	(6.95)	10.51
Trade and Other Payables	15.61	(4.51)
	9.85	4.33
Cash generated from Operations	23.84	14.76
Taxes Paid (Net)	(3.31)	(0.41)
Net Cash Flow generated from Operating Activities*	20.53	14.35
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	1.34	(1.48)
Purchase of Mutual Funds	(46.45)	(11.50)
Loans refunded by related parties	14.00	13.50
Interest Income	0.51	5.75
Net Cash Flow (used in) / generated from Investing Activities	(30.60)	6.27
C: CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Lease Liabilities	(4.16)	(3.57)
Interest Paid	(1.96)	(1.98)
Net Cash Flow used in Financing Activities	(6.12)	(5.55)
Net Increase in Cash and Cash Equivalents	(16.19)	15.07
Opening Balance of Cash and Cash Equivalents	20.35	5.28
Closing Balance of Cash and Cash Equivalents (Refer Note "10")	4.16	20.35

* Amount spent towards Corporate Social Responsibility is ₹ 0.17 Crore (Previous Year ₹0.17 Crore)

As per our Report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm registration no: 117366W/W-100018

Manoj H. Dama
Partner
(Membership No: 107723)

Mumbai
Dated : April 14th, 2022

For and on behalf of the Board

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Yogesh Sharma
Chief Financial Officer
(PAN: BNKPS7108B)

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022****A. Corporate Information**

GLF Lifestyle Brands Private Limited (“the Company” or “GLB”), is a public limited company domiciled in India and has registered office in 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai, Maharashtra- 400002, India.

The Company’s immediate holding Company is Reliance Retail Ventures Limited and Ultimate holding company is Reliance Industries Limited. The Company is engaged in marketing, wholesale and retail sale distribution of luxury brands in India. The products sold under luxury brands include garments, footwear and accessories.

B. Significant Accounting Policies**B.1 Basis of Preparation and Presentation**

The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the Rules notified under the relevant provisions of the Companies Act, 2013.

Company’s Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Crores (₹ 00,00,000) except when otherwise stated.

B.2 Summary of Significant Accounting Policies**(a) Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Held primarily for the purpose of trading;

Expected to be realised within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, and any cost directly attributable to bringing the assets to its working condition for its intended use.

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

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

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

Depreciation on Property, Plant and Equipment is provided on straight line method and based on useful life of the assets in compliance with Schedule II to the Companies Act, 2013. Leasehold improvements are amortized over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognised.

(c) Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term

(d) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Computer software is amortised over a period of 5 years on a straight line basis.

(e) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Interest Income

Interest Income from a Financial Asset is recognised using effective interest rate method.

(f) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Finance Cost

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(h) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of all cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition. Costs of inventories are determined on weighted average basis.

(i) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022****(k) Contingent Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(l) Employee Benefits**Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

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

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

Employee Separation Costs

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

(m) Tax Expenses

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

i) Current Tax

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

ii) Deferred Tax

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

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

(n) Foreign Currencies Transactions and Translation

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

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

(o) Financial Instruments**i) Financial Assets****A. Initial Recognition and Measurement**

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit and Loss, are added to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement**a) Financial Assets Measured at Amortised Cost (AC)**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment In Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognized in Profit and loss when the company's right to receive payment is established.

E. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses "Expected Credit Loss"(ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument) For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022****ii) Financial Liabilities****A. Initial Recognition And Measurement**

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

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative Financial Instruments

The company uses various derivative financial instruments such as currency forwards and commodity contracts to mitigate the risk of changes in exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

iv) Derecognition of Financial Instruments

The company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

v) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(p) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sell and are presented separately as current items in the Balance Sheet.

(q) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial year.

a) Depreciation / Amortisation And Useful Lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of Trade Receivable

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

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Impairment of Financial Assets

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

f) Recognition of Deferred Tax Assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

g) Estimation uncertainty relating to the global health pandemic on COVID-19

Management has performed the assessment of the effect of COVID -19 on the recoverability of the value of assets as at the end of the year and liquidity position as well as business activities in the foreseeable future. Based on the assessment, presently there are no significant concerns regarding recoverability of the value of the assets as well as on liquidity and continuity of the business. The impact of COVID – 19 may be different from that estimated as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

1. Property, Plant and Equipment, Capital Work-in-Progress and Intangible Assets

₹ Crores

Description	Gross block				Depreciation/ amortisation				Net block	
	As at 1st April, 2021	Additions	Deductions/ Adjustments	As at 31st March, 2022	As at 1st April, 2021	For the year	Deductions	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2021
Property, Plant and Equipment										
Own assets:										
Plant and Equipment	0.33	0.13	-	0.46	0.12	0.06	-	0.18	0.28	0.21
Electrical installations	0.46	0.19	-	0.65	0.07	0.05	-	0.12	0.53	0.39
Office Equipment	0.89	0.08	-	0.97	0.51	0.10	-	0.61	0.36	0.38
Furniture and fixtures	4.28	1.77	0.97	5.08	1.34	0.49	-	1.83	3.25	2.94
Leasehold improvements	4.39	0.73	1.00	4.12	1.97	0.52	-	2.49	1.63	2.42
Sub Total (i)	10.35	2.90	1.97	11.28	4.01	1.22	-	5.23	6.05	6.34
Right-of-Use Asset										
Leasehold Premises	34.46	7.42	-	41.88	14.40	6.91	-	21.31	20.57	20.06
Sub Total (ii)	34.46	7.42	-	41.88	14.40	6.91	-	21.31	20.57	20.06
Total (A)	44.81	10.32	1.97	53.16	18.41	8.13	-	26.54	26.62	26.40
Intangible assets										
Software	0.05	0.06	-	0.11	0.05	-	-	0.05	0.06	-
Total (B)	0.05	0.06	-	0.11	0.05	-	-	0.05	0.06	-
Total (A+B)	44.86	10.38	1.97	53.27	18.46	8.13	-	26.59	26.68	26.40
Previous year	46.71	0.81	2.66	44.86	10.80	8.41	0.75	18.46	26.40	35.91
Capital work-in-progress									0.62	2.38

Ageing as on 31st March, 2022

Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Capital Work-in- Progress	0.62	-	-	-	0.62

Ageing as on 31st March, 2021

Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Capital Work-in- Progress	2.38	-	-	-	2.38

* Other than Internally generated

GLF Lifestyle Brands Private Limited

Notes to the Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022		₹ Crores As at 31st March, 2021	
	Units	Amount	Units	Amount
2. Investments - Non-Current				
Investment measured at Cost In Equity Shares of Fellow Subsidiary- Unquoted, Fully Paid Up				
GLB Body Care Private Limited	7,85,362	0.79	7,85,362	0.79
Less: Impairment in value of investments				
GLB Body Care Private Limited		0.64		0.64
		<u>0.15</u>		<u>0.15</u>
Aggregate amount of Unquoted investments		0.15		0.15

2.1 Category-wise Investment - Non-Current

	31st March, 2022	31st March, 2021
Financial assets measured at Cost	<u>0.15</u>	<u>0.15</u>
Total Investment - Non-Current	<u><u>0.15</u></u>	<u><u>0.15</u></u>

3. Loans - Non-Current*(Unsecured and Considered Good)*

Loans and advances to related party [Refer Note 33(ii)]

	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Loans and advances to related party [Refer Note 33(ii)]	7.61	21.61
Total	<u><u>7.61</u></u>	<u><u>21.61</u></u>

3.1 Loans And Advances In The Nature Of Loans Given To Subsidiaries, Joint Ventures & Associates :

Name of the Company	As at 31st March, 2022	Maximum Balance during the year	As at 31st March, 2021	Maximum Balance during the year
Loans - Non-Current				
Genesis La Mode Private Limited	7.61	35.60	21.61	45.63
Total	<u><u>7.61</u></u>	<u><u>35.60</u></u>	<u><u>21.61</u></u>	<u><u>45.63</u></u>

(i) All the above loans and advances have been given for business purposes.

Type of Borrower	₹ Crores	
	As at 31st March, 2022	As at 31st March, 2021
Related Party	7.61	21.61
Total Loan	7.61	21.61
Percentage to the total Loans and Advances in the nature of loans	100%	100%

The above loans given to Related Parties are repayable within 3 years.

4. Other Financial Assets	₹ Crores	
	As at 31st March, 2022	As at 31st March, 2021
Security Deposits	4.01	3.71
Total	<u><u>4.01</u></u>	<u><u>3.71</u></u>

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

	₹ Crores	
	As at 31st March, 2022	As at 31st March, 2021
5. Deferred Tax Assets (Net)		
The movement on the deferred tax account is as follows:		
At the start of the year	2.22	1.61
(Charge) / Credit to Statement of Profit and Loss	(0.23)	0.62
Charge to Other Comprehensive Income	(0.01)	(0.01)
At the end of year	1.98	2.22
Components of Deferred Tax Assets		
	₹ Crores	
Particular	As at 31st March, 2021	(Charge)/ Credit to Statement of Profit and Loss
		Charge to Other comprehensive Income
		As at 31st March, 2022
Deferred tax Asset in relation to:		
Property, Plant and Equipment	2.01	0.04
Unrealised Gain on Mutual Fund	-	0.21
Provisions for employee benefits	0.21	(0.01)
Total	2.22	0.25
		(0.01)
		1.98
6. Other Non-Current Assets (unsecured and considered good)		
		₹ Crores
	As at 31st March, 2022	As at 31st March, 2021
Capital Advances	-	0.23
Advance Income Tax (Net of Provision) ⁽ⁱ⁾	0.05	-
Total	0.05	0.23
⁽ⁱ⁾ Advance Income Tax (Net of Provision)		
	As at 31st March, 2022	As at 31st March, 2021
At start of year	(0.71)	0.45
Current Tax*	(2.55)	(1.57)
Tax Paid (Net) during the year	3.31	0.41
At end of year	0.05	(0.71)
* Includes Tax in respect of earlier year		
7. Inventories (valued at lower of cost and net realisable value)		
		₹ Crores
	As at 31st March, 2022	As at 31st March, 2021
Stock-in-trade *	32.53	25.90
Stores and spares	0.75	0.43
Total	33.28	26.33
* Includes Goods in Transit- Nil (Previous year ₹ 2.15 Crores).		
8. Investments - Current		
		₹ Crores
	As at 31st March, 2022	As at 31st March, 2021
Investments Measured at Fair Value Through Profit and Loss		
Investment in mutual funds - Unquoted	59.44	11.52
Units of HDFC Floating Rate Debt Fund - Direct Plan- Growth Options And HDFC Liquid -DP - Growth Option (As at March 22, 1,39,2501.46 and 8,604.44 units respectively)	59.44	11.52
Aggregate amount of Unquoted investments	59.44	11.52

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

10. Cash and Cash Equivalents	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Cash on Hand	0.14	0.12
Balances with banks ^{(i) and (ii)}	4.02	20.23
Cash and Cash Equivalents as per Balance Sheet / Statement of Cash Flows	4.16	20.35

(i) Includes deposits ₹ 0.03 Crore (Previous year ₹ 0.07 Crore) with maturity period of more than 12 months.

(ii) Includes deposits ₹ 0.08 Crores (previous year ₹ 0.07 Crore) held by tax authority as security

10.1 Cash and cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

11. Other Financial Assets - Current	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Security Deposits	0.88	1.64
Others ⁽ⁱ⁾	1.33	0.13
Total	2.21	1.77

(i) Includes interest receivable.

12. Other Current Assets (Unsecured and Considered Good)	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Balance with Customs, GST and State authorities	5.98	2.21
Others ⁽ⁱ⁾	0.57	2.30
Total	6.55	4.51

(i) Includes Prepaid Expenses, advances to employees and vendors.

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

		As at 31st March, 2022	As at 31st March, 2021
13. Share capital			₹ Crores
Authorised Share Capital :			
12,00,10,000	Equity Shares of ₹ 10 each	1 20.01	1 20.01
(12,00,10,000)			
Total		1 20.01	1 20.01

Issued, Subscribed and Paid-up :			
8,99,40,359	Equity Shares of ₹ 10 each fully paid up	89.94	89.94
(8,99,40,359)			
Total		89.94	89.94

(i) Out of the above, 8,99,40,359 (previous year 8,99,40,359) equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited, the holding company along with its subsidiary and nominees.

(ii) The details of Shareholders holding more than 5% shares :

Name of the Shareholders	31st March, 2022		31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Reliance Retail Ventures Limited*	4,49,70,186	50.01	4,49,70,186	50.01
Reliance Brands Luxury Fashion Private Limited	4,49,70,173	49.99	4,49,70,173	49.99

* Includes 6 shares held along with its nominees'

(iii) The Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of shares	No. of shares
Equity shares at the beginning of the year	8,99,40,359	8,99,40,359
Add: Equity shares issued during the year	-	-
Equity shares at the end of the year	8,99,40,359	8,99,40,359

**(iv) Shareholding of Promoters:
As at 31st March, 2022**

Sr. No.	Class of Equity Shares	Promoters' s Name	No. of shares at the Beginning of the year	Changes During the year	No. of shares at the End of the year	% of total shares	%change during the year
1	Equity Shares of ₹ 10 each	Reliance Retail Ventures Limited*	4,49,70,186	-	4,49,70,186	50.01	-
2	Equity Shares of ₹ 10 each	Reliance Brands Luxury Fashion Private Limited (earlier Genesis Luxury Fashion Private Limited)	4,49,70,173	-	4,49,70,173	49.99	-

* Includes 6 shares held along with its nominees

As at 31st March, 2021

Sr. No.	Class of Equity Shares	Promoters' s Name	No. of shares at the Beginning of the year	Changes During the year	No. of shares at the End of the year	% of total shares	%change during the year
1	Equity Shares of ₹ 10 each	Reliance Retail Ventures Limited*	4,49,70,186	-	4,49,70,186	50.01	-
2	Equity Shares of ₹ 10 each	Reliance Brands Luxury Fashion Private Limited (earlier Genesis Luxury Fashion Private Limited)	4,49,70,173	-	4,49,70,173	49.99	-

* Includes 6 shares held along with its nominees

(v) The Company has only one class of equity shares having face value of ₹ 10 each and the holder of the equity share is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time-to-time in proportion to the number of equity shares held by them. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

GLF Lifestyle Brands Private Limited

Statement of Changes in Equity for the year ended 31st March, 2022

14. Other Equity	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Retained Earnings		
As per last Balance Sheet	(6.19)	(8.83)
Add: Profit for the year	<u>6.54</u>	<u>2.64</u>
	0.35	(6.19)
Other Comprehensive Income (OCI)		
As per last Balance Sheet	0.04	0.03
Add: Movement in OCI (Net) during the year	<u>0.01</u>	<u>0.01</u>
	0.05	0.04
Total	<u><u>0.40</u></u>	<u><u>(6.15)</u></u>
15. Lease Liabilities Non - Current	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Lease Liabilities (Please refer note 32)	16.58	17.36
Total	<u><u>16.58</u></u>	<u><u>17.36</u></u>
16. Provisions - Non-Current	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Provision for employee benefits (Refer note 24.1) (i)	0.23	0.19
Total	<u><u>0.23</u></u>	<u><u>0.19</u></u>

(i) The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

	As at 31st March, 2022	₹ Crores As at 31st March, 2021
19. Other Financial liabilities- Current		
Creditors for Capital Expenditure	0.94	0.60
Others Payables ⁽ⁱ⁾	0.04	-
	<u>0.98</u>	<u>0.60</u>

⁽ⁱ⁾ Includes Financial Liabilities at fair value.

	As at 31st March, 2022	₹ Crores As at 31st March, 2021
20. Other Current Liabilities		
Other payables ⁽ⁱ⁾	1.81	1.07
	<u>1.81</u>	<u>1.07</u>

⁽ⁱ⁾ Includes statutory dues and advances from customers.

	As at 31st March, 2022	₹ Crores As at 31st March, 2021
21. Provisions - Current		
Provision for employee benefits (Refer note 24.1) ⁽ⁱ⁾	0.01	0.00
Provision for income tax	-	0.71
Total	<u>0.01</u>	<u>0.71</u>

⁽ⁱ⁾ The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

	2021-22	₹ Crores 2020-21
22. Other Income		
Interest		
Bank Deposits	0.05	0.22
Interest on Income-Inter Company Deposits	1.62	2.44
Interest on Income Tax Refund	0.04	-
	<u>1.71</u>	<u>2.66</u>
Gain on Mutual Funds	1.47	0.02
Lease Liability written back	2.28	2.66
Total	<u>5.46</u>	<u>5.34</u>

Above other income comprises of income from assets measured at amortised cost ₹ 1.67 crore (previous year ₹ 2.66 crore).

GLF Lifestyle Brands Private Limited

Notes to the Financial Statements for the year ended 31st March, 2022

III. Expenses recognised during the year

	Gratuity (unfunded)	
	2021-22	2020-21
Current service cost	0.05	0.04
Interest cost	0.01	0.01
Net benefit expense	0.06	0.05
In Other Comprehensive Income		
Actuarial Gain	(0.02)	(0.02)
Net Income for the period Recognised in OCI	(0.02)	(0.02)

IV. Actuarial assumptions

	Gratuity (unfunded)	
	2021-22 2012-14 (Ultimate)	2020-21 2012-14 (Ultimate)
Mortality Table (IALM)		
Discount rate (per annum)	7.09%	6.95%
Rate of escalation in salary (per annum)	6.00%	6.00%
Rate of employee turnover (per annum)	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

V. The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2021-22.

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

VI. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary, increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below

Particulars	As at 31st March, 2022		₹ Crores As at 31st March, 2021	
	Decrease	Increase	Decrease	Increase
	Change in discounting rate (delta effect of +/- 0.5%)	0.01	(0.01)	0.01
Change in rate of salary increase(delta effect of +/- 0.5%)	(0.01)	0.01	(0.01)	0.01
Change in rate of employee turnover (delta effect of +/- .25%)	-	-	-	-

These plans typically expose the Company to actuarial risks such as: interest risk, longevity risk and salary risk.

Interest risk	A decrease in the bond interest rate will increase the plan liability;
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

		₹ Crores
25. Finance Costs	2021-22	2020-21
Interest on Lease liability	1.96	1.98
Total	<u>1.96</u>	<u>1.98</u>
26. Other Expenses	2021-22	2020-21
Selling and Distribution Expenses		
Sales promotion and advertisement expenses	0.97	0.88
Store running expenses	1.21	0.73
Warehousing and distribution expenses	<u>1.83</u>	<u>0.43</u>
	4.01	2.04
Establishment Expenses		
Stores and packing materials	0.76	0.65
Building repairs and maintenance	0.07	0.17
Other repairs	0.02	0.03
Rent including lease rentals	5.46	0.87
Insurance	0.14	0.21
Rates and taxes	0.27	0.18
Travelling and conveyance expenses	0.23	0.34
Professional fees	17.12	9.51
Loss on sale/ discard of Property, Plant and Equipment (Net)	-	1.86
Exchange differences (Net)	(0.03)	(0.10)
Security expenses	0.18	0.15
Electricity expenses	0.58	0.45
Hire charges	0.32	0.03
General expenses	0.31	0.47
CSR Expenditure (Refer note 34)	<u>0.17</u>	<u>0.17</u>
	25.60	14.99
26.1 Payments to Auditor		
Statutory Audit Fees	0.10	0.06
Certification and Consultation Fees	<u>0.07</u>	<u>0.10</u>
	0.17	0.16
Total	<u>29.78</u>	<u>17.19</u>

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

27 The Company is mainly engaged in 'Organised Retail' primarily catering to Indian consumers in various consumptions baskets. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The chief operational decision maker monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

28 Earnings per share (EPS)

	2021-22	2020-21
Face Value per Equity Share (₹)	10.00	10.00
Basic / Diluted Earnings per Share (₹)	0.73	0.29
Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ Crores)	6.54	2.64
Weighted average number of equity shares used as denominator for calculating Basic / Diluted EPS	8,99,40,359	8,99,40,359

29 Commitments and Contingent Liabilities

	As at	₹ Crores As at
	31st March, 2022	31st March, 2021
a Contingent Liabilities:		
Claims against the Company/disputed liabilities not acknowledged as debts	2.98	2.94
b Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.07	0.46

GLF Lifestyle Brands Private Limited**Notes to the Financial Statements for the year ended 31st March, 2022**

30. Taxation	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Income tax Recognised in Statement of profit and loss	2.78	0.95
Current Tax	2.55	1.57
Deferred Tax	0.23	(0.62)
Total Income Tax expenses recognised in the Current Year	2.78	0.95
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	9.32	3.59
Applicable tax rate	25.17%	25.17%
Computed tax expenses	2.35	0.90
Tax Effect of:		
Brought forward losses	-	-
Expenses disallowed	0.49	1.06
Others	0.21	-
Additional allowances	(0.50)	(0.39)
Current Tax Provision (A)	<u>2.55</u>	<u>1.57</u>
Incremental Deferred Tax Liability on account of Property, Plant and Equipment	0.04	(1.16)
Incremental Deferred Tax Liability on account of Financial Assets & Other items	0.19	0.54
Deferred Tax Provision (B)	<u>0.23</u>	<u>(0.62)</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	2.78	0.95
Effective Tax Rate	29.87%	26.61%

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

31 Capital Management

For the purpose of the company's capital management, capital includes issued capital, share premium, convertible instruments and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by equity.

The Company includes within net debt, interest bearing loans and borrowings, less cash & cash equivalents.

Net Gearing Ratio

The net gearing ratio at end of the reporting period was as follows.

	As at 31st March, 2022	₹ Crores As at 31st March, 2021
Gross Debt	-	-
Cash and Marketable Securities	63.60	31.87
Net Debt (A)	-63.60	-31.87
Total Equity (As per Balance Sheet) (B)	90.34	83.79
Net Gearing ratio (A/B)	NA	NA

32 Financial Instruments

Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in Mutual Funds is measured at quoted price or NAV.
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

Particulars	Carrying Amount	As at 31st March, 2022		Carrying Amount	₹ Crores As at 31st March, 2021	
		Level of input used in			Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Investments(Cost)	0.15			0.15		
Loan	7.61			21.61		
Trade Receivables	2.52	-	-	5.29	-	-
Cash and Cash Equivalents	4.16	-	-	20.35	-	-
Other Financial Assets	6.22	-	-	5.48	-	-
At FVTPL						
Investments	59.44	59.44	-	11.52	11.52	-
Financial Liabilities						
At Amortised Cost						
Borrowings	-	-	-	-	-	-
Trade Payables	31.98	-	-	17.18	-	-
Lease Liabilities	23.91	-	-	22.93	-	-
Other Financial Liabilities	0.94	-	-	0.60	-	-
At FVTPL						
Financial Derivatives	0.04	-	0.04	-	-	-

The Carrying value of Assets and Liabilities carried at amortised cost approximates its fair value.

GLF Lifestyle Brands Private Limited

Notes to the Financial Statements for the year ended 31st March, 2022

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Foreign Currency Risk

The following table shows foreign currency exposures in EUR, GBP, AUD, HKD and USD on financial instruments at the end of the reporting period.

i) **Foreign Currency Exposure**

	As at 31st March, 2022		₹ Crores		
	USD	GBP	USD	GBP	EUR
Trade and other Payables	5.97	1.20	2.92	0.32	0.02
Derivatives					
Forwards	-3.79	1.99	-	-	-
Exposure	2.18	3.19	2.92	0.32	0.02

Sensitivity analysis of 1% change in exchange rate at the end of reporting period

ii) **Foreign Currency Sensitivity**

	As at 31st March, 2022		As at 31st March, 2021		
	USD	GBP	USD	GBP	EUR
1% Depreciation in INR					
Impact on P&L	-0.02	-0.03	-0.03	-	-
Total	-0.02	-0.03	-0.03	-	-
1% Appreciation in INR					
Impact on P&L	0.02	0.03	0.03	-	-
Total	0.02	0.03	0.03	-	-

Credit Risk

Credit risk is the risk that a customer will fail to pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, and principally from credit exposures to customers relating to outstanding receivables. (please refer note 18)

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The company's liquidity is managed centrally with operating units forecasting their cash and currency requirements to the central treasury function. The operating units pool their cash surpluses to treasury, which will then either arrange to fund other units' requirements, or invest any net surplus in the market or arrange for necessary external borrowings, if need be, while managing the company's overall net currency positions.

Maturity Profile as at 31st March, 2022

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Trade Payable	-	-	31.98	-	-	-	31.98
Lease Liabilities							
Non-Current				10.34	5.12	3.20	18.66
Current	2.22	2.22	4.44				8.88
Total	2.22	2.22	36.42	10.34	5.12	3.20	59.51
Derivatives Liabilities							
Forwards	0.04	-	-	-	-	-	0.04
Total	0.04	-	-	-	-	-	0.04

Maturity Profile as at 31st March, 2021

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Trade Payables	-	-	17.18	-	-	-	17.18
Lease Liability							
Non-Current*	-	-	-	12.25	5.99	1.63	19.87
Current	1.96	1.71	3.43	-	-	-	7.10
Total	1.96	1.71	20.61	12.25	5.99	1.63	44.15

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

33 Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

(i) List of Related Parties where control exists and also Related Parties with whom transactions have taken place and relationships:

Sr No	Name of the Related Parties	Relationship
1	Reliance Industries Limited	} Ultimate Holding Company
2	Reliance Retail Ventures Limited	} Holding Company
3	Reliance Brands Luxury Fashion Private Limited (formerly known as Genesis Luxury Fashion Private Limited)	}
5	Reliance SMSL Limited	}
6	Genesis La Mode Private Limited	} Fellow Subsidiaries
7	Reliance Retail Limited	}
8	Reliance Jio Infocomm Limited	}
9	Reliance Lifestyle Products Private Limited (formerly known as V&B Lifestyle India Private Limited)	}
10	Reliance Brands Limited	}
11	Isha Bajaj (till April 30,2020)	}
12	Yogesh Sharma	}
13	Vaibhav Tewari	} Key Managerial Personnel
14	Bhavin Pandya (w.e.f. October 28, 2020 till March 05, 2021)	}
15	Jayanti Chaurasia Naita (with effect from July 20,2021)	}

(ii) Transactions during the year with Related Parties (excluding reimbursements):

₹ Crores

Sr No	Nature of Transactions	Ultimate Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Net Loans and advances given/ (repaid)	-	(14.00)	-	(14.00)
		-	(13.50)	-	(13.50)
2	Revenue from operations	0.17	14.94	-	14.94
			7.31	-	7.48
3	Other Income(Interest on ICD)	-	1.62	-	1.62
		-	2.44	-	2.44
4	Purchases	-	0.93	-	0.93
		-	-	-	-
5	Professional fees	-	16.87	-	16.87
		-	8.81	-	8.81

(ii) Transactions during the year with Related Parties (excluding reimbursements):

₹ Crores

Sr No	Nature of Transactions	Ultimate Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
6	Store Running Expenses	-	0.60	-	0.60
		-	0.32	-	0.32
7	Expenses Towards Advertising & Warehousing	-	1.34	-	1.34
		-	-	-	-
8	Telephone Expense	-	-	-	-
		-	0.01	-	0.01
9	Brokerage & Commission	-	0.06	-	0.06
		-	-	-	-
10	Employee benefit Expense	-	-	-	-
		-	-	-	-
11	Payment to Key Managerial Personnel	-	-	1.18	1.18
		-	-	0.86	0.86

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

Balance as at 31st March, 2022

₹ Crores

	Ultimate Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Loans - Non-Current	-	-	7.61
		21.61	-	21.61
2	Trade and other receivables	0.01	0.20	0.21
		0.11	2.84	2.95
3	Other Financial Assets	-	1.33	1.33
		-	0.13	0.13
4	Trade and other payables	-	11.80	11.80
		-	1.52	1.52
5	Provision for Diminution in value of Investments	-	0.64	0.64
		-	0.64	0.64

Figures in *italic* represents previous year's amount.

(iii) Disclosure in respect of Related Party transactions during the year:

₹ Crores

Particulars	Relationship	2021-22	2020-21
1 Net Loans and advances given/ (repaid)			
Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	-	(35.11)
Genesis La Mode Private Limited	Fellow Subsidiary	(14.00)	21.61
2 Revenue from operations			
Sale / (Sale Return) of Goods			
Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	-	(0.24)
Reliance Brands Limited	Fellow Subsidiary	9.73	7.37
Reliance Industries Limited	Ultimate Holding Company	0.06	0.17
Reliance Retail Limited	Fellow Subsidiary	5.15	0.18
3 Other Income(Interest on ICD)			
Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	-	0.80
Genesis La Mode Private Limited	Fellow Subsidiary	1.62	1.64
4 Purchases / (Purchase Return)			
Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	0.93	-
5 Professional fees			
Reliance Brands Limited	Fellow Subsidiary	11.59	3.62
Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	5.10	5.10
Reliance Lifestyle Products Private Limited	Fellow Subsidiary	0.18	0.09
6 Store running expenses			
Reliance SMSL Limited	Fellow Subsidiary	0.60	0.32
Reliance Retail Limited	Fellow Subsidiary	-	-
7 Expenses Towards Advertising & Warehousing			
Reliance Brands Limited	Fellow Subsidiary	1.34	-
8 Telephone Expense			
Reliance Jio Infocomm Limited	Fellow Subsidiary	-	0.01
9 Brokerage & Commission			
Shopsense Retail Technologies Pvt Ltd	Fellow Subsidiary	0.06	-
10 Employee benefit Expense			
Reliance Retail Limited	Fellow Subsidiary	-	-
11 Payment to Key Managerial Personnel			
Yogesh Sharma	Key Managerial Personnel	0.34	0.24
Vaibhav Tewari	Key Managerial Personnel	0.84	0.55
Isha Bajaj	Key Managerial Personnel	-	0.04
Bhavin Pandya	Key Managerial Personnel	-	0.03
Jayanti Chaurasia Naita	Key Managerial Personnel	0.07	-
Compensation of Key Managerial Personnel			
Short-term benefits		2021-22	2020-21
		1.25	0.86
Post employment benefits		-	-
Total		1.25	0.86

₹ Crores

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

(iv) Disclosure in respect of related party balances as at end of the year:			₹ Crores	
	Particulars	Relationship	2021-22	2020-21
1	Loans - Non-Current			
	Genesis La Mode Private Limited	Fellow Subsidiary	7.61	21.61

34 CSR Amount required to spent as per section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 0.17 Crores (previous year ₹ 0.17 Crores).

Expenditure related to Corporate Social Responsibility of ₹ 0.17 Crores (previous year ₹ 0.17 Crores) was made towards promoting health care including preventive health care through Reliance Foundation

35 Details of loan given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013

i) Details of loan given and investment made are given under the respective heads. Loans are given for business purposes

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

		As at 31st March, 2022	As at 31st March, 2021
36	Ratios		
i	Current Ratio	2.57	2.78
ii	Debt Service Coverage ratio	NA	NA
iii	Inventory Turnover Ratio %%	1.64	0.99
iv	Trade Payable Turnover Ratio \$	3.42	1.95
v	Net Profit Ratio i	6%	4%
vi	Return on Investment	0%	2%
vii	Debt-Equity Ratio	NA	NA
viii	Return on Equity Ratio ^	8%	3%
ix	Trade Recievables Turnover Ratio @	29.60	22.24
x	Net Capital Turnover Ratio	2.09	2.11
xi	Return on Capital Employed "	9%	-2%

%% Inventory Turnover Ratio has increase due to better inventory turnover days.

\$ Trade Payables turnover ratio has increased due to increase in Purchases & Direct Expenses.

i Net Profit Ratio has increased due to improved business post covid.

Return on investerment increased due to better investment in current year.

^ Return on Equity ratio has increased due to improved business post covid.

@ Trade Receivables turnover ratio increased due to improved business post covid. and effective collections of receivables.

" Return on Capital Employed has increased due to improved business post covid.

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Working Capital (Current Assets - Current Liabilities)}}$
9	Net Profit Ratio %	$\frac{\text{Profit After Tax}}{\text{Revenue from Operations (including GST)}}$
10	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income (-) Share of Profit / (Loss) of Associates and Joint Ventures}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents & Other Marketable Securities}}$

GLF Lifestyle Brands Private Limited
Notes to the Financial Statements for the year ended 31st March, 2022

37 Other Statutory Information

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- (ii) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company have not any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

38 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

39 The Financial statements were approved for issue by the Board of Directors on 14th April 2022.

For and on behalf of the Board

Sanjay Kapoor
 Director
 (DIN: 00264602)

Ashish Patil
 Director
 (DIN : 00076627)

K. Sudarshan
 Director
 (DIN : 01029826)

C.S. Gokhale
 Director
 (DIN : 00012666)

Vaibhav Tewari
 Chief Executive Officer
 (PAN: AECPT2741P)
 Mumbai
 Dated : April 14th, 2022

Yogesh Sharma
 Chief Financial Officer
 (PAN: BNKPS7108B)

Jayanti Chaurasia Naita
 Company Secretary
 (PAN: BDCPC1962P)