Genesis Colors Limited

Financial Statements
2020-21

INDEPENDENT AUDITOR'S REPORT

To The Members of Genesis Colors Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Genesis Colors Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report in the annual report for the year ended 31 March 2021, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

    e) On the basis of the written representations received from the directors as on 31 March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 Company has not paid/ provided any remuneration to its directors during the year.

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Also refer note 27 to the standalone financial statements);

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B”, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(Manoj H. Dama)
(Partner)
(Membership No. 107723)
UDIN: 21107723AAAAHE9849

Mumbai, dated: 27 April 2021

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 **Genesis Colors Limited** for the year ended 31 March 2021)

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 **Genesis Colors Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 standalone financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls 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 31 March 2021, 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: 21107723AAAAHE9849

Mumbai, dated: 27 April 2021

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 **Genesis Colors Limited** for the year ended 31 March 2021)

(i) In respect of its fixed assets:

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) Some of the fixed assets 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 the fixed assets at reasonable intervals. 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 of freehold or leasehold land and building as at March 31, 2021 and hence reporting under clause (i) (c) of the paragraph 3 of the Order is not applicable.

(ii) As explained to us, inventories other than those lying with third parties were physically verified during the year by the Management at reasonable intervals. In respect of inventories lying with third parties, same were reconciled periodically with books of account based on confirmation of stock statement received from them. No material discrepancies were noticed on such physical verification/ reconciliation.

(iii) The company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act.

(iv) In our Opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of investments made. The Company has not given any guarantee or granted any loans on which the provisions of Section 185 of the Act applies and hence, reporting in respect of provisions under section 185 of the Act is not applicable.

(v) In our Opinion and according to the information and explanations given to us, the Company has not accepted any deposits under the provisions of Section 73 to Section 76 of the Act during the year. Hence, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.

(vi) According to the information and explanation given to us, maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(c) There are no cases of non-deposit with the appropriate authorities of disputed dues of Customs Duty. Details of dues of Income Tax, Goods and Services Tax and Provident Fund which have not been deposited as on 31 March 2021 on account of disputes are given below:

Name of the Statute	**Nature of Dues**	**Amount (Rs. in Crore)**	**Period to which the amount relates**	**Forum where dispute is pending**
The Income Tax Act, 1961	Income Tax	0.55	Financial Year 2009-10	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	0.39	Financial Year 2010-11	Income Tax Appellate Tribunal, New Delhi
Karnataka VAT Act 2003	Value Added Tax	0.73	Financial Year 2013-14	DCCT (AUDIT)-1.3, DGST0-01, Bangalore

* Rs. 0.003 cr

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of borrowings to financial institution. The Company has not issued any debentures or taken loans from banks or borrowed funds from Government.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied for the purpose for which they were raised.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to information and explanation given to us, the Company has not paid/ provided any managerial remuneration as per provision of section 197 read with Schedule V to the Act and hence, reporting under clause (xi) of paragraph 3 of the Order is not applicable to the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or associate company or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

(Manoj H. Dama)
(Partner)
(Membership No. 107723)
UDIN: 21107723AAAAHE9849

Mumbai, dated: 27 April, 2021

Genesis Colors Limited
Balance Sheet as at 31st March, 2021

₹ Crores

	Notes		As at 31st March, 2021		As at 31st March, 2020
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	1	**53.33**		39.43	
Capital Work-in-Progress	1	**1.35**		1.36	
Intangible Assets	1	**0.01**		0.02	
Financial Assets					
Investments	2	**52.56**		52.56	
Loans	3	**4.58**		4.99	
Deferred Tax Assets (net)	4	**-**		-	
Other Non Current Assets	5	**2.13**		2.07	
Total Non-Current Assets			**1 13.96**		1 00.43
CURRENT ASSETS					
Inventories	6	**14.80**		16.50	
Financial Assets					
Trade Receivables	7	**7.08**		11.75	
Cash and Cash Equivalents	8	**0.28**		0.29	
Other Financial Assets	9	**3.05**		1.69	
Other Current Assets	10	**9.96**		9.51	
Total Current Assets			**35.17**		39.74
Total Assets			**1 49.13**		**1 40.17**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	11	**12.57**		12.57	
Other Equity	12	**51.38**		72.37	
Total Equity			**63.95**		84.94
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	13	**21.16**		1.04	
Other Financial Liabilities	14	**47.97**		33.89	
Provisions	15	**1.36**		1.67	
Total Non-Current Liabilities			**70.49**		36.60
Current Liabilities					
Financial Liabilities					
Trade Payables Due to:	16				
Micro and Small Enterprise		**0.23**		-	
Other than Micro and Small Enterprise		**6.63**		8.69	
Other Financial Liabilities	17	**5.49**		5.39	
Other Current Liabilities	18	**1.91**		3.61	
Provisions	19	**0.43**		0.94	
Total Current Liabilities			**14.69**		18.63
Total Liabilities			**85.18**		55.23
Total Equity and Liabilities			**1 49.13**		**1 40.17**
Significant Accounting Policies See accompanying Notes to the Financial Statements	**1 to 36**				

As per our report of even date

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

Manoj H. Dama

Partner

Mumbai
Dated : 27th April, 2021

For and on behalf of the Board

Venkatachalam Subramaniam
Director
(DIN:00009621)

Darshan Rasiklal Mehta
Director
(DIN:00103155)

Yash Baheti
Chief Executive Officer
(PAN No:AEZPB8684A)

Kamal Kumar Pandey
Chief Financial Officer
(PAN No:AAGPP6606B)

Ravindra Bhalchandra Patel
Company Secretary
(PAN No:AFFPP7988G)

Genesis Colors Limited
Statement of Profit and Loss for the year ended 31st March, 2021

	Notes	2020-21	₹ Crores 2019-20
INCOME			
Value of Sales		**20.80**	55.53
Income from services		**1.44**	2.51
Value of Sales and Services		**22.24**	58.04
Less: Goods and Service Tax Recovered		**2.14**	5.02
Revenue from Operations		**20.10**	53.02
Other Income	**20**	**5.59**	0.02
Total Income		**25.69**	53.04
EXPENSES			
Purchases of Stock-in-Trade		**8.85**	21.28
Changes in Inventories of Stock-in-Trade	**21**	**1.61**	4.59
Employee Benefits Expense	**22**	**9.31**	12.11
Finance Costs	**23**	**4.58**	3.88
Depreciation and Amortisation Expense	**1**	**8.20**	9.57
Other Expenses	**24**	**14.27**	18.43
Total Expenses		**46.82**	69.86
Loss for the year		**(21.13)**	(16.82)
Other Comprehensive Income Items that will not be reclassified to Profit or Loss	**22.1**	**0.14**	(0.22)
Total Comprehensive Loss for the Year		**(20.99)**	(17.04)
Earnings per Equity Share of face value of ₹ 10 each Basic and Diluted (in ₹)	**26**	**(16.81)**	(13.38)
Significant Accounting Policies See accompanying Notes to the Financial Statements	**1 to 36**		

As per our report of even date

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

Manoj H. Dama
Partner

Mumbai
Dated : 27th April, 2021

For and on behalf of the Board

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Genesis Colors Limited

Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

₹ Crores

Balance as at 1st April, 2019	Change during the year 2019-20	Balance as at 31st March, 2020	Change during the year 2020-21	**Balance as at 31st March, 2021**
12.57	-	12.57	-	12.57

B. Other Equity

₹ Crores

	Reserves and Surplus			Other Comprehensive Income	Total
	Retained Earnings	**Security premium**	**Share options outstanding**		
As on 31st March, 2020					
Balance at the beginning of the reporting period i.e. 1st April, 2019	(1 43.96)	2 32.21	0.82	0.93	90.00
Transferred from Share Option outstanding on options exercise / lapsed	-	-	(0.59)	-	(0.59)
Total Comprehensive (Loss)/ Income for the Year	(16.82)	-	-	(0.22)	(17.04)
Balance at the end of reporting period 31st March, 2019	**(1 60.78)**	**2 32.21**	**0.23**	**0.71**	**72.37**
As on 31st March, 2021					
Balance at the beginning of the reporting period i.e. 1st April, 2020	(1 60.78)	2 32.21	0.23	0.71	72.37
Total Comprehensive (Loss) for the Year	(21.13)	-		0.14	(20.99)
Balance at the end of reporting period 31st March, 2021	**(1 81.91)**	**2 32.21**	**0.23**	**0.85**	**51.38**

As per our report of even date

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

Manoj H. Dama
Partner

Mumbai
Dated : 27th April, 2021

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Genesis Colors Limited

Cash Flow Statement for the year ended 31st March, 2021

					₹ Crores
			2020-21		2019-20
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Loss Before Tax as per Statement of Profit and Loss		**(21.13)**		(16.82)
	Adjusted for:				
	Loss/ (Gain) on sale/ discard of Property, Plant and Equipment (Net)	**0.56**		(2.57)	
	Provision for doubtful receivables	**-**		5.19	
	Expense on employee stock option scheme	**-**		(0.40)	
	Lease Liability Written Back	**(5.59)**		-	
	Depreciation and Amortisation Expense	**8.20**		9.57	
	Effect of Exchange Rate Change	**(0.01)**		0.01	
	Interest Income	**-**		(0.02)	
	Finance Costs	**4.58**		3.88	
			7.74		15.66
	Operating Loss before Working Capital Changes		**(13.39)**		(1.16)
	Adjusted for:				
	Trade and Other Receivables	**3.27**		2.56	
	Inventories	**1.70**		4.54	
	Trade and Other Payables	**(4.29)**		(0.38)	
			0.68		6.72
	Cash (used in) / generated from Operations		**(12.71)**		5.56
	Taxes Paid (Net) including interest		**(0.02)**		(0.19)
	Net Cash (used in) / generated from Operating Activities		**(12.73)**		5.37
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment and Intangible Assets		**(3.21)**		(1.97)
	Proceeds from disposal of Property, Plant and Equipment and Intangible assets		**8.05**		11.99
	Interest Income		**-**		0.12
	Net Cash generated from Investing Activities		**4.84**		10.14
C:	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Payment of Lease Liabilities		**(7.73)**		(5.69)
	Proceeds from Borrowings - Non-Current		**20.12**		1.00
	Repayment of Borrowings - Non-Current		**-**		(2.36)
	Short term borrowings (net)		**-**		(7.13)
	Interest Paid		**(4.51)**		(5.27)
	Net Cash generated from/ (used in) Financing Activities		**7.88**		(19.45)
	Net Decrease in Cash and Cash Equivalents		**(0.01)**		(3.94)
	Opening Balance of Cash and Cash Equivalents		**0.29**		4.23
	Closing Balance of Cash and Cash Equivalents (Refer Note "8")		**0.28**		0.29

As per our report of even date

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

Manoj H. Dama
Partner

Mumbai
Dated : 27th April, 2021

For and on behalf of the Board

Venkatachalam Subramaniam
Director
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Chief Financial Officer
(PAN No:AAGPP6606B)

Ravindra Bhalchandra Patel
Company Secretary
(PAN No:AFFPP7988G)

Genesis Colors Limited

Notes to the Financial Statements for the year ended 31st March, 2021

A. Corporate Information

Genesis Colors Limited, is a public limited company domiciled in India and has registered office in 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai, Maharastra-400002, India.

The Company's holding Company is Reliance Retail Ventures Limited and Ultimate holding company is Reliance Industries Limited. The Company is engaged in the trading of designer sarees, women apparels, designer ties, fabric and other 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 following assets and liabilities which have been measured at fair value amount:

(i) Certain Financial Assets and liabilities (including derivative instruments),
(ii) Defined Benefits Plans – Plan Assets and
(iii) Equity settled Share Based Payments.

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.

The 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, Borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets. 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.

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 as prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortized over the lower of estimated useful life of 6 years 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 derecogition 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 recognised in the Statement of Profit and loss when the asset is derecognized.

(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, net charges on foreign exchange rate variations attributable to the Intangible Assets.

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.

The company's intangible assets comprises assets with finite useful lives which are amortised on a straight-line basis over the period of their expected useful lives.

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

A summary of amortisation / depletion policies applied to the Company's Intangible assets to the extent of depreciable amount is as follows:

Particular	Depreciation
Computer Software	Over a period of 5 years.

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date

(e) Cash and Cash Equivalent

Cash and cash equivalents comprise of cash on hand 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.

(f) 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.

(g) 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.

Cost of inventories are determined on weighted average basis.

(h) 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.

(i) 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.

(j) 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.

(k) 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 post-employment benefit plan under which the Company pays specified contributions towards Provident Fund and Pension Scheme.

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service rendered before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation / superannuation. 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.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged to the 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.

(l) Tax Expenses

The tax expenses 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 which case, the tax is also recognised in Other Comprehensive Income or 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 assets are recognised to the extend it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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.

(m) Share Based Payments

Equity- settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transaction are set out.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(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. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

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).

In case of an asset, expense or income where a non-monetary advance is paid / received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

(o) 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.

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. Generally, the credit period varies between 0-60 days from shipment of delivery of goods or services as the case may be.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

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

(p) 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 adjusted 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 represents 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 represents 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 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. 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.

ii) Financial Liabilities

A. Initial Recognition And Measurement
All Financial Liabilities are recognized at fair value and in case of 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) 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.

iv) 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.

(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 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 years.

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 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:

Deferred tax assets 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

The impact of COVID – 19 on the business operations for the Company for the current year 2020-21 is not significant as those were continuing normally until the nationwide lockdown near the end of the year. 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.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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

₹ Crores

Description	Gross block				Depreciation/ amortisation				Net block	
	As at 1st April, 2020	Additions	Deductions	**As at 31st March, 2021**	As at 1st April, 2020	For the year	Deductions	**As at 31st March, 2021**	**As at 31st March, 2021**	As at 31st March, 2020
Property, Plant and Equipment										
Own assets:										
Plant and Equipment	**6.29**	0.46	0.05	**6.70**	5.97	0.12	0.02	**6.07**	**0.63**	0.32
Electrical installations	**0.01**	0.90	-	**0.91**	-	0.03	-	**0.03**	**0.88**	0.01
Office Equipment	**1.03**	0.12	0.10	**1.05**	0.78	0.05	0.04	**0.79**	**0.26**	0.25
Furniture and fixtures	**0.89**	0.67	0.35	**1.21**	0.63	0.08	0.21	**0.50**	**0.71**	0.26
Vehicles	**0.24**	-	-	**0.24**	0.21	0.03	-	**0.24**	**-**	0.03
Leasehold improvements	**8.03**	1.00	0.89	**8.14**	5.58	0.54	0.56	**5.56**	**2.58**	2.45
Sub-Total	**16.49**	**3.15**	**1.39**	**18.25**	**13.17**	**0.85**	**0.83**	**13.19**	**5.06**	**3.32**
Right-of-Use Assets:										
Leasehold Premises	**43.86**	27.57	11.25	**60.18**	7.75	7.36	3.20	**11.91**	**48.27**	36.11
Sub-Total	**43.86**	**27.57**	**11.25**	**60.18**	**7.75**	**7.36**	**3.20**	**11.91**	**48.27**	**36.11**
Total (i)	**60.35**	**30.72**	**12.64**	**78.43**	**20.92**	**8.21**	**4.03**	**25.10**	**53.33**	**39.43**
Intangible assets *										
Software	1.32	-	-	**1.32**	1.30	0.01	-	**1.31**	**0.01**	0.02
Total (ii)	**1.32**	**-**	**-**	**1.32**	**1.30**	**0.01**	**-**	**1.31**	**0.01**	**0.02**
Total (i+ii)	**61.67**	**30.72**	**12.64**	**79.75**	**22.22**	**8.22**	**4.03**	**26.41**	**53.34**	**39.45**
Previous year	42.24	45.18	25.75	61.67	28.99	9.56	16.33	**22.22**	**39.45**	**13.25**
Capital work-in-progress									**1.35**	1.36

* Other than internally generated.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

2. Investments - Non-Current	Units	**As at 31st March, 2021** Amount	Units	**As at 31st March, 2020** Amount
Investment measured at Cost				
In Equity Shares of Joint Venture/ Fellow Subsidiary/ Associate Company - Unquoted, Fully Paid Up				
Reliance Brands Luxury Fashion Private Limited of ₹ 10 each	**86,92,008**	**30.24**	86,92,008	30.24
Burberry India Private Limited of ₹ 10 each	**2,23,22,952**	**22.32**	2,23,22,952	22.32
Total		**52.56**		**52.56**
Aggregate amount of Unquoted investments		52.56		52.56

	As at 31st March, 2021	**As at 31st March, 2020**
2.1 Category-wise Investment - Non-Current		
Financial assets measured at Cost	**52.56**	52.56
Total Investment - Non-Current	**52.56**	52.56

	As at 31st March, 2021	**As at 31st March, 2020**
3. Loans - Non-Current		
(Unsecured and Considered Good)		
Other Loans and Advances*	**4.58**	4.99
Total	**4.58**	**4.99**

*Other Loans and advances includes primarily fair valuation of interest free deposits.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

4. Deferred Tax Assets (Net)	**As at 31st March, 2021**	**As at 31st March, 2020**
The movement on the deferred tax account is as follows:		
At the start of the year	-	-
Credit to profit or loss	-	-
At the end of year	**-**	-

Components of Deferred tax Assets

	As at 31st March, 2020	Charge/(credit) to Statement of Profit and Loss	**As at 31st March, 2021**
Deferred tax Asset in relation to:			
Property, Plant and Equipment	2.52	(1.39)	**3.91**
Carried Forward Losses	6.23	(3.58)	**9.81**
Financial Assets	2.10	0.20	**1.90**
Total	10.85	(4.77)	**15.62**

* Deferred tax assets not recognised due to absence of convincing evidence that sufficient profit will be available

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

5. Other Non-Current Assets *(unsecured and considered good)*	**As at 31st March, 2021**	₹ Crores As at 31st March, 2020
Capital Advances	**0.04**	-
Advance Income Tax (Net of Provision) (i)	**2.09**	2.07
Total	**2.13**	2.07

(i) **Advance Income Tax (Net of Provision)**	**As at 31st March, 2021**	₹ Crores As at 31st March, 2020
At start of year	**2.07**	1.88
Tax Paid (Net) during the year	**0.02**	0.19
At end of year	**2.09**	2.07

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

6. Inventories *(valued at lower of cost and net realisable value)*	**As at 31st March, 2021**	As at 31st March, 2020
Raw Materials and Consumables	**0.29**	0.38
Stock-in-trade	**14.51**	16.12
Total	**14.80**	16.50

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

7. Trade Receivables *(unsecured and considered good)*	**As at 31st March, 2021**	As at 31st March, 2020
Trade Receivables	**7.08**	11.75
Total	**7.08**	11.75

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

8. Cash and Cash Equivalents	**As at 31st March, 2021**	As at 31st March, 2020
Cash on Hand	**0.03**	0.06
Balances with banks (i)&(ii)	**0.25**	0.23
Cash and Cash Equivalents as per Balance Sheet / Statement of Cash Flows	**0.28**	0.29

(i) Includes deposits ₹ 0.07 Crores (Previous year - 2020 ₹ 0 Crores) with maturity period of more than 12 months.

(ii) Includes deposits ₹ 0.05 Crores (Previous year - 2020 ₹ 0 Crores) held by bank as margin money for bank guarantees.

8.1 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.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

9. Other Financial Assets - Current

	As at 31st March, 2021	₹ Crores As at 31st March, 2020
Deposits	**3.04**	1.68
Others [(i)]	**0.01**	0.01
Total	**3.05**	1.69

[(i)] Includes interest receivable.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

10. Other Current Assets *(Unsecured and Considered Good)*	**As at 31st March, 2021**	₹ Crores As at 31st March, 2020
Balance with Customs, Goods and Service Tax and State authorities	**7.80**	6.54
Others [(i)]	**2.16**	2.97
Total	**9.96**	9.51

(i) Includes advances to employees and vendors.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

11. Share capital		**As at 31st March, 2021**	As at 31st March, 2020
Authorised Share Capital :			
5,40,10,500 (5,40,10,500)	Equity Shares of ₹ 10 each	**54.01**	54.01
	Total	**54.01**	54.01
Issued, Subscribed and Paid-up :			
1,25,66,845 (1,25,66,845)	Equity Shares of ₹ 10 each fully paid up	**12.57**	12.57
	Total	**12.57**	12.57

(i) Out of the above 91,39,897 (previous year 91,39,897) equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited, the holding company, along with its subsidary.

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

Name of the Shareholders	**31st March, 2021**		31st March, 2020	
	No. of Shares	**% held**	No. of Shares	% held
1. Reliance Brands Limited	**54,86,489**	**43.66**	54,86,489	43.66
2. Reliance Retail Ventures Limited	**36,53,408**	**29.07**	36,53,408	29.07
3. Sanjay Kapoor	**33,69,978**	**26.82**	33,69,978	26.82

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

Particulars	**As at 31st March, 2021 No. of shares**	As at 31st March, 2020 No. of shares
At the beginning of the year	**1,25,66,845**	1,25,66,845
Add: Shares issued during the year	**-**	-
At the end of the year	**1,25,66,845**	1,25,66,845

(iv) 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-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.

(v) Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding 31 March 2021):

	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
Equity shares allotted as fully paid up bonus shares by utilisation of balance in Securities Premium Account	-	-	-		0.84

During the year ended 31 March 2017, the Company had alloted shares as fully paid up by way of bonus issue in the ratio of 1 : 4 to all existing shares holders which had been approved by the share holders in extra ordinary general meeting held on 07 September 2016.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

12. Other Equity		As at 31st March, 2021		As at 31st March, 2020
Retained Earnings				
As per last Balance Sheet	**(1 60.78)**		(1 43.96)	
Add: loss for the year	**(21.13)**		(16.82)	
		(1 81.91)		(1 60.78)
Other Comprehensive Income (OCI)				
As per last Balance Sheet	**0.71**		0.93	
Add: Movement in OCI (Net) during the year	**0.14**		(0.22)	
		0.85		0.71
Securities Premium Account				
As per last Balance Sheet	**2 32.21**		2 32.21	
		2 32.21		2 32.21
Shares Option outstanding account				
As per last Balance Sheet	**0.23**		0.82	
Add: Employee stock option charge relating to employees of holding company	**-**		(0.59)	
		0.23		0.23
Total		**51.38**		72.37

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

13. Borrowings - Non-Current	As at 31st March, 2021	As at 31st March, 2020
Unsecured - At Amortised Cost		
Loans and advances from related parties [(i)] [Refer Note 32(ii)]	**21.15**	1.00
Secured - At Amortised Cost		
Term loans from other than banks[(ii)]	**0.01**	0.04
Total	**21.16**	1.04

(i) Represents from Fellow Subsidiary

(ii) Term loans are secured by hypothecation of vehicles and are repayable over a period of 24-64 months by way of equated monthly installments.
Refer note 30 for maturity profile.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

14. Other Financial liabilities- Non Current	**As at 31st March, 2021**	As at 31st March, 2020
Lease Liabilities	**47.97**	33.89
	47.97	33.89

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

15. Provisions - Non-Current	**As at 31st March, 2021**	As at 31st March, 2020
Provision for employee benefits (Refer note 22.1) [(i)]	**1.36**	1.67
Total	**1.36**	1.67

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

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

16. Trade Payables due to :		As at 31st March, 2021		As at 31st March, 2020
Micro and Small Enterprises	**0.23**		-	
Other than Micro and Small Enterprises	**6.63**		8.69	
		6.86		8.69
Total		**6.86**		8.69

16.1 There are no overdues to Micro, Small and Medium Enterprises as at March 31, 2021.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

17. Other Financial liabilities- Current	As at 31st March, 2021	As at 31st March, 2020
Current maturities of Borrowings - Non-Current	**0.03**	0.03
Interest accrued but not due on Borrowings	**0.10**	0.03
Creditors for Capital Expenditure	**0.68**	0.71
Lease Liabilities- Current	**4.45**	4.28
Other Payables (i)	**0.23**	0.34
	5.49	5.39

(i) Includes security deposits received

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

18. Other Current Liabilities	As at 31st March, 2021	As at 31st March, 2020
Other payables [(i)]	**1.91**	3.61
	1.91	3.61

[(i)] Includes statutory dues and advances from customers.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

₹ Crores

19. Provisions - Current	As at 31st March, 2021	As at 31st March, 2020
Provision for employee benefits (Refer note 22.1) [(i)]	**0.03**	0.04
Other Provisions	**0.40**	0.90
Total	**0.43**	0.94

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

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

20. Other Income		**2020-21**		₹ Crores 2019-20
Interest				
Bank Deposits	-		0.02	
		-		0.02
Lease Liability Written back		**5.59**		-
Total		**5.59**		0.02

Above other income comprises of Income from assets measured at Cost/ amortised cost ₹ Nil (previous year ₹ 0.02 crore).

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

21. Changes in Inventories of Stock-in-Trade	2020-21	₹ Crores 2019-20
Inventories (at close)		
Stock-in-trade / Finished Goods	**14.51**	16.12
Inventories (at commencement)		
Stock-in-trade / Finished Goods	**16.12**	20.71
Total	**1.61**	4.59

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

22. Employee Benefits Expense	2020-21	₹ Crores 2019-20
Salaries and wages	**8.53**	11.37
Employee stock option scheme reversal	**-**	(0.40)
Contribution to provident fund and other funds	**0.54**	0.65
Staff welfare expenses	**0.24**	0.49
Total	**9.31**	12.11

22.1 As per Ind AS 19 “Employee benefits”, the disclosures as defined are given below :

Defined Contribution Plan

Contribution to defined contribution plan, recognised as expenses for the year is as under:

	2020-21	2019-20
Employer’s contribution to Provident Fund	**0.06**	0.05

Defined Benefit Plan

I. Reconciliation of opening and closing balances of defined benefit obligation

	Gratuity (unfunded)	
Particulars	**2020-21**	2019-20
Defined benefit obligation at beginning of the year	**1.10**	0.80
Current service cost	**0.13**	0.16
Interest cost	**0.08**	0.06
Actuarial loss/ (gain)	**(0.14)**	0.22
Benefits paid	**(0.31)**	(0.14)
Defined benefit obligation at year end	**0.86**	1.10

II. Reconciliation of fair value of assets and obligations

	Gratuity (unfunded)	
	2020-21	2019-20
Fair value of plan assets	**-**	-
Present value of obligation	**0.86**	1.10
Net obligation recognised in balance sheet	**0.86**	1.10

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

III. Expenses recognised during the year

	Gratuity (unfunded)	
	2020-21	2019-20
Current service cost	**0.13**	0.16
Interest cost	**0.08**	0.06
Net benefit expense	**0.21**	0.22
In Other Comprehensive Income		
Actuarial gain/ (loss)	**(0.14)**	0.22
Net Expense/ (Income) For the period Recognised in OCI	**(0.14)**	0.22

IV. Actuarial assumptions

	Gratuity (unfunded)	
	2020-21	2019-20
Mortality Table (IALM)	**2012-14 (Ultimate)**	2006-08 (Ultimate)
Discount rate (per annum)	**6.95%**	6.84%
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 2020-21.

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 occuring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below

₹ Crores

	As at 31st March, 2021		As at 31st March, 2020	
Particulars	**Decrease**	**Increase**	Decrease	Increase
Change in discounting rate (delta effect of +/- 0.5%)	**0.06**	**(0.06)**	0.08	(0.07)
Change in rate of salary increase(delta effect of +/- 0.5%)	**(0.06)**	**0.06**	(0.07)	0.08
Change in rate of employee turnover (delta effect of +/- 0.5%)	**-**	**-**	-	-

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.

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

23. Finance Costs	**2020-21**	₹ Crores 2019-20
Interest on Lease liability	**3.91**	3.09
Interest on Others	**0.67**	0.79
Total	**4.58**	3.88

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

				₹ Crores
24. Other Expenses		**2020-21**		2019-20
Selling and Distribution Expenses				
Sales promotion and advertisement expenses	**1.46**		2.14	
Store running expenses	**0.25**		0.76	
Warehousing and distribution expenses	**0.64**		1.17	
		2.35		4.07
Establishment Expenses				
Stores and packing materials	**0.30**		0.27	
Building repairs and maintenance	**0.42**		0.57	
Other repairs	**0.61**		0.21	
Rent including lease rentals	**3.56**		3.67	
Insurance	**0.36**		0.36	
Rates and taxes	**0.25**		0.27	
Travelling and conveyance expenses	**0.40**		0.97	
Professional fees	**3.19**		1.21	
Loss /(Gain) on sale/ discarding of assets (net)	**0.56**		(2.57)	
Exchange differences (net)	**-**		0.01	
Security and Housekeeping expenses	**0.49**		0.75	
Electricity expenses	**0.95**		1.21	
Hire charges	**0.07**		0.28	
Provision for doubtful receivables	**-**		5.19	
General expenses	**0.41**		1.73	
		11.57		14.13
24.1 Payments to Auditor				
Statutory Audit Fees	**0.21**		0.19	
Certification and Consultation Fees	**0.14**		0.04	
		0.35		0.23
Total		**14.27**		18.43

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

25 The Company is mainly engaged in 'Trading of fashion garments and accessories' 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.

26 Earnings per share (EPS)

	2020-21	2019-20
Face Value per Equity Share (₹)	**10.00**	10.00
Basic / Diluted Earnings per Share (₹) *	**(16.81)**	(13.38)
Net (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ Crores)	**(21.13)**	(16.82)
Weighted average number of equity shares used as denominator for calculating Basic / Diluted EPS	**1,25,66,845**	1,25,66,845

*Diluted EPS is same as basic EPS, being antidilutive

27 Commitments and Contingent Liabilities

₹ Crores

	As at 31st March, 2021	As at 31st March, 2020
Contingent Liabilities:		
Claims against the Company/disputed liabilities not acknowledged as debts		
In respect of others	**1.66**	0.94
Guarantees furnished to banks against credit facilities extended to third parties	**0.05**	-
b Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for		
(i) In respect of others	**0.60**	0.33

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

28 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 and cash equivalents.

Net Gearing Ratio

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

₹ Crores

	As at 31st March, 2021	As at 31st March, 2020
Gross Debt	**21.19**	1.07
Cash and Marketable Securities	**0.28**	0.29
Net Debt (A)	**20.91**	0.78
Total Equity (As per Balance Sheet) (B)	**63.95**	84.94
Net Gearing ratio (A/B)	**0.33**	0.01

29 Financial Instruments

Valuation Methodology

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

a) The fair value of investment in Mutual Funds is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

c) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

d) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

₹ Crores

Particulars	**31st March, 2021**			**31st March, 2020**		
	Carrying Amount	**Level of input used in**		**Carrying Amount**	**Level of input used in**	
		Level 1	**Level 2**		**Level 1**	**Level 2**
Financial Assets						
At Amortised Cost						
Trade Receivables	**7.08**	-	-	11.75	-	-
Cash and Cash Equivalents	**0.28**	-	-	0.29	-	-
Other Financial Assets	**7.63**	-	-	6.68	-	-

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

Financial Liabilities						
At Amortised Cost						
Borrowings	**21.19**	**-**	**-**	1.07	-	-
Trade Payables	**6.86**	**-**	**-**	8.69	-	-
Other Financial Liabilities	**53.43**	**-**	**-**	39.25	-	-

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 USD on financial instruments at the end of the reporting period.

i) **Foreign Currency Exposure**

₹ Crores

	As at 31st March, 2021	As at 31st March, 2020
	USD	USD
Trade and other Payables	**0.04**	0.16
Exposure	**0.04**	0.16

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

ii) **Foreign Currency Sensitivity**

	As at 31st March, 2021	As at 31st March, 2020
1% Depreciation in INR	**USD**	USD
Impact on P&L	**-**	-
Total	**-**	-
1% Appreciation in INR	**USD**	USD
Impact on P&L	**-**	-
Total	**-**	-

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Particulars	**As at 31st March, 2021**	As at 31st March, 2020
Fixed Rate Loan	**21.19**	1.07
Floating Rate Loan	**-**	-
Total	**21.19**	1.07

Impact on Interest Expenses for the year on 1% change in Interest rate

Interest rate Sensitivity

₹ Crores

Particulars	**As at 31st March, 2021**		As at 31st March, 2020	
	Up Move	**Down Move**	Up Move	Down Move
Impact on P&L	**-**	**-**	-	-
	-	**-**	-	-

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.

Genesis Colors Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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, 2021

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current	-	-	-	0.01	21.15	-	21.16
Current	0.01	0.01	0.02	-	-	-	0.03
Lease Liabilities							
Non-Current	-	-	-	9.56	10.06	28.34	47.97
Current	1.09	1.10	2.26	-	-	-	4.45
Total	**1.10**	**1.10**	**2.28**	**9.57**	**31.22**	**28.34**	**73.61**

Maturity Profile as at 31st March, 2020

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current*	-	-	-	-	1.04	-	1.04
Current	-	0.03	-	-	-	-	0.03
Lease Liabilities							
Non-Current				14.06	10.36	9.47	33.89
Current	1.17	1.06	2.05				4.28
Total	**1.17**	**1.09**	**2.05**	**14.06**	**11.40**	**9.47**	**39.24**

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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

i) Investments made by the company as at 31st March 2021 (Refer Note 2)

31 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 Retail Limited	Fellow Subsidiaries
4	Reliance Brands Limited	Fellow Subsidiaries
5	Reliance SMSL Limited	Fellow Subsidiaries
6	Reliance Jio Infocom Limited	Fellow Subsidiaries
7	Shopsense Retail Technologies Private Limited	Fellow Subsidiaries
8	Reliance Brands Luxury Fashion Private Limited (formerly known as Genesis Luxury Fashion Private Limited)	Fellow Subsidiaries
9	Burberry India Private Limited	Joint Venture
10	Yash Baheti	Key Managerial Personnel
11	Virender Bhasin (till September 20, 2019)	Key Managerial Personnel
12	Kamal Kumar Pandey (w.e.f. February 01, 2020)	Key Managerial Personnel
13	Meenu Juneja (till November 15, 2019)	Key Managerial Personnel
14	Ravindra Bhalchandra Patel (w.e.f January 14, 2020)	Key Managerial Personnel

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

₹ Crores

Sr No	Nature of Transactions	Joint Venture	Fellow Subsidiaries	Key Managerial Personnel	Total
1	Net unsecured loans taken/ (repaid)	**-**	**20.15**	**-**	**20.15**
		-	*(1.33)*	*-*	*(1.33)*
3	Revenue from operations	**1.22**	**2.34**	**-**	**3.56**
		0.40	*2.15*	*-*	*2.55*
4	Professional fees	**-**	**0.28**	**-**	**0.28**
		-	*0.24*	-	*0.24*
5	Store Running Expenses	**-**	**0.10**	**-**	**0.10**
		-	*0.27*	-	*0.27*
6	Expenses For Infrastructure Services	**-**	**0.01**	**-**	**0.01**
		-	*-*	-	-
7	Interest cost	**-**	**0.67**	**-**	**0.67**
		-	*0.16*	*-*	*0.16*
8	Telephone Expenses	**-**	**0.09**	**-**	**0.09**
		-	*0.03*	*-*	*0.03*
9	Brokerage & Commission	**-**	**0.12**	**-**	**0.12**
		-	*-*	*-*	*-*
10	Payment to Key Managerial Personnel	**-**	**-**	**0.68**	**0.68**
		-	**-**	**1.11**	**1.11**
Balance as at 31st March, 2021					
11	Borrowings - Non-Current	**-**	**21.15**	**-**	**21.15**
		-	*1.00*	*-*	*1.00*
12	Investments - Non-Current	**22.32**	**30.24**	**-**	**52.56**
		22.32	*30.24*	*-*	*52.56*
13	Trade and other receivables	**0.66**	**0.61**	**-**	**1.27**
		0.11	*1.72*	*-*	*1.83*
14	Interest Accrued on Borrowings	**-**	**0.10**	**-**	**0.10**
		-	*0.03*	-	*0.03*
15	Trade and other payables	**-**	**0.35**	**-**	**0.35**
		-	*0.50*	*-*	*0.50*

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

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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

₹ Crores

	Particulars	Relationship	2020-21	2019-20
1	**Net unsecured loans taken**			
	Reliance Brands Limited	Fellow Subsidiary	**20.15**	1.00
2	**Net unsecured loans repaid**			
	Reliance Brands Limited	Fellow Subsidiary	**-**	2.33
3	**Professional Fee**			
	Reliance Brands Limited	Fellow Subsidiary	**0.28**	0.24
4	**Revenue from operations**			
	Sale of Services			
	Burberry India Private Limited	Joint Venture	**1.22**	0.40
	Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	**-**	2.15
	Sale / (Sale Return) of Goods			
	Reliance Brands Limited	Fellow Subsidiary	**0.40**	
	Reliance Retail Limited	Fellow Subsidiary	**1.94**	
5	**Store Running Expenses**			
	Reliance SMSL Limited	Fellow Subsidiary	**0.10**	0.27
6	**Expenses For Infrastructure Services**			
	Reliance Retail Limited	Fellow Subsidiary	**0.01**	-
7	**Interest cost**			
	Reliance Brands Limited	Fellow Subsidiary	**0.67**	0.03
8	**Telephone Expense**			
	Reliance Jio Infocomm Limited	Fellow Subsidiary	**0.09**	0.03
9	**Brokerage & Commission**			
	Shopsense Retail Technologies Private Limited	Fellow Subsidiary	**0.12**	-
10	**Payment to Key Managerial Personnel**			
	Yash Baheti	Key Managerial Personnnel	**0.45**	0.46
	Virender bhasin	Key Managerial Personnnel	**-**	0.06
	Meenu Juneja	Key Managerial Personnnel	**-**	0.55
	Kamal Kumar Pandey	Key Managerial Personnnel	**0.06**	0.02
	Ravindra Bhalchandra Patel	Key Managerial Personnnel	**0.17**	0.02

₹ Crores

	Compensation of Key Managerial Personnel	2020-21	2019-20
i)	Short-term benefits	**0.68**	1.06
ii)	Post employment benefits	**-**	0.05
	Total	**0.68**	1.11

(iv) Disclosure in respect of Related Party balances as at end of the year:

₹ Crores

	Particulars	Relationship	2020-21	2019-20
11	Reliance Brands Limited	Fellow Subsidiary	**21.15**	1.00

12 The Company hold no interest in a jointly-controlled assets or operation. However, it holds interest in jointly controlled entity as follows:

Name of the company	Shareholding	Incorporated
Burberry India Private Limited	49%	India

The Company's share in the aggregate amounts of assets, liabilities, income and expense of the above jointly controlled entity (as per respective unaudited financial statements available with the Company) is as under:

₹ Crores

Particulars	2020-21	2019-20
Non-current assets	**25.77**	32.22
Current assets	**30.45**	24.93
Non-current liabilities	**18.32**	18.46
Current liabilities	**5.11**	13.42
Revenue	**47.32**	50.80
Expenses (including income tax)	**39.04**	45.52

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

32 Employee share-based payment plans

a. Description of share-based payment arrangements

As at 31 March 2021, the Company has the following share-based payment arrangement for employees.

Genesis Colors Limited Stock Option Plan 2016 *(formerly known as Genesis Colors Private Limited Stock Option Plan 2013)*

The Company had approved a share option programme under which options had been granted to employees of the Company and subsidiaries at the exercise price of ₹ 427.20 (face value ₹ 10) to be vested from time to time on the basis of performance and other eligible criteria.

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows:

Details of movement under the stock option plan are as under:

Particulars	**For the year ended 31-Mar-21**		**For the year ended 31-Mar-20**	
	Number of equity shares	**Weighted average exercise price***	**Number of equity shares**	**Weighted average exercise price**
Options outstanding at the beginning of the year	7,026	427.20	25,190	427.20
Options forfeited during the year		427.20	18,164	427.20
Options outstanding at the end of the year	7,026	427.20	7,026	420.20
Option exercisable at the end of the year	7,026	427.20	7,026	427.20

The options outstanding at 31 March 2021 have an exercise price of ₹ 427 (previous year ₹ 427) and a weighted average contractual life of Nil years (previous year Nil years).

The ESOP cost is amortized on a straight-line basis over the total vesting period of the options. Accordingly, ₹ Nil (Previous Year: ₹ (24.55)) has been charged to the current year Statement of Profit and Loss and corresponding amount has been disclosed as share option outstanding account.

The inputs used in the measurement of grant-date fair values are as follows:

Particulars	**31-Mar-21**	**31-Mar-20**
Exercise price	₹ 427	₹ 427
Share price	₹ 601.54	₹ 601.54
Expected volatility	10%	10%
Expected life	7 years	7 years
Expected dividend	Nil	Nil
Risk-free interest rate	8.33%	8.33%

Genesis Colors Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

33 The impact of COVID – 19 on the business operations for the Company for the current year 2020-21 is not significant as those were continuing normally until the nationwide lockdown near the end of the year. 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.

34 The Company has received waiver of minimum guaranteed rent aggregating ₹ 5.59 crores for the period on account of COVID-19 pandemic under the Force Majeure Clause in lease agreement. Based on the assessment performed by the Company, this is not a lease modification under Ind AS 116 and hence accounted as negative variable lease payment by crediting the waiver to the Statement of Profit and Loss.

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

36 The Financial statements were approved for issue by the Board of Directors on __ 27th April,2021

As per our report of even date

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

Manoj H. Dama
Partner

Mumbai
Dated : 27th April, 2021

For and on behalf of the Board

Venkatachalam Subramaniam
Director
(DIN:00009621)

Darshan Rasiklal Mehta
Director
(DIN:00103155)

Yash Baheti
Chief Executive Officer
(PAN No:AEZPB8684A)

Kamal Kumar Pandey
Chief Financial Officer
(PAN No:AAGPP6606B)

Ravindra Bhalchandra Patel
Company Secretary
(PAN No:AFFPP7988G)