Genesis Colors Limited

Financial Statements

2018-19

Independent Auditor's Report

To The Members of Genesis Colors Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Genesis Colors Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), and the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, 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 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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

The comparative financial information of the Company for the year ended 31 March 2018 and the related transition date opening balance sheet as at 1st April 2017 included in these Financial Statements, have been prepared after adjusting previously issued the Financial Statements prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued Financial Statements for the year ended 31 March 2017 were audited by the predecessor auditor whose report dated May 31, 2017 expressed an unmodified opinion on those Financial Statements. Adjustments made to the previously issued Financial Statements to comply with Ind AS have been audited by us.

Our opinion on the Financial Statements is not modified in respect of the above matter on the relevant comparative financial information.

Report on Other Legal and Regulatory Requirements

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

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

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

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

   d) In our opinion, the aforesaid Financial Statements comply with the Ind AS prescribed under section 133 of the Act.

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

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigation on its financial position in its 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 of India in terms of Section 143(11) of the Act, we give in “Annexure B”, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Place: Mumbai
Date: 15 April 2019

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 2019)

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 2019 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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)

Place: Mumbai
Date: 15 April 2019

ANNEXURE B TO THE INDEPENDENT AUDITORS' 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 2019)

(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) The Company has a policy of physical verification of all its fixed assets once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the planned schedule, physical verification of fixed assets was carried out in the previous year and no physical verification was schedule during the year, accordingly question of our reporting on discrepancies on such verification does not arise.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us, we report that, the title deeds, comprising all the immovable property of land and building which are freehold, are held in the name of the Company as at the balance sheet.

(ii) As explained to us, the inventories, excluding stock lying with third parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. In respect of inventories lying with third parties, these have been confirmed by them.

(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 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 Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. The provisions relating to Sales Tax, Service Tax, Excise Duty and Value Added Tax are not applicable to the Company.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of Sales Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax applicable to the Company, which have not been deposited on account of any dispute. According to the records of the Company, details of Income Tax, Service Tax and Provident Fund dues which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Involved (Rs. in lakh) *	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	55.05	Financial Year 2009-10	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	38.69	Financial Year 2010-11	Income Tax Appellate Tribunal, New Delhi
Provident Fund and Misc. Provision Act 1952	Provident Fund	109.79	September 2014 to May 2018	Assistant Provident Fund Commissioner(Haryana)
Finance Act, 1994	Service Tax	136.56	Financial Year2013-14 and2014-15	Commissioner, Central Goods and Services Tax Audit Commissionerate

* No amount has been paid under protest.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures 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) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(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 Financial Statements as required by the applicable Indian 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 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)

Place: Mumbai
Date: 15 April 2019

Balance Sheet
As at 31st March, 2019

₹ Lakh

	Notes	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
ASSETS							
NON-CURRENT ASSETS							
Property, Plant and Equipment	1	**13 22.82**		14 27.95		16 19.02	
Capital Work-in-Progress	1	**-**		-		8.67	
Intangible Assets	1	**2.11**		6.91		13.87	
Financial Assets							
Investments	2	**52 75.08**		54 20.17		54 20.17	
Loans	3	**-**		-		17.00	
Deferred Tax Assets (net)	4	**-**		-		-	
Other Non-Current Assets	5	**1 87.83**		84.97		4 08.00	
Total Non-Current Assets			**67 87.84**		69 40.00		74 86.73
CURRENT ASSETS							
Inventories	6	**21 03.85**		25 46.66		28 80.76	
Financial Assets							
Trade Receivables	7	**25 33.36**		47 12.68		47 18.44	
Cash and Cash Equivalents	8	**4 23.42**		4 73.52		10 01.96	
Other Financial Assets	9	**4 82.75**		4 52.90		5 38.62	
Other Current Assets	10	**5 63.78**		3 14.63		7 21.38	
Total Current Assets			**61 07.16**		85 00.39		98 61.16
Total Assets			**128 95.00**		**154 40.39**		**173 47.89**
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital	11	**12 56.68**		11 09.14		10 72.57	
Other Equity	12	**90 00.16**		61 44.88		72 75.89	
Total Equity			**102 56.84**		72 54.02		83 48.46
LIABILITIES							
Non-Current Liabilities							
Financial Liabilities							
Borrowings	13	**2 40.17**		6 33.55		8 90.88	
Provisions	14	**1 01.48**		1 60.87		1 68.76	
Total Non-Current Liabilities			**3 41.65**		7 94.42		10 59.64
Current Liabilities							
Financial Liabilities							
Borrowings	15	**7 13.00**		44 79.53		44 24.31	
Trade Payables Due to:	16						
Micro & Small Enterprise		**-**		-		-	
Other than Micro and Small Enterprise		**3 57.04**		11 66.59		13 55.97	
Other Financial Liabilities	17	**3 34.25**		8 58.00		12 27.10	
Other Current Liabilities	18	**3 40.07**		3 21.60		5 75.48	
Provisions	19	**5 52.15**		5 66.23		3 56.93	
Total Current Liabilities			**22 96.51**		73 91.95		79 39.79
Total Liabilities			**26 38.16**		81 86.37		89 99.43
Total Equity and Liabilities			**128 95.00**		**154 40.39**		**173 47.89**
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's Registration No. 117366W/W-100018)

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Mumbai
Dated: 15th April, 2019

For and on behalf of the Board

V. Subramaniam
Director

Darshan Mehta
Director

K. Sudarshan
Director

Sanjay Kapoor
Director

Ranjit V. Pandit
Director

V. Ramachandran
Director

Yash Baheti
Chief Executive Officer

Virender Bhasin
Chief Financial Officer

Meenu Juneja
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2019

₹ Lakh

	Notes	2018-19	2017-18
INCOME			
Value of Sales		**59 71.01**	93 83.08
Income from services		**1 27.33**	3 30.82
Value of Sales & Services (Revenue)		**60 98.34**	97 13.90
Less: GST/Service Tax recovered		**6 64.07**	7 20.84
Revenue from Operations		**54 34.27**	89 93.06
Other Income	**20**	**12 75.02**	1 59.75
Total Income		**67 09.29**	**91 52.81**
EXPENSES			
Cost of material consumed		**5 42.04**	26 27.45
Purchases of Stock-in-Trade		**20 39.86**	15 56.25
Changes in Inventories of Stock-in-Trade	**21**	**(66.52)**	4 11.17
Employee Benefits Expense	**22**	**14 34.58**	23 65.73
Finance Costs	**23**	**5 14.62**	6 92.81
Depreciation and Amortisation Expense	**1**	**2 25.18**	3 49.64
Other Expenses	**24**	**34 92.64**	46 08.18
Total Expenses		**81 82.40**	**126 11.23**
Profit/(Loss) for the year		**(14 73.11)**	**(34 58.42)**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss	**22.1**	**49.15**	29.25
Total Comprehensive Income for the Year		**(14 23.96)**	**(34 29.17)**
Earnings per Equity Share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	**26**	**(13.03)**	(31.26)
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's Registration No. 117366W/W-100018)

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Mumbai
Dated: 15th April, 2019

For and on behalf of the Board

V. Subramaniam
Director

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Director

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Director

V. Ramachandran
Director

Yash Baheti
Chief Executive Officer

Virender Bhasin
Chief Financial Officer

Meenu Juneja
Company Secretary

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

A. Equity Share Capital ₹ Lakh

Balance as at 1st April, 2017	Changes during the year 2017-18	Balance as at 31st March, 2018	Changes during the year 2018-19	Balance as at 31st March, 2019
10 72.57	36.57	11 09.14	1 47.54	12 56.68

B. Other Equity ₹ Lakh

	Reserves & Surplus			Other Comprehensive Income	Total
	Retained Earnings	Security premium	Share options outstanding account		
As on 31st March, 2018					
Balance at the beginning of the reporting period i.e. 1st April, 2017	(94 64.96)	167 05.06	21.09	14.70	72 75.89
Total Comprehensive income for the year	(34 58.42)	-	-	29.25	(32 94.60)
Employee stock option charge relating to employees of subsidiary company	-	-	1 34.56	-	1 34.56
Amount transferred to security premium	-	0.07	(0.07)	-	-
Issue of equity shares for cash	-	21 63.59	-	-	21 63.59
	(129 23.37)	**188 68.72**	**1 55.58**	**43.95**	**61 44.88**
Balance at the end of reporting period 31st March, 2018					
As on 31st March, 2018					
Balance at the beginning of the reporting period i.e. 1st April, 2018	(129 23.37)	188 68.72	1 55.58	43.95	61 44.88
Share issued during the year	-	43 52.46	-	-	43 52.46
Expense for the Year	-	-	(73.22)	-	(73.22)
Total Comprehensive income for the year	(14 73.11)	-	-	49.15	(14 23.96)
Balance at the end of reporting period 31st March, 2019	**(143 96.48)**	**232 21.18**	**82.36**	**93.10**	**90 00.16**

As per our Report of even date
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Mumbai
Dated: 15th April, 2019

For and on behalf of the Board

V. Subramaniam
Director

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Director

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Director

V. Ramachandran
Director

Yash Baheti
Chief Executive Officer

Virender Bhasin
Chief Financial Officer

Meenu Juneja
Company Secretary

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

					₹ Lakh
			2018-19		2017-18
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(Loss) Before Tax as per Statement of Profit and Loss		**(14 73.11)**		(34 58.42)
	Adjusted for:				
	(Profit)/Loss on sale/discard of Property, Plant and Equipment (Net)	**(3.95)**		71.45	
	Provision for doubtful debts/bad debts written off	**3 45.42**		18.24	
	Provision for Doubtful Advances	-		96.15	
	Advances written off	-		2 74.00	
	IPO Expense written off	-		4 25.53	
	Bad debts written off	-		8.90	
	Litigation Provision	-		2 39.49	
	Provision for margin loss expense/(written back)	-		(37.32)	
	Expense on employee stock option scheme	**(52.22)**		2 08.06	
	Depreciation and Amortisation Expense	**2 25.18**		3 49.64	
	Net Gain on Financials assets	**(2 11.08)**		-	
	Dividend income	**(21.01)**		(46.01)	
	Interest Income	**(19.65)**		(87.50)	
	Finance Costs	**5 14.62**		6 92.81	
			7 77.31		22 13.44
	Operating Profit before Working Capital Changes		**(6 95.82)**		(12 44.98)
	Adjusted for:				
	Trade and Other Receivables	**15 50.34**		(59.83)	
	Inventories	**4 42.81**		3 34.09	
	Trade and Other Payables	**(9 93.16)**		(4 77.77)	
			9 99.99		(2 03.51)
	Cash Generated from / (used in) Operations		**3 04.19**		(14 48.48)
	Taxes (Paid) / Refund including interest		**(1 07.21)**		1 14.17
	Net Cash Flow from / (used in) Operating Activities		**1 96.98**		(13 34.31)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment and Intangible Assets		**(2 08.58)**		(3 29.21)
	Proceeds from disposal of Property, Plant and Equipment and Intangible assets		**65.31**		-
	Sale of investments in Subsidiaries/Joint Ventures/Associates		**3 56.17**		-
	Proceeds from Sale of Financial Assets		**81.50**		4 60.84
	Investments in Fixed Deposits		-		(4 69.38)
	Loans refunded by/(given to) Subsidiaries		-		17.00
	Interest Income		**24.17**		34.70
	Net Cash Flow from/ (used in) Investing Activities		**3 18.57**		(2 86.05)
C:	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Issue of Share Capital		**45 00.00**		22 00.17
	Proceeds from Borrowings – Non-Current		**(9 10.66)**		8 33.08
	Repayment of Borrowings – Non-Current		-		(12 40.93)
	Short term borrowings (net)		**(37 66.53)**		-
	Interest Paid		**(3 88.46)**		(7 00.40)
	Net Cash Flow from/(used in) Financing Activities		**(5 65.65)**		10 91.92
	Net Increase/(Decrease) in Cash and Cash Equivalents		**(50.10)**		(5 28.44)
	Opening Balance of Cash and Cash Equivalents		**4 73.52**		10 01.96
	Closing Balance of Cash and Cash Equivalents (Refer Note "8")		**4 23.42**		4 73.52

As per our Report of even date

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

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Mumbai
Dated: 15th April, 2019

For and on behalf of the Board

V. Subramaniam
Director

Darshan Mehta
Director

K. Sudarshan
Director

Sanjay Kapoor
Director

Ranjit V. Pandit
Director

V. Ramachandran
Director

Yash Baheti
Chief Executive Officer

Virender Bhasin
Chief Financial Officer

Meenu Juneja
Company Secretary

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

A. Corporate Information

Genesis Colors Limited, is a public limited company domiciled in India and has registered office in Unit 301 to 302, 3rd Floor, Good Earth Business Bay, Sector 58, Gurgaon-122011, 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 manufacturing and 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.

With effect from 1st April; 2018, Ind AS – "Revenue from Contracts with Customers" (Ind AS 115) supersedes Ind AS 18 – "Revenue" and related Appendices. The Company has adopted Ind AS 115 using the modified retrospective approach. The application of Ind AS 115 did not have any material impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the company.

Upto the year ended March 31, 2018, the Company has prepared its financial statements in accordance with the requirement of Indian GAAP, which includes Standards notified under the Companies (Indian Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

The Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Lakh (₹ 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

(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

Leases are classified as finance leases whenever the terms of the lease, transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

Leased Assets

Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

(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

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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.

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 Intangible Assets under Development.

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) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

Development cost are capitalized as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and loss.

(f) 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.

(g) Finance Cost

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

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

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

(h) Inventories

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

Cost of inventories are determined on weighted average basis.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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

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

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

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

(j) Provisions

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

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

(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 Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(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

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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 Subsidiaries, Associates and Joint Ventures

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

D. Other Equity Investments

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

E. Impairment of Financial Assets

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

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

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

iii) Derivative Financial Instruments

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

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

iv) Derecognition of Financial Instruments

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

v) Offsetting

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

(q) Non-current assets held for sale

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

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

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

(r) 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

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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 AND LIABILITIES:

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

D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2019.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

A) ISSUE OF IND AS 116 - LEASES

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

B) AMENDMENT TO EXISTING STANDARD

The MCA has also carried out amendments of the following Indian Accounting Standards

(i) Ind AS 101 - First time adoption of Indian Accounting Standards.

(ii) Ind AS 103 – Business Combinations

(iii) Ind AS 109 – Financial Instruments

(iv) Ind AS 111 – Joint Arrangements

(v) Ind AS 12 – Income Taxes

(vi) Ind AS 19 – Employee Benefits

(vii) Ind AS 23 – Borrowing costs

(viii) Ind AS 28 – Investment in Associates and Joint ventures

Application of above standards are not expected to have any significant impact on the Company’s financial statements.

E. FIRST TIME ADOPTION OF IND AS:

The Company has adopted Ind AS with effect from 1st April 2018 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

Exemptions from retrospective application:

(i) Business combination exemption

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1’ 2017 (the “Transition Date”), pursuant to which goodwill arising from a business combination has been stated at the carrying amount prior to the date of transition under India GAAP. The Company has also applied the exemption for past business combinations to the acquisitions of investments in subsidiaries consummated prior to the Transition Date.

(ii) Share-based payment transactions

Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to awards that vested prior to April 1, 2017.

(iii) Fair value as deemed cost exemption:

The Company has elected to measure all items of property, plant and equipment and intangible assets at its carrying value at the transition date.

(iv) Investment in subsidiaries and joint ventures

The Company has elected to measure investment in subsidiaries, joint venture at cost.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

1. Property, Plant and Equipment and Intangible Assets

₹ Lakh

Description	Gross block							Depreciation/ amortisation							Net block		
	As at 1st April, 2017	Additions	Deductions/ Adjustments	As at 1st April, 2018	Additions	Deductions/ Adjustments	**As at 31st March, 2019**	As at 1st April, 2017	For 2017-18	Deductions/ Adjustments	As at 1st April, 2018	For 2018-19	Deductions/ Adjustments	**As at 31st March, 2019**	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
Property, Plant and Equipment																	
Own assets:																	
Freehold Land	2 18.07	-	-	2 18.07	-	-	2 18.07	-	-	-	-	-	-	-	**2 18.07**	2 18.07	2 18.07
Building	8 50.35	-	-	8 50.35	-	-	8 50.35	1 23.01	28.34	-	1 51.35	28.34	-	**1 79.69**	**6 70.66**	6 99.00	7 27.34
Plant and machinery	6 46.94	10.05	39.81	6 17.18	20.39	2.63	**6 34.94**	6 27.20	11.34	39.81	5 98.73	12.82	1.71	**6 09.84**	**25.10**	18.45	19.74
Office Equipment	5 58.59	19.46	31.16	5 46.89	27.83	85.76	**4 88.96**	4 41.53	63.47	31.07	4 73.93	39.94	85.31	**4 28.56**	**60.40**	72.96	1 17.06
Furniture and fixtures	6 60.33	54.43	52.80	6 61.96	3.31	1 52.59	**5 12.68**	5 19.28	84.28	36.90	5 66.66	33.16	1 43.78	**4 56.04**	**56.64**	95.30	1 41.05
Vehicles	1 69.34	-	98.61	70.73	-	46.48	**24.25**	1 39.08	9.61	98.58	50.11	7.13	39.96	**17.28**	**6.97**	20.62	30.26
Leasehold improvements	13 24.75	1 38.41	1 25.59	13 37.57	1 23.65	97.87	**13 63.35**	9 59.25	1 34.05	59.28	10 34.02	97.26	52.91	**10 78.37**	**2 84.98**	3 03.55	3 65.50
Total (i)	**44 28.37**	**2 22.35**	**3 47.97**	**43 02.75**	**1 75.18**	**3 85.33**	**40 92.60**	28 09.35	3 31.09	2 65.64	**28 74.80**	**2 18.65**	**3 23.67**	**27 69.78**	**13 22.82**	**14 27.95**	**16 19.02**
Intangible assets*																	
Trade marks	0.49	-	-	0.49	-	-	**0.49**	0.49	-	-	0.49	-	-	**0.49**	-	-	-
Software	2 65.04	13.51	1 28.41	1 50.14	1.43	19.98	**1 31.59**	2 51.17	18.55	1 26.49	1 43.23	6.53	20.28	**1 29.48**	**2.11**	6.91	13.87
Total (ii)	**2 65.53**	**13.51**	**1 28.41**	**1 50.63**	**1.43**	**19.98**	**1 32.08**	2 51.66	18.55	1 26.49	**1 43.72**	**6.53**	**20.28**	**1 29.97**	**2.11**	**6.91**	**13.87**
Total (i+ii)	**46 93.90**	**2 35.86**	**4 76.38**	**44 53.38**	**1 76.61**	**4 05.31**	**42 24.68**	**30 61.01**	**3 49.64**	**3 92.13**	**30 18.52**	**2 25.18**	**3 43.95**	**28 99.75**	**13 24.93**	**14 34.86**	**16 32.89**
Capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**8.67**

* Other than internally generated

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

2. Investments – Non-Current	As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017	
	Units	Amount	Units	Amount	Units	Amount
Investments measured at Cost						
In Equity Shares of Subsidiary Companies – Unquoted, Fully Paid Up						
Genesis Luxury Fashion Private Limited of ₹ 10 each	-	-	90,51,925	31 49.47	90,51,925	31 49.47
Add: Contribution to the Employee stock option scheme		-		18.56		18.56
Effactor Events Private Limited of ₹ 10 each	-	-	5,100	0.51	5,100	0.51
Genesis Colors Middle East FZE	-	-	-	44.25	-	44.25
Sub-total (a)		-		32 12.79		32 12.79
Investment measured at Cost						
In Equity Shares of Fellow Subsidiary/ Joint Venture/Associate Companies – Unquoted, Fully Paid Up						
Genesis Luxury Fashion Private Limited of ₹ 10 each	**86,92,008**	**30 24.22**		-		-
Add: Contribution to the Employee stock option scheme	-	**18.56**		-		-
Burberry India Limited of ₹ 10 each	**2,23,22,952**	**22 32.30**	2,23,22,952	22 32.30	2,23,22,952	22 32.30
Sub-total (b)		**52 75.08**		22 32.30		22 32.30
Less: Impairment in value of investments						
Genesis Colors Middle East FZE		-		(24.92)		(24.92)
Total (a+b)		**52 75.08**		54 20.17		54 20.17
Aggregate amount of Unquoted investments		**52 75.08**		54 20.17		54 20.17

₹ Lakh

3. Loans – Non-Current *(Unsecured and Considered Good)*	As at **31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
Loans and advances to related parties [Refer Note 31(ii)]	-	-	17.00
Total	-	-	17.00

(i) All the above loans are given for business purpose.

(ii) Loans and advances shown above, fall under the category of 'Non-Current Loans' are repayable within 3 to 5 years.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

4.	Deferred Tax Assets (Net)	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	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 and Assets / (liabilities)

₹ Lakh

	As at 31st March,2017	Charge/(credit) to Statement of Profit and Loss	As at 31st March,2018	Charge/(credit) to Statement of Profit and Loss	As at 1st April, 2017
Deferred tax Asset/ (Liabilities) in relation to:					
Property, Plant and Equipment	3 61.97	45.04	3 16.93	(27.93)	344.86
Carried Forward Losses	40 84.00	35 11.88	5 72.12	(57.34)	629.46
Financial Assets	3 48.47	41.90	3 06.57	(42.53)	349.1
Total	47 94.44	35 98.82	11 95.62	(1 27.80)	13 23.42

* Deferred tax assets not recognised due to absence of virtual certainity of realisation in future

₹ Lakh

5.	**Other Non-Current Assets** *(unsecured and considered good)*	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
	Capital Advances	**-**	4.35	20.59
	Advance Income Tax (Net of Provision) (i)	**1 87.83**	80.62	1 40.98
	Deposit with Vendors	**-**	-	2 46.43
	Total	**1 87.83**	84.97	4 08.00

(i)	**Advance Income Tax (Net of Provision)**	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
	At start of year	**80.62**	1 40.98	1 72.11
	Tax Paid (Net) during the year	**1 07.21**	(60.36)	(31.13)
	At end of year	**1 87.83**	80.62	1 40.98

₹ Lakh

6.	**Inventories** *(valued at lower of cost or net realisable value)*	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
	Raw Materials & Consumables	**32.71**	5 42.04	4 64.97
	Finished Goods	**-**	1 87.49	4 74.43
	Stock-in-trade	**20 71.14**	18 17.13	19 41.36
	Total	**21 03.85**	25 46.66	28 80.76

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

7.	Trade Receivables *(unsecured and considered good)*	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Trade Receivables	**25 33.36**	47 12.68	47 18.44
	Total	**25 33.36**	47 12.68	47 18.44

₹ Lakh

8.	Cash and Cash Equivalents	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Cash on Hand	**18.22**	0.29	0.87
	Balances with banks [(i)]	**4 05.20**	4 73.23	10 01.09
	Cash and Cash Equivalents as per Balance Sheet/ Standalone Statement of Cash Flows	**4 23.42**	4 73.52	10 01.96

[(i)] Includes deposits ₹ 352.12 Lakh (Previous year – 2018 ₹ 433.62 Lakh, Previous year – 2017 ₹ 425.07 Lakh) with maturity period of more than 12 months.

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.

₹ Lakh

9.	Other Financial Assets – Current	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Deposits	**4 71.56**	4 37.19	5 21.90
	Interest accrued on Fixed Deposits with Banks [(i)]	**11.19**	15.71	16.72
	Total	**4 82.75**	4 52.90	5 38.62

[(i)] Includes interest receivable.

₹ Lakh

10.	Other Current Assets *(Unsecured and Considered Good)*	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Balance with Customs, GST and State authorities	**4 81.03**	2 13.21	16.84
	Others [(i)]	**82.75**	1 01.42	7 04.54
	Total	**5 63.78**	3 14.63	7 21.38

[(i)] Includes advances to employees and vendors.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

11.	Share capital		As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Authorised Share Capital:				
	5,40,10,500 (5,40,10,500) (5,40,10,500)	Equity Shares of ₹ 10 each	**54 01.05**	54 01.05	54 01.05
		Total	**54 01.05**	54 01.05	54 01.05
	Issued, Subscribed and Paid-up:				
	1,25,66,845 (1,10,91,436) (1,07,25,668)	Equity Shares of ₹ 10 each fully paid up	**12 56.68**	11 09.14	10 72.57
		Total	**12 56.68**	11 09.14	10 72.57

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

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

Name of the Shareholders	31st March, 2019		31st March, 2018		1st April, 2017	
	No. of Shares	**% held**	No. of Shares	% held	No. of Shares	% held
1. Reliance Brands Limited	**54,86,479**	**43.66**	-	-	-	-
2. Reliance Retail Ventures Limited	**36,53,408**	**29.07**	-	-	-	-
3. Sanjay Kapoor	**33,69,978**	**26.82**	41,28,944	37.23	41,28,944	38.50
4. Sequoia Capital India Growth Investments I	-	-	20,77,399	18.73	18,44,663	17.20
5. HEP Mauritius Limited	-	-	13,93,585	12.56	13,93,585	12.99
6. Sanjay Kapoor Trust	-	-	10,50,245	9.47	10,50,245	9.79
7. Mayfield FVCI Limited.	-	-	9,02,300	8.14	9,02,300	8.41

₹ Lakh

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

Particulars	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
	No. of Shares	No. of Shares	No. of Shares
At the beginning of the year	**1,10,91,436**	1,07,25,668	20,96,189
Add: Shares alloted during the year	**14,75,409**	3,65,768	2,44,723
Add: Bonus shares issued during the year	-	-	83,84,756
At the end of the year	**1,25,66,845**	1,10,91,436	1,07,25,668
Equity shares at the end of the year	**1,25,66,845**	1,10,91,436	1,07,25,668

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

(iv) The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

(v) Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding 31 March 2019):

	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
Equity shares allotted as fully paid up bonus shares by utilisation of balance in Securities Premium Account	-	-	83.85	-	-

During the year ended 31 March 2017, the Company had allotted 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 14 September 2016.

Employee stock option plan

Terms attached to stock options granted to employees of the Company are described in note 32 regarding share based payments.

₹ Lakh

12.	**Other Equity**		**As at 31st March, 2019**		As at 31st March, 2018		As at 1st April, 2017
	Retained Earnings						
	As per last Balance Sheet	**(129 23.37)**		(94 64.96)		(60 83.91)	
	Add: Profit/(loss) for the year	**(14 73.11)**		(34 58.42)		(33 81.05)	
			(143 96.48)		(129 23.38)		(94 64.96)
	Other Comprehensive Income (OCI)						
	As per last Balance Sheet	**43.95**		14.70		-	
	Add: Movement in OCI (Net) during the year	**49.15**		29.25		14.70	
			93.10		43.95		14.70
	Securities Premium Account						
	As per last Balance Sheet	**188 68.72**		167 05.06		155 34.84	
	Addition During the year	**43 52.46**		21 63.59		20 08.70	
	Add: Amount transferred from Share option outstanding account	**-**		0.07		-	
	Less: deduction during the year	-		-		(8 38.48)	
			232 21.18		188 68.72		167 05.06
	Shares Option outstanding account						
	As per last Balance Sheet	**1 55.58**		21.09		-	
	Add: Employee stock option charge relating to employees of subsidiary company (refer note 32 (a))	**(73.22)**		1 34.56		18.56	
	Add: Expense during the year	-		-		2.53	
	Less: Amount transferred to securities premium	-		(0.07)		-	
			82.36		1 55.58		21.09
	Total		**90 00.16**		61 44.88		72 75.89

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

13. Borrowings – Non-Current	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Unsecured – At Amortised Cost			
Loans and advances from related parties [(i)] [Refer Note 31(ii)]	**2 33.19**	-	-
Term loans from banks	-	6 20.92	7 42.96
Term loans from Others	-	-	1 32.72
Secured – At Amortised Cost			
Term loans from banks [(ii)]	**6.98**	12.63	15.20
Total	**2 40.17**	6 33.55	8 90.88

(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 instalments.

₹ Lakh

14. Provisions – Non-Current	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Provision for employee benefits (Refer note 22.1) [(i)]	**1 01.48**	1 60.87	1 68.76
Total	**1 01.48**	1 60.87	1 68.76

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

₹ Lakh

15. Borrowings – Current	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Secured – At Amortised Cost			
Working capital limits [(i)]	-	44 79.53	44 24.31
Unsecured – At Amortised Cost			
Working capital limits	**7 13.00**	-	-
Total	**7 13.00**	44 79.53	44 24.31

(i) Secured by way of investment and personnel guarantee of one of the Directors of the company.

* Cash credit and working capital facility these are secured by:

– first pari passu charge over entire current assets and movable fixed assets (except for those located at Plot No. 28, Sector 6, Manesar Gurgaon).

– equitable mortgage (on second charge basis) over land and building located at Plot No. 28, Sector 6, Manesar Gurgaon.

– first charge on pari passu basis on Brand value "SATYA PAUL", the flagship brand of the Company.

It is further secured by way of corporate guarantee given by Genesis Overseas Private Limited (Enterprises in which KMP have substantial interest), and personal guarantee given by one of the director of the Company and his relative.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

16.	Trade Payables due to		As at 31st March, 2019		As at 31st March, 2018		As at 1st April, 2017
	Micro and Small Enterprises	-		-		-	
	Other than Micro and Small Enterprises	3 57.04		11 66.59		13 55.97	
			3 57.04		11 66.59		13 55.97
	Total		**3 57.04**		11 66.59		13 55.97

16.1 There are no amounts outstanding to Micro, Small and Medium Enterprises as at March 31, 2019 and no amount were overdue during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

₹ Lakh

17.	Other Financial liabilities	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Current maturities of Borrowings – Non-Current	**3.15**	5 20.43	7 26.18
	Interest accrued but not due on Borrowings	**1 41.85**	15.69	23.28
	Creditors for Capital Expenditure	**-**	36.32	1 45.92
	Other Payables [(i)]	**1 89.25**	2 85.56	3 31.72
		3 34.25	8 58.00	12 27.10

(i) Includes security deposits received.

₹ Lakh

18.	Other Current Liabilities	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Other payables [(i)]	**3 40.07**	3 21.60	5 75.48
		3 40.07	3 21.60	5 75.48

(i) Includes statutory dues and advances from customers.

₹ Lakh

19.	Provisions – Current	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	Provision for employee benefits (Refer note 22.1) [(i)]	**1.98**	16.06	8.92
	Other Provisions	**5 50.17**	5 50.17	3 48.01
	Total	**5 52.15**	5 66.23	3 56.93

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

₹ Lakh

20.	Other Income	2018-19		2017-18	
	Interest				
	Bank Deposits	**19.65**		33.70	
	Others	**-**		2.34	
	Income tax refunds	**-**		53.80	
			19.65		89.84
	Gain on sale of long-term investments in subsidiaries		**2 11.08**		-
	Dividend on Investment in a subsidiary (refer note 32(b))		**21.01**		46.01
	Gain on sale of brand to fellow subsidiary		**10 00.00**		-
	Other non-operating income		**23.28**		23.90
	Total		**12 75.02**		1 59.75

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

21. Changes in Inventories of Stock-in-Trade	2018-19	2017-18
Inventories (at close)		
Stock-in-trade / Finished Goods	**20 71.14**	20 04.62
Inventories (at commencement)		
Stock-in-trade / Finished Goods	**20 04.62**	24 15.79
Total	**(66.52)**	4 11.17

₹ Lakh

22. Employee Benefits Expense	2018-19	2017-18
Salaries and wages	**12 92.81**	19 18.99
ESOP Cost	**(52.22)**	2 08.06
Contribution to provident fund and other funds	**70.33**	73.90
Staff welfare expenses	**1 23.66**	164.78
Total	**14 34.58**	23 65.73

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:

	2018-19	2017-18
Employer's contribution to Provident Fund	**2.49**	52.58
Employer's contribution to ESIC	**9.63**	21.32

Defined Benefit Plan

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

Particulars	Gratuity (unfunded)	
	2018-19	2017-18
Defined benefit obligation at beginning of the year	**1 44.68**	1 48.72
Current service cost	**19.90**	29.60
Past service cost	**-**	2.93
Interest cost	**11.28**	11.15
Actuarial (gain)/loss	**(49.15)**	(29.25)
Benefits paid	**(46.58)**	(18.47)
Transfer in/(out)	**-**	-
Defined benefit obligation at year end	**80.13**	1 44.68

II. Reconciliation of fair value of assets and obligations ₹ Lakh

Particulars	Gratuity (unfunded)	
	2018-19	2017-18
Fair value of plan assets	**-**	-
Present value of obligation	**80.13**	1 44.68
Amount recognised in Balance Sheet (Surplus/Deficit)	**80.13**	1 44.68

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

III. Expenses recognised during the year

₹ Lakh

Particulars	Gratuity (unfunded)	
	2018-19	2017-18
Current service cost	**19.90**	29.60
Interest cost	**11.28**	11.15
Past service cost	**-**	2.93
Net benefit expense/(income)	**31.18**	43.68
In Other Comprehensive Income		
Actuarial (gain/Loss)	**(49.15)**	(29.25)
Net (Income)/Expense For the period Recognised in OCI	**(49.15)**	(29.25)

IV. Actuarial assumptions

Particulars	Gratuity (unfunded)	
	2018-19	2017-18
Mortality Table (IALM)	**2006-08 (Ultimate)**	2006-08 (Ultimate)
Discount rate (per annum)	8.00%	7.80%
Rate of escalation in salary (per annum)	6.00%	7.50%
Rate of employee turnover (per annum)	**2.00%**	10.00%

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 2018-19.

VI. Sensitivity Analysis

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

₹ Lakh

Particulars	**As at 31st March, 2019**		As at 31st March, 2018	
	Decrease	**Increase**	Decrease	Increase
Change in discounting rate (delta effect of +/- 0.5%)	**5.64**	**(5.14)**	5.50	(5.17)
Change in rate of salary increase (delta effect of +/- 0.5%)	**(5.26)**	**5.72**	(5.20)	5.49
Change in rate of employee turnover (delta effect of +/- 0.5%)	**0.81**	**(0.76)**	-	-

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

₹ Lakh

23.	Finance Costs	2018-19	2017-18
	Interest on Borrowings	**5 14.62**	6 92.81
	Total	**5 14.62**	6 92.81

₹ Lakh

24.	Other Expenses	2018-19		2017-18	
	Selling and Distribution Expenses				
	Sales promotion and advertisement expenses	**7 41.70**		8 38.23	
	Store running expenses	**1 80.11**		1 51.07	
	Royalty	**3.36**		14.29	
	Commission	**8.66**		2.30	
	Warehousing and distribution expenses	**2 43.83**		2 77.61	
			11 77.66		12 83.50
	Establishment Expenses				
	Stores and packing materials	**62.66**		-	
	Building repairs and maintenance	**46.28**		49.47	
	Other repairs	**46.32**		56.60	
	Rent including lease rentals	**12 07.28**		13 30.86	
	Insurance	**25.49**		30.39	
	Rates and taxes	**28.81**		29.92	
	Travelling and conveyance expenses	**73.02**		1 02.97	
	Professional fees	**1 38.78**		1 79.35	
	Loss/(Gain) on sale/discarding of assets (net)	**(3.95)**		71.45	
	Exchange differences (net)	**3.55**		(0.55)	
	Security and Housekeeping expenses	**3.17**		-	
	Electricity expenses	**1 18.60**		1 72.05	
	Hire charges	**8.26**		-	
	IPO expenses	**-**		4 97.46	
	Provision for doubtful receivables	**3 45.42**		18.24	
	Provision for doubtful advances	**-**		96.15	
	Litigation Provision	**-**		2 39.49	
	Advances written off	**-**		2 74.00	
	General expenses	**1 91.54**		1 59.82	
			22 95.23		33 07.67
24.1	**Payments to Auditor**				
	Statutory Audit Fees	**19.00**		17.01	
	Certification and Consultation Fees	**0.75**		-	
			19.75		17.01
	Total		**34 92.64**		46 08.18

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

25. The Company is mainly engaged in 'Manufacturing and 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)	**2018-19**	2017-18
Face Value per Equity Share (₹)	**10.00**	10.00
Basic/Diluted Earnings per Share (₹) *	**(13.03)**	(31.26)
Net profit/(loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakh)	**(14 73.11)**	(34 58.42)
Weighted average number of equity shares used as denominator for calculating Basic/Diluted EPS	**1,13,01,631.25**	1,10,62,397.00

* Diluted EPS is same as basic EPS, being anti-dilutive

₹ Lakh

27. Commitments and Contingent Liabilities	**As at 31st March, 2019**	As at 31st March, 2018	As at 1st April, 2017
Contingent Liabilities:			
Claims against the Company/disputed liabilities not acknowledged as debts			
In respect of others	**1 00.61**	1 00.61	2 60.49

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 & cash equivalents.

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

₹ Lakh

	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
Gross Debt	**9 56.32**	56 33.51	60 41.37
Cash and Marketable Securities	**4 23.42**	4 73.52	10 01.96
Net Debt (A)	**5 32.90**	51 59.99	50 39.41
Total Equity (As per Balance Sheet) (B)	**102 56.83**	72 54.02	83 48.46
Net Gearing ratio (A/B)	**0.05**	0.71	0.60

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

29. Financial Instruments

Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value 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: **₹ Lakh**

Particulars	As at 31st March, 2019			As at 31st March, 2018			As at 1st April, 2017		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
Financial Assets									
At Amortised Cost									
Investments	**52 75.08**	-	-	54 20.17	-	-	54 20.17	-	-
Trade Receivables	**25 33.36**	-	-	47 12.68	-	-	47 18.44	-	-
Cash and Cash Equivalents	**4 23.42**	-	-	4 73.52	-	-	10 01.96	-	-
Other Financial Assets	**4 82.75**	-	-	4 52.90	-	-	5 38.62	-	-
At FVTPL									
Investments	-	-	-	-	-	-	-	-	-
Financial Derivatives (previous year ₹ 26 837)	-	-	-	-	-	-	-	-	-
Financial Liabilities									
At Amortised Cost									
Borrowings	**9 53.17**	-	-	51 13.08	-	-	53 15.19	-	-
Trade Payables	**3 57.05**	-	-	11 66.58	-	-	13 55.98	-	-
Other Financial Liabilities	**3 34.25**	-	-	8 58.00	-	-	12 27.10	-	-
At FVTPL									
Financial Derivatives	-	-	-	-	-	-	-	-	-

Excludes financial assets measured at cost (Refer Note 2)

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

Foreign Currency Risk

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

i) **Foreign Currency Exposure** ₹ Lakh

	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
	USD	USD	USD
Trade and other Payables	**13.87**	12.63	-
Exposure	**13.87**	12.63	-

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

i) **Foreign Currency Sensitivity** ₹ Lakh

	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
1% Depreciation in INR	**USD**	USD	USD
Impact on P&L	**(0.14)**	(0.13)	-
Total	**(0.14)**	(0.13)	-
1% Appreciation in INR	**USD**	USD	USD
Impact on P&L	**0.14**	0.13	-
Total	**0.14**	0.13	-

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, 2019	As at 31st March, 2018	As at 1st April, 2017
Fixed Rate Loan	**2 43.32**	11 53.98	16 17.06
Floating Rate Loan	**7 13.00**	44 79.53	44 24.31
Total	**9 56.32**	56 33.51	60 41.37

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

Interest rate Sensitivity ₹ lakh

	As at 31st March, 2019		As at 31st March, 2018	
	Up Move	**Up Move**	Up Move	Up Move
Impact on P&L	**(9.56)**	**9.56**	(56.34)	56.34
	(9.56)	**9.56**	(56.34)	56.34

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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.

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, 2019

Particulars	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current	-	-	-	-	2 40.17	-	2 40.17
Current	-	7 16.15	-	-	-	-	7 16.15
Total	**-**	**7 16.15**	**-**	**-**	**2 40.17**	**-**	**9 56.32**

Maturity Profile as at 31st March, 2018

Particulars	Below 3 Months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current*	-	-	-	-	6 33.55	-	6 33.55
Current	-	49 99.96	-	-	-	-	49 99.96
Total	**-**	**49 99.96**	**-**	**-**	**6 33.55**	**-**	**56 33.51**

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

i) Loan given by the company to body corporate as at 31st March 2019 (Refer Note 3)

ii) Investments made by the company as at 31st March 2019 (Refer Note 2)

All the above Corporate Guarantees have been given for business purpose.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

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 (w.e.f September 07, 2018)	Ultimate Holding Company
2	Reliance Retail Ventures Limited (w.e.f September 07, 2018)	Holding Company
3	Reliance Retail Limited (w.e.f September 07, 2018)	
4	Reliance Brands Limited (w.e.f September 07, 2018)	Fellow Subsidiaries
5	Genesis Luxury Fashion Private Limited (w.e.f September 07, 2018)	
6	Genesis Colors Middle East FZE (till January 28, 2018)	Subsidiaries
7	Burberry India Private Limited	Joint Venture
8	Sanjay Kapoor	
9	Samit Guha (upto August 31, 2018)	
10	Yash Baheti (w.e.f September 22, 2018)	Key Managerial Personnel
11	Virender bhasin (w.e.f September 22, 2018)	
12	Meenu Juneja	

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

Sr No	Nature of Transactions	Ultimate Holding Company	Holding Company	Subsidiaries	Joint Venture	Fellow Subsidiaries	Associates	Key Managerial Personnel	Total
1	Shares issued and alloted	-	**44 99.99**	-	-	-	-	-	**44 99.99**
		-	-	-	-	-	-	-	-
2	Net unsecured loans taken/ (repaid)	-	-	-	-	**2 33.19**	-	-	**2 33.19**
		-	-	-	-	-	-	-	-
3	Revenue from operations	-	-	-	**63.93**	**63.40**	-	-	**1 27.33**
		-	-	*2 01.18*	*1 31.75*	-	-	-	*3 32.93*
4	Other Income	-	-	-	-	**10 00.00**	-	-	**10 00.00**
		-	-	-	-	-	-	-	-
5	Purchases	-	-	-	-	**4.19**	-	-	**4.19**
		-	-	-	-	-	-	-	-
6	Interest cost	-	-	-	-	**1 36.55**	-	-	**1 36.55**
		-	-	-	-	-	-	-	-
7	Payment to Key Managerial Personnel	-	-	-	-	-	-	**1 92.51**	**1 92.51**
		-	-	-	-	-	-	*2 99.00*	*2 99.00*
Balance as at 31st March, 2019									
7	Share capital	-	**3 65.34**	-	-	**5 48.65**	-	**3 37.00**	**12 50.99**
		-	-	-	-	-	-	*4 12.90*	*4 12.90*
		-	-	-	-	-	-	4 12.89	4 12.89
8	Borrowings - Non-Current	-	-	-	-	**2 33.19**	-	-	**2 33.19**
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

Sr No	Nature of Transactions	Ultimate Holding Company	Holding Company	Subsidiaries	Joint Venture	Fellow Subsidiaries	Associates	Key Managerial Personnel	Total
9	Investments - Non-Current	**-**	**-**	**-**	**22 32.30**	**30 24.22**	**-**	**-**	**52 56.52**
		-	-	*31 93.46*	*22 32.30*	-	-	-	*54 25.76*
		-	-	*31 93.46*	*22 32.30*	-	-	-	*54 25.76*
10	Loans - Non-Current	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-	-
		-	-	*17.00*	-	-	-	-	*17.00*
11	Trade and other receivables	**-**	**-**	**-**	**5.17**	**1 30.33**	**-**	**-**	**1 35.50**
		-	-	*10.28*	-	-	-	-	*10.28*
		-	-	-	-	-	-	-	-
12	Trade and other payables	**-**	**-**	**-**	**-**	**4.94**	**-**	**-**	**4.94**
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-

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

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

	Particulars	Relationship	2018-19	2017-18
1	**Share application money paid**			
	Reliance Retail Ventures Limited	Holding Company	**44 99.99**	-
2	**Net unsecured loans taken**			
	Reliance Brands Limited	Fellow Subsidiary	**5 70.00**	-
3	**Net unsecured loans repaid**			
	Reliance Brands Limited	Fellow Subsidiary	**3 36.81**	-
4	**Revenue from operations**			
	Burberry India Private Limited	Joint Venture	**63.93**	1 31.75
	Genesis Luxury Fashion Private Limited	Fellow Subsidiary	**63.40**	-
	Genesis Luxury Fashion Private Limited	Subsidiaries	**-**	2 01.18
5	**Other Income**			
	Reliance Retail Ltd.	Fellow Subsidiary	**10 00.00**	-
6	**Purchases**			
	Reliance Brands Limited	Fellow Subsidiary	**4.19**	-
8	**Interest cost**			
	Reliance Brands Limited	Fellow Subsidiary	**1 36.55**	-
9	**Payment to Key Managerial Personnel**			
	Sanjay Kapoor	Key Managerial Personnnel	**41.00**	85.00
	Samit Guha	Key Managerial Personnnel	**52.00**	1 69.00
	Yash Baheti	Key Managerial Personnnel	**22.40**	-
	Virender bhasin	Key Managerial Personnnel	**27.11**	-
	Meenu Juneja	Key Managerial Personnnel	**50.00**	45.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

9 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 in**
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 audited financial statements available with the Company) is as under:

₹ Lakh

Particulars	**2018-19**	2017-18	2016-17
Non-current assets	**8 48.86**	10 58.28	15 32.47
Current assets	**20 09.20**	15 01.68	14 61.81
Non-current liabilities	**81.21**	90.07	1 05.41
Current liabilities	**7 93.56**	11 44.56	18 25.96
Revenue	**51 17.23**	47 69.69	-
Expenses (including income tax)	**44 68.66**	45 13.78	-

31.1 **Compensation of Key Managerial Personnel**

₹ Lakh

		2018-19	2017-18
i)	Short-term benefits	**1 83.25**	2 84.62
ii)	Post employment benefits	**9.26**	14.38
	Total	**1 92.51**	2 99.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

32 Employee share-based payment plans

a. Description of share-based payment arrangements

As at 31 March 2019, 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 subsidiary at the exercise price of ₹ 427.20 Lakh (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 March 2019**		**For the year ended 31 March 2018**	
	Number of equity shares	**Weighted average exercise price***	**Number of equity shares**	**Weighted average exercise price**
Options outstanding at the beginning of the year	176,500	420.20	176,500	420.20
Options forfeited during the year	149,810	-	-	-
Options outstanding at the end of the year	26,690	420.20	176,500	420.20
Option exercisable at the end of the year	25,190	427.20	20,816	403.94

The options outstanding at 31 March 2019 have an exercise price of Rs. 347 - Rs. 427 (previous year Rs.347 – Rs. 427) and a weighted average contractual life of 0.15 years (previous year 1.15 years).

The ESOP cost is amortized on a straight-line basis over the total vesting period of the options. Accordingly, ₹ 73.55 Lakh (Previous Year: ₹ 134.55 Lakh) 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 March 2019**	**31 March 2018**
Exercise price	Rs. 347- Rs 427	Rs. 347- Rs 427
Share price	Rs. 601.54	Rs. 601.54
Expected volatility	10%	10%
Expected life	7 years	7 years
Expected dividend	Nil	Nil
Risk-free interest rate	8.33%	8.33%

b. Share option programme of the Subsidiary Company

The Company had approved a share option programme under which have options been granted to certain employees of the Company and its fellow subsidiaries exercise price of ₹132 (face value ₹10) to be vested from time to time on the basis of performance and other eligible criteria.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

The options are to be exercised within a maximum period of 3 years from the date of grant. The options outstanding at 31 March 2019 have an exercise price of ₹ 132 (previous year ₹ 132) and weighted average balance life of options outstanding as on 31 March 2018 is 0.81 years (previous year 1.81).

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

Particulars	For the year ended 31 March 2019		For the year ended 31 March 2018	
	Number of equity shares	Weighted average exercise price	Number of equity shares	Weighted average exercise price
Options outstanding at the beginning of the year	83,990	132	83,990	132
Option forfeited during the year	4,990	132	-	-
Option exercised during the year	79,000	132	-	-
Options outstanding at the end of the year	-	-	83,990	132
Option exercisable at the end of the year	-	-	20,086	132

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

Particular	31 March 2019	31 March 2018
Expected life of the option (in years)	10	10
Expected volatility (in %)	10%	10%
Dividend yield	0%	0%
Risk-free interest rate (in %)	8.33%	8.33%

The ESOP cost is amortized on a straight-line basis over the total vesting period of the options. Accordingly, ₹ 21 Lakh (Previous Year: ₹ 73.22 Lakh) has been charged to the current year Statement of Profit and Loss and corresponding amount has been disclosed as distribution by subsidiary.

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

34 The Financial statements were approved for issue by the Board of Directors on April 15, 2019.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

35. Reconciliation of balance sheet due to effect of Ind AS adoption

Particulars	Note	As at April 1, 2017 (Transition date)			As at March 31, 2018		
		Previous GAAP*	**Transition to Ind AS/ Rectification of error**	**Ind AS**	**Previous GAAP***	**Transition to Ind AS/ Rectification of error**	**Ind AS**
ASSETS							
Non-current assets							
Property, Plant and Equipment		16 53.83	(34.81)	16 19.02	14 83.22	(55.27)	14 27.95
Capital Work-in-Progress		8.67	-	8.67	-	-	-
Intangible Assets		13.87	-	13.87	6.91	-	6.91
Financial assets							
– Investments		54 20.17	-	54 20.17	54 20.17	-	54 20.17
– Loans		17.00	-	17.00	-	-	-
Deferred Tax Assets (net)							
Other Non-Current Assets		4 08.00	-	4 08.00	84.97	-	84.97
Total non-current assets		**75 21.54**	**(34.81)**	**74 86.73**	**69 95.26**	**(55.27)**	**69 40.00**
Current assets							
Inventories		28 80.76	-	28 80.76	25 46.66	-	25 46.66
Financial assets							
– Trade receivables		47 18.44	-	47 18.44	47 12.68	-	47 12.68
– Cash and cash equivalents		10 01.96	-	10 01.96	4 73.52	-	4 73.52
– Other financial assets		5 38.62	-	5 38.62	4 52.90	-	4 52.90
Other Current Assets		7 21.38	-	7 21.38	3 14.63	-	3 14.63
Total current assets		**98 61.16**	-	**98 61.16**	**85 00.39**	-	**85 00.39**
Total assets		**173 82.70**	**(34.81)**	**173 47.89**	**154 95.65**	**(55.27)**	**154 40.39**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		10 72.57	-	10 72.57	11 09.14	-	11 09.14
Other equity		71 14.19	1 61.70	72 75.89	59 99.68	1 45.20	61 44.88
Total equity		**81 86.76**	**1 61.70**	**83 48.46**	**71 08.82**	**1 45.20**	**72 54.02**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

Particulars	Note	As at April 1, 2017 (Transition date)			As at March 31, 2018		
		Previous GAAP*	Transition to Ind AS/ Rectification of error	Ind AS	Previous GAAP*	Transition to Ind AS/ Rectification of error	Ind AS
Liabilities							
Non-current liabilities							
Financial liabilities							
– Borrowings		890.88	-	890.88	633.55	-	633.55
– Provisions		1 68.76	-	1 68.76	1 60.87	-	1 60.87
– Other financial liabilities		1 56.48	(1 56.48)	-	1 85.09	(1 85.09)	-
Total non-current liabilities		**12 16.12**	**(1 56.48)**	**10 59.64**	**9 79.51**	**(1 85.09)**	**7 94.42**
Current liabilities							
Financial liabilities							
– Borrowings		44 24.31	-	44 24.31	44 79.53	-	44 79.53
– Trade payables		13 55.97	-	13 55.97	11 66.59	-	11 66.59
– Other financial liabilities		12 27.10	-	12 27.10	8 58.00	-	8 58.00
Other liabilities		6 15.51	(40.03)	5 75.48	3 36.97	(15.37)	3 21.60
Provisions		3 56.93	-	3 56.93	5 66.23	-	5 66.23
Total current liabilities		**79 79.82**	**(40.03)**	**79 39.79**	**74 07.32**	**(15.37)**	**73 91.95**
Total liabilities		**91 95.94**	**(1 96.51)**	**89 99.43**	**83 86.83**	**(2 00.46)**	**81 86.37**
Total equity and liabilities		**173 82.70**	**(34.81)**	**173 47.89**	**154 95.65**	**(55.26)**	**154 40.39**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

36 Reconciliation of total comprehensive income for the year ended March 31, 2018 due to effect of Ind AS adoption

Particulars	Note	For the year ended March 31, 2018		
		Previous GAAP*	Transition to Ind AS / Rectification of error	Ind AS
INCOME				
Value of Sales		93 61.14	21.94	93 83.08
Income from services		3 31.37	(0.55)	3 30.82
Value of Sales & Services (Revenue)		96 92.51	21.39	97 13.90
Less: GST / Service Tax recovered		7 20.84	-	7 20.84
Revenue from Operations		89 71.67	21.39	89 93.06

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

Particulars	Note	For the year ended March 31, 2018		
		Previous GAAP*	**Transition to Ind AS / Rectification of error**	**Ind AS**
Other Income		1 59.75	-	1 59.75
Total Income		**91 31.42**	**21.39**	**91 52.81**
Expenses				
Cost of material consumeed & purchases of Stock-in-Trade		26 27.45	-	26 27.45
Purchases of Stock-in-Trade		15 56.25	-	15 56.25
Changes in Inventories of Stock-in-Trade		4 11.17	-	4 11.17
Employee Benefits Expense		22 22.45	1 43.28	23 65.73
Finance Costs		6 92.81	-	6 92.81
Depreciation and Amortisation Expense		3 62.47	(12.83)	3 49.64
Other Expenses		45 87.72	20.46	46 08.18
Total Expenses		**124 60.32**	**1 50.91**	**126 11.23**
Profit / (Loss) before Tax		**(33 28.90)**	**(1 29.52)**	**(34 58.42)**
Exceptional items		-	-	-
Profit / (Loss) for the year		**(33 28.90)**	**(1 29.52)**	**(34 58.42)**
Other Comprehensive Income		-	29.25	29.25
Items that will not be reclassified to Profit or Loss				
Total Comprehensive Income for the Year		**(33 28.90)**	**(1 00.27)**	**(34 29.17)**
Earnings per Equity Share of face value of ₹ 10 each				
Basic and Diluted (in ₹)				

Reconciliation of total equity as at March 31, 2018 and April 1, 2017 due to effect of Ind AS adoption

Particulars	Note	As at March 31, 2018	As at April 1, 2017
Equity as reported under Previous GAAP		**71 08.82**	**81 86.76**
Impact of lease equalisation reserve	(a)	1 45.20	1 61.70
Total Equity under Ind AS		**72 54.02**	**83 48.46**

(a) ***Reversal of lease equalisation reserve***

Under Previous GAAP, the lease payments under operating leases were recognised as expense on a straight line basis over the lease term. Under Ind AS, lease payments are not recognised on a straight line basis if payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Accordingly, the lease equalisation reserve (LER) pertaining to operating lease agreements has been reversed. As at the date of transition, the reversal of LER has been adjusted against retained earnings.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019

(b) ***Defined Benefit Plans***

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets on the net defined benefit obligation are recognised in other comprehensive income instead of profit or loss. Under the Previous GAAP, these re-measurements were forming part of the profit or loss for the year.

(c) ***Employee stock option expense***

Under the Previous GAAP, the cost of equity-settled employee share based plan were recognised using intrinsic value method. Under Ind AS, cost of equity-settled employee share based plan is recognised based on fair value of options as at grant date. The impact pertaining to employees of the company for the year ended March 31, 2017 has been recognised in the Statement of Profit and Loss.

(d) ***Revenue Recognition***

The fair value of Loyalty points accrued has been accounted as adjustment to Revenue under Ind AS.

As per our Report of even date

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

(Manoj H. Dama)
(Partner)
(Membership No. 107723)

Mumbai
Dated: 15th April, 2019

For and on behalf of the Board

V. Subramaniam
Director

K. Sudarshan
Director

Ranjit V. Pandit
Director

Yash Baheti
Chief Executive Officer

Meenu Juneja
Company Secretary

Darshan Mehta
Director

Sanjay Kapoor
Director

V. Ramachandran
Director

Virender Bhasin
Chief Financial Officer