

Reliance Lifestyle Products Private Limited

Financial Statements

2023-24

INDEPENDENT AUDITOR'S REPORT**To The Members of Reliance Lifestyle Products Private Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Reliance Lifestyle Products Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including summary of material accounting policies and other explanatory information.

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 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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

Responsibilities of Management and Those Charged with Governance 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 accounting principles generally accepted in India, including Ind AS. 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 and Board of Directors 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 Board of Director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 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 with reference to financial statements 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 with reference to financial statements.
- 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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 34(iii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 34(iv) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 24103999BKENDS3170

Mumbai, 16th April 2024

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 Reliance Lifestyle Products Private Limited for the year ended 31st March 2024)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Reliance Lifestyle Products Private Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the Ind AS 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 with reference to financial statement based on the internal control with reference to financial statements 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to financial statements 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)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 24103999BKENDS3170

Mumbai, 16th April 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Reliance Lifestyle Products Private Limited for the year ended 31st March 2024)

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

(i)	(a)	(A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital work-in-progress.
		(B)	The Company has maintained proper records showing full particulars of intangible assets.
	(b)		Some of the items of Property, Plant and Equipment and capital work-in-progress, were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all Property, Plant and Equipment and capital work-in-progress at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
	(c)		The Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), and hence reporting under clause 3(i)(c) of the Order is not applicable.
	(d)		The Company has not revalued any of its Property, Plant and Equipment, Right of Use Assets and intangible assets during the year.
	(e)		No proceedings have been initiated during the year or are pending against the Company as at 31 st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder, and hence reporting under clause 3(i)(e) of the Order is not applicable.
(ii)	(a)		The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
	(b)		According to the information and explanation given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii)			The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.
(iv)			According to information and explanation given to us, the Company has not granted any loans, made investment or provided guarantees or securities that are covered under the provision of sections 185 or 186 of the Companies Act, 2013 and hence reporting under clause 3(iv) of the Order is not applicable.
(v)			The Company has not accepted any deposit during the year nor has any unclaimed deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence reporting under clause 3(v) of the Order is not applicable to the Company.
(vi)			Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.
(vii)	(a)		In respect of statutory dues: Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues in arrears as at 31 st March 2024 for a period of more than six months from the date they became payable.
	(b)		There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March, 2024.
(viii)			There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
(ix)	(a)		The Company has not defaulted in the repayment of loans or in the payment of interest thereon to any lender during the year.
	(b)		The Company has not been declared wilful defaulter by any bank, financial institution or government or any government authority.
	(c)		To the best of our knowledge and belief, in our opinion, Term loans availed by the Company were, applied by the Company during the year for the purposes for which loans were obtained.
	(d)		On an overall examination of the financial statements of the Company, funds raised on short-term basis have, <i>prima facie</i> , not been used during the year for long-term purposes by the Company.

	(e)		On an overall examination of the financial statements of the Company, the Company does not have subsidiaries, associates, or joint ventures, hence reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
(x)	(a)		The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
	(b)		During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
(xi)	(a)		To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
	(b)		To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
	(c)		As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
(xii)			The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
(xiii)			The Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)			The Company did not have an internal audit system during the year and is not required to have an internal audit system as per provision of the Companies Act, 2013.
(xv)			During the year, the Company has not entered into any non-cash transactions with any of its directors, or directors of its holding company or person connected with such directors and hence provisions of Section 192 of the Act are not applicable to the Company.
(xvi)	(a)		The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable.
	(d)		The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clauses 3(xvi)(d) of the Order is not applicable.

(xvii)			The Company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
(xviii)			There has been no resignation of the statutory auditors of the Company during the year.
(xix)			On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)			The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 24103999BKENDS3170

Mumbai, 16th April 2024

Reliance Lifestyle Products Private Limited
Balance Sheet as at 31st March, 2024

	Notes	As at		₹ Lakhs
		31st March, 2024	31st March, 2023	As at 31st March, 2023
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1	480.74	46.38	
Capital Work-in-Progress	1	1.60	1.00	
Financial Assets				
Other Financial Assets	2	145.12	97.83	
Deferred Tax Assets (net)	3	29.57	29.28	
Other Non Current Assets	4	15.96	8.55	
Total Non-Current Assets		672.99		183.04
Current Assets				
Inventories	5	952.62	908.99	
Financial Assets				
Investments	6	181.69	-	
Trade Receivables	7	405.99	88.12	
Cash and Cash Equivalents	8	27.15	222.54	
Other Financial Assets	9	52.40	10.10	
Other Current Assets	10	183.96	169.54	
Total Current Assets		1,803.81		1,399.29
Total Assets		2,476.80		1,582.33
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	11	1,749.00	1,749.00	
Other Equity	12	(875.47)	(915.72)	
Total Equity		873.53		833.28
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	13	480.00	-	
Lease Liabilities	14	189.67	-	
Provisions	15	12.25	11.10	
Total Non-Current Liabilities		681.92		11.10
Current Liabilities				
Financial Liabilities				
Lease Liabilities	16	139.48	48.21	
Trade Payables	17	-	0.77	
- Micro and Small Enterprises		-	0.77	
- Other Than Micro and Small Enterprises		741.26	624.76	
Other Financial Liabilities	18	10.76	1.12	
Other Current Liabilities	19	28.84	62.67	
Provisions	20	1.01	0.42	
Total Current Liabilities		921.35		737.95
Total Liabilities		1,603.27		749.05
Total Equity and Liabilities		2,476.80		1,582.33

Material Accounting Policies
See accompanying Notes to the Financial Statements 1 to 36

Reliance Lifestyle Products Private Limited

As per our Report of even date

For and on behalf of the Board

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

Sanjay Kapoor
Director
DIN: 00264602

Varsha A. Fadte
Partner
Membership No. 103999

Ashish Mahadeo Patil
Director
DIN: 00076627

Samirbhai Rameshbhai Sheth
Director
DIN: 01285752

Dhirendra Harilal Shah
Director
DIN: 00004616

Kinjal Jayprakash Shah
Chief Executive Officer

Brijesh Rashmikant Upadhyay
Chief Financial Officer

Mumbai
Dated : 16th April 2024

Preeti Kishinchand Chhapru
Company Secretary

Reliance Lifestyle Products Private Limited
Statement of Profit and Loss for the year ended 31st March, 2024

	Notes	2023-24	₹ Lakhs 2022-23
INCOME			
Value of Sales		1,959.23	2,049.45
Income from services		30.33	21.24
Value of Sales and Services		1,989.56	2,070.69
Less: Goods and Service Tax Recovered		261.48	266.95
Revenue from Operations		1,728.08	1,803.74
Other Income	21	13.59	1.10
Total Income		1,741.67	1,804.84
EXPENSES			
Purchases of Stock-in-Trade		774.57	733.85
Changes in Inventories of Stock-in-Trade	22	(48.09)	9.65
Employee Benefits Expense	23	187.31	189.09
Finance Costs	24	50.61	14.15
Depreciation and Amortisation Expense	1	181.52	150.65
Other Expenses	25	540.32	555.43
Total Expenses		1,686.24	1,652.82
Profit before Tax		55.43	1 52.02
Tax expenses:			
Current Tax	29	12.68	31.49
Short / (Excess) provision for tax relating to prior years		2.00	-
Deferred Tax- Charge/(Credit)	3	(0.13)	7.87
Profit for the year		40.88	1 12.66
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss	23.1	(0.63)	0.58
Income tax relating to items that will not be reclassified to profit or loss		0.16	-
Total Comprehensive Profit for the Year		40.41	1 13.24
Earnings per Equity Share of face value of ₹ 10 each			
Basic (in ₹)	27	0.23	0.64
Diluted (in ₹)		0.23	0.64
Material Accounting Policies			
See accompanying Notes to the Financial Statements	1 to 36		

Reliance Lifestyle Products Private Limited

As per our Report of even date

For and on behalf of the Board

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

Sanjay Kapoor
Director
DIN: 00264602

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Dhirendra Harilal Shah
Director
DIN: 00004616

Kinjal Jayprakash Shah
Chief Executive Officer

Brijesh Rashmikant Upadhyay
Chief Financial Officer

Mumbai
Dated : 16th April 2024

Preeti Kishinchand Chhapru
Company Secretary

Reliance Lifestyle Products Private Limited
Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital

	₹ Lakhs
Balance at the beginning of the reporting period i.e. 1st April, 2022	Balance at the end of the reporting period i.e. 31st March, 2023
1749.00	1749.00
Changes in equity share capital during the year 2022-23	Changes in equity share capital during the year 2023-24
-	0.00
Balance at the end of the reporting period i.e. 31st March, 2024	
1749.00	

B. Other Equity

	Reserves and Surplus Retained Earnings	Total Reserves	Other Comprehensive Income on actuarial gain	Total
₹ Lakhs				
As on 31st March, 2023				
Balance at the beginning of the reporting period i.e. 1st April, 2022	(1,032.77)	(1,032.77)	3.81	(1,028.96)
Total Comprehensive Profit for the year	112.66	112.66	0.58	113.24
Balance at the end of reporting period 31st March, 2023	(920.11)	(920.11)	4.39	(915.72)
As at 31st March, 2024				
Balance at the beginning of the reporting period i.e. 1st April, 2023	(920.11)	(920.11)	4.39	(915.72)
Total Comprehensive Profit for the year	40.88	40.88	(0.63)	40.25
Balance at the end of reporting period 31st March, 2024	(879.23)	(879.23)	3.76	(875.47)

Reliance Lifestyle Products Private Limited

As per our Report of even date

For and on behalf of the Board

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

Sanjay Kapoor
Director
DIN: 00264602

Varsha A. Fadte
Partner
Membership No. 103999

Ashish Mahadeo Patil
Director
DIN: 00076627

Samirbhai Rameshbhai Sheth
Director
DIN: 01285752

Dhirendra Harilal Shah
Director
DIN: 00004616

Kinjal Jayprakash Shah
Chief Executive Officer

Brijesh Rashmikant Upadhyay
Chief Financial Officer

Mumbai
Dated : 16th April 2024

Preeti Kishinchand Chhapru
Company Secretary

Reliance Lifestyle Products Private Limited
Cash Flow Statement for the year ended 31st March, 2024

	2023-24	₹ Lakhs 2022-23
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	55.43	152.02
Adjusted for:		
Loss on sale/ discard of Property, Plant and Equipment (Net)	1.64	-
Depreciation and Amortisation Expense	181.52	150.65
Effect of Exchange Rate Change	(0.62)	0.81
Net Gain on Financials assets	(0.16)	-
Interest Income	(1.89)	-
Finance Costs	50.61	14.15
	<u>231.10</u>	<u>165.61</u>
Operating Profit before Working Capital Changes	286.53	317.63
Adjusted for:		
Trade and Other Receivables	(429.29)	(19.78)
Inventories	(43.63)	(28.09)
Trade and Other Payables	83.02	212.15
	<u>(389.90)</u>	<u>164.28</u>
Cash (used in) / generated from Operations	(103.37)	481.91
Taxes Paid (Net)	(14.61)	(37.98)
Net Cash Flow (used in) / generated from Operating Activities	(117.98)	443.93
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Other Intangible Assets	(164.40)	(6.26)
Proceeds from disposal of Property, Plant and Equipment	(1.64)	-
Purchase of Other Investments	(181.69)	-
Interest Income	1.31	0.45
Net Cash Flow (used in) Investing Activities	(346.42)	(5.81)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings - Non-Current	785.00	412.00
Repayment of Borrowings - Non-Current	(305.00)	(492.33)
Payment of Lease Liabilities	(197.04)	(185.20)
Interest Paid	(13.95)	(4.97)
Net Cash Flow generated from / (used in) Financing Activities	269.01	(270.50)
Net (decrease) / Increase in Cash and Cash Equivalents	(195.39)	167.62
Opening Balance of Cash and Cash Equivalents	222.54	54.92
Closing Balance of Cash and Cash Equivalents (Refer Note "8")	27.15	222.54

Reliance Lifestyle Products Private Limited

As per our Report of even date

For and on behalf of the Board

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

Sanjay Kapoor
Director
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Director
DIN: 00004616

Kinjal Jayprakash Shah
Chief Executive Officer

Brijesh Rashmikant Upadhyay
Chief Financial Officer

Mumbai
Dated : 16th April 2024

Preeti Kishinchand Chhapru
Company Secretary

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

A. CORPORATE INFORMATION

Reliance Lifestyle Products Private Limited (“the Company”) (CIN No: U52100MH2013PTC363581), is a public limited company domiciled in India and has registered office in 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai, Maharashtra- 400002, India.

The Company is primarily engaged in sale and distribution of tableware of brand Villeroy & Boch in India. The Company’s immediate holding Company is Reliance Retail Ventures Limited and Ultimate holding company is Reliance Industries Limited.

B. MATERIAL ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

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

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the requirements notified under the Companies (Indian Accounting Standards) rules 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 as applicable.

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

B.2 SUMMARY OF MATERIAL 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 equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

(b) Property, Plant and Equipment

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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

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 Company 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.

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

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

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

(c) Leases

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

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

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

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

(d) Intangible Assets

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

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

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

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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

(e) Revenue Recognition

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

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

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

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

Interest Income

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

(f) Cash and Cash Equivalents

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

(g) Finance Costs

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 (net of recoverable taxes) including overheads incurred in bringing them to their respective present location and condition.

Cost of inventories are determined on weighted average basis.

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

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

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

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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

(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) Contingent Liabilities

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

(l) Employee Benefits

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

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

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

Employee Separation Costs

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

(m) Tax Expenses

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

i) Current Tax

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

ii) Deferred Tax

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

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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

(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.

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

(o) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit and Loss, are added to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

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

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

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

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

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

ii) Financial Liabilities

A. Initial Recognition And Measurement

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

B. Subsequent Measurement

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

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

iii) 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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

(or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Offsetting

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

(p) 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. 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 year.

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

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

b) 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.

c) 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.

d) Recognition of Deferred Tax Assets

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

Reliance Lifestyle Products Private Limited
Notes to the Financial Statements for the year ended 31st March, 2024

D. STANDARD ISSUED BUT NOT EFFECTIVE

On 31st March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from 1st April, 2023.

- I Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combinations
- iv Ind AS 107 – Financial Instruments Disclosures
- V Ind AS 109 – Financial Instruments
- Vi Ind AS 115 – Revenue from Contracts with Customers
- Vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- X Ind AS 34 - Interim Financial Reporting

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

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

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

₹ Lakhs

Description	Gross block				Depreciation/ amortisation			Net block		
	As at 1st April, 2023	Additions	Deductions/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	For the year	Deductions/ Adjustments	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Property, Plant and Equipment										
Own assets:										
Plant and Equipment	5.18	9.27	-	14.45	3.19	0.98	-	4.17	10.28	1.99
Electrical installations	5.06	13.29	-	18.35	1.04	0.63	-	1.67	16.68	4.02
Office Equipment	3.50	13.11	-	16.61	3.33	0.19	-	3.52	13.09	0.17
Furniture and fixtures	9.10	44.08	-	53.18	8.68	1.13	-	9.81	43.37	0.42
Leasehold improvements	1 10.05	94.81	-	2 04.86	1 10.05	1.83	-	1 11.88	92.98	-
Sub-Total	1 32.89	1 74.56	-	3 07.45	1 26.29	4.76	-	1 31.05	1 76.40	6.60
Right-of-Use Assets:										
Leasehold Premises	9 06.16	4 41.32	-	13 47.48	8 66.38	1 76.76	-	10 43.14	3 04.34	39.78
Sub-Total	9 06.16	4 41.32	-	13 47.48	8 66.38	1 76.76	-	10 43.14	3 04.34	39.78
Total (i)	10 39.05	6 15.88	-	16 54.93	9 92.67	1 81.52	-	11 74.19	4 80.74	46.38
Other Intangible assets										
Franchisee rights	88.96	-	-	88.96	88.96	-	-	88.96	-	-
Software	5.84	-	-	5.84	5.84	-	-	5.84	-	-
Total (ii)	94.80	-	-	94.80	94.80	-	-	94.80	-	-
Total (i+ii)	11 33.85	6 15.88	-	17 49.73	10 87.47	1 81.52	-	12 68.99	4 80.74	46.38
Previous year	11 28.85	5.00	-	11 33.85	9 36.82	1 50.65	-	10 87.47	46.38	1 92.03
Capital work-in-progress									1.60	1.00

Ageing as on 31st March, 2024

₹ Lakhs

Particulars	Outstanding for following periods from				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Capital Work-in- Progress	1.60	-	-	-	1.60

Ageing as on 31st March, 2023

₹ Lakhs

Particulars	Outstanding for following periods from				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Capital Work-in- Progress	1.00	-	-	-	1.00

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

2 Other Financial Assets - Non-Current (Unsecured and Considered Good)	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Security Deposits	1 45.12	97.83
Total	1 45.12	97.83

*Includes primarily fair valuation of interest free deposits.

3 Deferred Tax Assets (Net)	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
The movement on the deferred tax account is as follows:		
At the start of the year	29.28	37.15
Credit to profit or loss	0.13	(7.87)
For the year end Other Comprehensive Income	0.16	-
At the end of year	29.57	29.28

Components of Deferred tax and Assets	As at 31st March, 2023	Other Comprehensive Income	Credit to Statement of Profit and Loss	₹ Lakhs As at 31st March, 2024
Deferred tax Asset in relation to:				
Property, Plant and Equipment	26.38	-	0.14	26.24
Provision for employee benefits	2.90	(0.16)	(0.27)	3.33
Total	29.28	(0.16)	(0.13)	29.57

Reliance Lifestyle Products Private Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2024

6 Investments - Current	As at	₹ Lakhs
	31st March, 2024	As at
		31st March, 2023
Investments Measured at Fair Value Through Profit and Loss		
Investment in mutual funds - Unquoted	1 81.69	-
Units of ICICI Prudential Floating Interest Fund - Growth 43,595.468 (as at March 31, 2023 NIL)		
	<u>1 81.69</u>	<u>-</u>
Aggregate amount of Unquoted investments	181.69	-

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

7 Trade Receivables

(unsecured and considered good)

₹ Lakhs
As at
31st March, 2024 31st March, 2023

Trade Receivables

4 05.99

88.12

Total

4 05.99

88.12

Ageing Schedule as on 31st March, 2024

₹ Lakhs

Particulars	Outstanding for following periods from						Total
	Not Due	< 6 Months	6 months-1year	1-2 years	2-3 years	>3 years	
(i) Undisputed Trade receivables considered good	377.36	28.38	0.25	0.00	-	-	4 05.99
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	3 77.36	28.38	0.25	0.00	-	-	4 05.99

Ageing Schedule as on 31st March, 2023

₹ Lakhs

Particulars	Outstanding for following periods from						Total
	Not Due	< 6 Months	6 months-1year	1-2 years	2-3 years	>3 years	
(i) Undisputed Trade receivables considered good	0.70	86.01	-	1.41	-	-	88.12
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	0.70	86.01	-	1.41	-	-	88.12

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

8 Cash & Cash Equivalents	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Cash on Hand	3.27	2.20
Balances with banks ⁽ⁱ⁾	23.88	2 20.34
Cash and Cash Equivalents as per Balance Sheet / Statement of Cash Flows	27.15	2 22.54

(i) Includes deposits ₹ NIL (Previous year ₹ 18.74 lakhs) 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.

9 Other Financial Assets - Current	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Security Deposits	50.09	9.85
Others ⁽ⁱ⁾	2.31	0.25
Total	52.40	10.10

(i) Includes interest receivable and forward exposure.

10 Other Current Assets (Unsecured and Considered Good)	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Balance with Customs, GST and State authorities	1 42.33	1 16.09
Others ⁽ⁱ⁾	41.63	53.45
Total	1 83.96	1 69.54

(i) Includes advances to employees and vendors and prepaid expenses.

Reliance Lifestyle Products Private Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2024

	As at	₹ Lakhs
11 Share capital	31st March, 2024	As at 31st March, 2023

Authorised Share Capital :

1,82,40,000 Equity Shares of ₹ 10 each (1,82,40,000)	18 24.00	18 24.00
Total	18 24.00	18 24.00

Issued, Subscribed and Paid-up :

1,74,90,000 Equity Shares of ₹ 10 each fully paid up (1,74,90,000)	17 49.00	17 49.00
Total	17 49.00	17 49.00

- (i) Out of the above 1,74,90,000 (previous year- 1,74,90,000) equity shares of ₹10 each fully paid-up, 87,44,995 are held by Reliance Brands Luxury Fashion Private Limited (previous year – 87,44,995) and 87,45,000 are held by Reliance Brands Limited (previous year – 87,45,000). The balance 5 shares are held by Reliance Retail Ventures Limited along with its nominees. Both Reliance Brands Luxury Fashion Private Limited and Reliance Brands Limited are subsidiaries of Reliance Retail Ventures Limited.

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

	As At		As At
	31st March, 2024		31st March, 2023
Name of the Shareholders	No. of Shares	% held	No. of Shares
			% held
Reliance Brand Luxury Fashion Private Limited	87,44,995	50.00	87,44,995
Reliance Brands Limited	87,45,000	50.00	87,45,000

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

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	No. of shares	No. of shares
Equity shares at the beginning of the year	1,74,90,000	1,74,90,000
Add: Equity Shares issued during the year	-	-
Equity shares at the end of the year	1,74,90,000	1,74,90,000

(iv) Equity Share Capital**As at 31st March, 2024**

Sr. No.	Class of Equity Shares	Promoters' s Name	No. of shares at the Beginning of the year	Changes During the year	No. of shares at the End of the year	% of total shares	%change during the year
1	Equity Shares of ₹ 10 each	Reliance Brands Limited	87,45,000	-	87,45,000	50.00	-
2	Equity Shares of ₹ 10 each	Reliance Brands Luxury Fashion Private Limited	87,44,995	-	87,44,995	50.00	-
3	Equity Shares of ₹ 10 each	Reliance Retail Venture Limited*	5	-	5	0.00	-

* Shares held along with its nominees

As at 31st March, 2023

Sr. No.	Class of Equity Shares	Promoters' s Name	No. of shares at the Beginning of the year	Changes During the year	No. of shares at the End of the year	% of total shares	%change during the year
1	Equity Shares of ₹ 10 each	Reliance Brands Limited	87,45,000	-	87,45,000	50.00	-
2	Equity Shares of ₹ 10 each	Reliance Brands Luxury Fashion Private Limited	87,44,995	-	87,44,995	50.00	-
3	Equity Shares of ₹ 10 each	Reliance Retail Venture Limited*	5	-	5	0.00	-

*Shares held along with its nominees

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

Reliance Lifestyle Products Private Limited
Statement of Changes in Equity for the year ended 31st March, 2024

12 Other Equity	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Retained Earnings		
As per last Balance Sheet	(9 20.11)	(10 32.77)
Add: Profit for the year	<u>40.87</u>	<u>1 12.66</u>
	(8 79.24)	(9 20.11)
Other Comprehensive Income (OCI)		
As per last Balance Sheet	4.39	3.81
Add: Movement in OCI (Net) during the year	<u>(0.63)</u>	<u>0.58</u>
	3.76	4.39
Total	<u>(8 75.48)</u>	<u>(9 15.72)</u>
13 Borrowings - Non Current	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Unsecured - At amortised cost		
Loan and advances from related party [Refer Note 32.(ii)]	480.00	-
Total	<u>4 80.00</u>	<u>-</u>
<p>The Borrowings, fall under the category of 'Unsecured Borrowings' and carry a rate of 9% (Previous Year 7.50%) repayable within 3 to 5 years.</p> <p>The Company has satisfied all the Covenants prescribed in terms of Borrowings.</p>		
14 Lease Liabilities - Non Current	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Lease Liability (Refer Note 31)	1 89.67	-
Total	<u>1 89.67</u>	<u>-</u>
15 Provisions - Non-Current	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Provision for employee benefits (Refer note 23.1) ⁽ⁱ⁾	12.25	11.10
Total	<u>12.25</u>	<u>11.10</u>

⁽ⁱ⁾ The provision for employee benefits includes gratuity, annual leave and vested long service leave entitlement accrued.

Reliance Lifestyle Products Private Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2024

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
16 Lease Liabilities Current		
Lease Liability (Refer Note 31)	139.48	48.21
	<u>1 39.48</u>	<u>48.21</u>

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
17 Trade Payables		
Micro and Small Enterprises	-	0.77
Others	<u>7 41.26</u>	<u>6 24.76</u>
	7 41.26	6 25.53
Total	<u>7 41.26</u>	<u>6 25.53</u>

17.1 There are no overdues to Micro, Small and Medium Enterprises as at March 31, 2024.

Ageing Schedule as on 31st March, 2024

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	305.00	402.71	33.11	0.44	-	7 41.26
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	305.00	402.71	33.11	0.44	-	741.26

Ageing Schedule as on 31st March, 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
(i) MSME	0.77	-	-	-	-	0.77
(ii) Others	490.16	133.74	0.86	-	-	6 24.76
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	490.93	133.74	0.86	-	-	625.53

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
18 Other Financial liabilities-Current		
Creditors for Capital Expenditure	10.76	-
Current Liabilities- forward contract	-	1.12
Total	<u>10.76</u>	<u>1.12</u>

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
19 Other Current Liabilities		
Other payables ⁽ⁱ⁾	28.84	62.67
	<u>28.84</u>	<u>62.67</u>

⁽ⁱ⁾ Includes statutory dues, advances from customers and employee benefits payables.

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
20 Provisions - Current		
Provision for employee benefits (Refer note 23.1) ⁽ⁱ⁾	1.01	0.42
Total	<u>1.01</u>	<u>0.42</u>

⁽ⁱ⁾ Provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued.

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

21 Other Income	2023-24	₹ Lakhs 2022-23
Interest		
Bank Deposits	1.32	1.10
Interest on IT refund	<u>0.57</u>	<u>-</u>
Gain on Financial Assets		
Realised Gain	0.16	-
Unrealised Gain	<u>11.54</u>	<u>-</u>
Total	<u><u>13.59</u></u>	<u><u>1.10</u></u>

Above other income comprises of Income from assets measured at amortised cost ₹ 1.32 lakhs (previous year ₹ 1.10 lakhs).

22 Changes in Inventories of Stock-in-Trade	2023-24	₹ Lakhs 2022-23
Inventories (at close)		
Stock-in-trade	8 94.82	8 46.73
Inventories (at commencement)		
Stock-in-trade	8 46.73	8 56.38
Total	<u><u>(48.09)</u></u>	<u><u>9.65</u></u>

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

		₹ Lakhs
23 Employee Benefits Expense	2023-24	2022-23
Salaries and wages	1 73.09	1 73.57
Contribution to provident fund and other funds	5.91	6.00
Staff welfare expenses	8.31	9.52
Total	1 87.31	1 89.09

23.1 As per Ind AS 19 "Employee benefits", the disclosures as defined are given below :

Defined Contribution Plan

₹ Lakhs

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

Particulars	2023-24	2022-23
Employer's contribution to Provident Fund	1.69	1.38
Employer's contribution to Pension Scheme	1.86	1.90

The Company's Provident Fund is exempted Under section 17 of employee's Provident Fund and Miscellaneous Provisions Act, 1952.

Defined Benefit Plan**I. Reconciliation of opening and closing balances of defined benefit obligation**

₹ Lakhs

Particulars	Gratuity (unfunded)	
	2023-24	2022-23
Defined benefit obligation at beginning of the year	7.92	6.19
Current service cost	1.49	1.89
Interest cost	0.60	0.44
Actuarial gain	0.63	(0.58)
Benefits paid	(1.44)	-
Defined benefit obligation at year end	9.20	7.94

II. Reconciliation of fair value of assets and obligations

	Gratuity (unfunded)	
	2023-24	2022-23
Equity Share Capital	9.20	(7.94)
Present value of obligation	9.20	(7.94)
Obligation recognised in Balance Sheet (Surplus / Deficit)	9.20	(7.94)

III. Expenses recognised during the year

	Gratuity (unfunded)	
	2023-24	2022-23
Current service cost	1.49	1.89
Interest cost	0.60	0.44
Net benefit expense	2.09	2.33
In Other Comprehensive Income		
Actuarial gain	0.63	(0.58)
Net Income For the period Recognised in OCI	0.63	(0.58)

IV. Actuarial assumptions

	Gratuity (unfunded)	
	2023-24	2022-23
Mortality Table (IALM)	2012-14	2012-14
	(Ultimate)	(Ultimate)
Discount rate (per annum)	7.23%	7.60%
Rate of escalation in salary (per annum)	6.00%	6.00%
Rate of employee turnover (per annum)	7.00%	3.00%

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.

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

V. The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2023-24. These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

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

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

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

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

VI. Sensitivity Analysis

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

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Decrease	Increase	Decrease	Increase
	0.46	(0.43)	0.59	(0.54)
Change in discounting rate (delta effect of +/- 0.5%)				
	(0.44)	0.47	(0.55)	0.60
Change in rate of salary increase(delta effect of +/- 0.5%)				
	(0.03)	0.02	(0.10)	0.09
Change in rate of employee turnover (delta effect of +/- .25%)				

₹ Lakhs

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

			₹ Lakhs
24 Finance Costs		2023-24	2022-23
Interest on Lease liabilities		36.66	9.18
Interest on others		13.95	4.97
Total		<u>50.61</u>	<u>14.15</u>
25 Other Expenses		2023-24	2022-23
			₹ Lakhs
Selling and Distribution Expenses			
Sales promotion and advertisement expenses	35.78		41.14
Store running expenses	29.64		27.95
Warehousing and distribution expenses	57.41		52.72
		1 22.83	1 21.81
Establishment Expenses			
Stores and packing materials	21.89		18.91
Building repairs and maintenance	3.67		2.98
Other repairs	-		0.09
Rent including lease rentals	87.13		1 30.43
Insurance	6.69		8.00
Rates and taxes	6.79		3.32
Travelling and conveyance expenses	19.24		12.87
Professional fees	2 20.92		1 98.65
Loss on sale/ discarding of assets (net)	1.64		-
Exchange differences (net)	0.62		0.81
Security expenses	9.33		7.57
Electricity expenses	13.44		31.79
Hire charges	4.10		0.55
General expenses	12.24		9.35
		4 07.70	4 25.32
25.1 Payments to Auditor			
Statutory Audit Fees	9.00		8.00
Certification Fees	0.80		0.30
		9.80	8.30
Total		<u>5 40.33</u>	<u>5 55.43</u>

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

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

27 Earnings per share (EPS)

	2023-24	2022-23
Face Value per Equity Share (₹)	10.00	10.00
Basic / Diluted Earnings per Share (₹)	0.23	0.64
Net loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ lakh)	40.87	1 12.66
Weighted average number of equity shares used as denominator for calculating Basic / Diluted EPS	1,74,90,000	1,74,90,000

28 Commitments and Contingent Liabilities

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
a Contingent Liabilities:		
Claims against the Company/disputed liabilities not acknowledged as debts-In respect of Others	-	-
b Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for - In respect of others	17.75	14.42

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024**

29 Taxation	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Income tax Recognised in Statement of profit and loss	12.55	39.36
Current Tax	14.68	31.49
Deferred Tax	(0.13)	7.87
Total Income Tax expenses recognised in the Current Year	<u>14.55</u>	<u>39.36</u>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	55.42	1 52.02
Applicable Applicable tax rate	25.17%	25.17%
Computed tax expenses	13.95	38.26
Tax Effect of:		
Others	2.00	2.02
Expenses disallowed	3.79	40.67
Additional allowances	(5.06)	(49.46)
Current Tax Provision (A)	<u>14.68</u>	<u>31.49</u>
Incremental Deferred Tax Liability on account of Property, Plant and Equipment	0.14	8.29
Incremental Deferred Tax Liability on account of Financial Assets & Other items	(0.27)	(0.42)
Deferred Tax Provision (B)	<u>(0.13)</u>	<u>7.87</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	14.55	39.36
Effective Tax Rate	26.26%	25.89%

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

30 Capital Management

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.
- Manage financial market risks arising from foreign exchange, interest rates and minimise the impact of market volatility on earnings.
- Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet.

This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

Net Gearing Ratio

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

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
Gross Debt	4 80.00	-
Cash and Marketable Securities	27.15	2 22.54
Net Debt (A)	4 52.85	(2 22.54)
Total Equity (As per Balance Sheet) (B)	8 73.52	8 33.28
Net Gearing ratio (A/B)	0.52	NA

31 Financial Instruments

Valuation Methodology

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

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

Fair value measurement hierarchy:

Particulars	Carrying Amount	As at 31st March, 2024		Carrying Amount	As at 31st March, 2023	
		Level of input used in			Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	4 05.99	-	-	88.12	-	-
Cash and Cash Equivalents	27.15	-	-	2 22.54	-	-
Loans & Other Financial Assets	1 97.52	-	-	1 07.93	-	-
Financial Liabilities						
Trade Payables	7 41.26	-	-	6 25.53	-	-
Lease Liability	3 29.15	-	-	48.21	-	-
Other Financial Liabilities	457.40	-	-	-	-	-
At FVTPL						
Financial Derivatives	33.36	-	33.36	1.12	-	1.12

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

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

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

Foreign Currency Risk

The following table shows foreign currency exposures in USD on financial instruments at the end of the reporting period.

i) Foreign Currency Exposure

	As at 31st March, 2024	₹ Lakhs As at 31st March, 2023
	USD	USD
Trade and other Payables	46.36	1 06.09
Derivatives		
Forwards	(33.36)	(1 12.20)
Exposure	13.00	(6.11)

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

ii) Foreign Currency Sensitivity

	As at 31st March, 2024	As at 31st March, 2023
1% Depreciation in INR	USD	USD
Impact on P&L	(0.13)	0.06
Total	(0.13)	0.06
	As at 31st March, 2024	As at 31st March, 2023
1% Appreciation in INR	USD	USD
Impact on P&L	0.13	(0.06)
Total	0.13	(0.06)

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024****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 borrowings are primarily fixed 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, 2024	As at 31st March, 2023
Fixed Rate Loan	<u>4 80.00</u>	<u>80.33</u>
Total	<u>4 80.00</u>	<u>80.33</u>

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from company's activities in investments, dealing in derivatives and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk across the company is actively managed through Letters of Credit, Bank Guarantees, Parent Company Guarantees, advance payments and factoring & forfaiting without recourse to the company. The company restricts its fixed income investments in liquid securities carrying high credit rating.

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, 2024

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings	-	-	-	-	-	480.00	4 80.00
Trade Payable	-	-	741.26	-	-	-	7 41.26
Lease Liabilities							
Non-Current	-	-	-	202.32	-	-	2 02.32
Current	40.86	40.86	81.72	-	-	-	163.44
Total	<u>40.86</u>	<u>40.86</u>	<u>822.98</u>	<u>202.32</u>	<u>-</u>	<u>480.00</u>	<u>1,587.02</u>
Derivatives Liabilities							
Forwards	8.34	25.02	-	-	-	-	33.36
Total	<u>8.34</u>	<u>25.02</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33.36</u>
Grand Total	<u>49.20</u>	<u>65.88</u>	<u>822.98</u>	<u>202.32</u>	<u>-</u>	<u>480.00</u>	<u>1,620.38</u>

Maturity Profile as at 31st March, 2023

Particulars	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings	-	-	-	-	-	-	-
Trade Payable	-	-	625.53	-	-	-	6 25.53
Lease Liability							
Non-Current	-	-	-	-	-	-	-
Current	21.28	21.28	6.86	-	-	-	49.42
Total	<u>21.28</u>	<u>21.28</u>	<u>632.39</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>674.95</u>

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

32 Related Parties Disclosures

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

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

Sr No	Name of the Related Parties	Relationship
1	Reliance Industries Limited	} Ultimate Holding Company
2	Reliance Retail Ventures Limited	} Holding Company
3	Reliance Brands Luxury Fashion Private Limited	}
4	Reliance Brands Limited	}
5	Reliance Retail Limited	}
6	Reliance SMSL Limited	} Fellow Subsidiaries
7	GLF Lifestyle Brands Private Limited	}
8	Reliance IT Corporate Park Limited	}
9	Reliance Projects & Property Management Services Limited	}
10	Reliance Jio Infocomm Limited	}
11	Kinjal Shah	}
12	Parveen Soni (till 18th August 2023)	} Key Managerial Personnel
13	Brijesh Upadhyay (w.e.f 13th october , 2024)	}
14	Preeti Chhapru	}

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

Sr No	Nature of Transactions	Ultimate Holding Company	Joint Venture	Fellow Subsidiaries	Key Managerial Personnel	₹ Lakhs Total
1	Revenue from operations	3 66.04 1 63.04	-	61.86 1 49.67	-	4 27.90 3 12.71
2	Professional fees	3.73 2.36	-	2 05.14 1 93.79	-	2 08.87 1 96.15
3	Store Running Expenses	-	-	18.39 17.72	-	18.39 17.72
4	Purchases	-	-	78.22 1 40.89	-	78.22 1 40.89
5	Net unsecured loans taken/ (repaid)	-	-	4 80.00 (80.33)	-	4 80.00 (80.33)
6	Interest cost	-	-	13.95 4.97	-	13.95 4.97
7	Expenses Towards Warehousing	-	-	45.47 27.56	-	45.47 27.56
8	Employee benefit Expense	-	-	- 0.04	-	- 0.04
9	Rent Including Lease Rentals & Electricity Charges	-	-	21.30 -	-	21.30 -
10	Telephone Expense	-	-	0.05 -	-	0.05 -
11	General & Administrative Expenses	-	-	0.06 -	-	0.06 -
12	Payment to Key Managerial Personnel	-	-	-	34.00 36.00	34.00 36.00

Reliance Lifestyle Products Private Limited
Notes to the Standalone Financial Statements for the year ended 31st March, 2024

Balance as at 31st March, 2024

13	Trade and other payables	0.21	-	3 47.87	-	3 48.08
		2.59	-	69.85	-	72.44
14	Trade and other receivables	3 48.87	-	29.09	-	3 77.96
		73.27	-	23.77	-	97.04

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

(iii) Disclosure in respect of major Related Party transactions during the year:				₹ Lakhs	
	Particulars	Relationship	2023-24	2022-23	
1	Revenue from operations				
	Sale of Services				
	GLF Lifestyle Brands Private Limited	Fellow Subsidiary	16.50	18.00	
	Sale / (Sale Return) of Goods				
	Reliance Brands Limited	Fellow Subsidiary	9.44	56.79	
	Reliance Retail Limited	Fellow Subsidiary	34.87	72.66	
	Reliance Corporate It Park Limited	Fellow Subsidiary	1.05	2.22	
	Reliance Industries Limited	Ultimate Holding Company	3 66.04	1 63.04	
2	Professional fees				
	Reliance Brands Limited	Fellow Subsidiary	1 45.06	1 38.60	
	Reliance Brands Luxury Fashion Private Limited	Fellow Subsidiary	60.08	55.19	
	Reliance Industries Limited	Ultimate Holding Company	3.73	2.36	
3	Store running expenses				
	Reliance SMSL Limited	Fellow Subsidiary	-	17.72	
	Reliance Projects & Property Management Services Limited	Fellow Subsidiary	18.39	-	
4	Purchases				
	Reliance Brands Limited	Fellow Subsidiary	76.97	1 30.21	
	Reliance Retail Limited	Fellow Subsidiary	1.25	10.68	
5	Net unsecured loans taken/ (repaid)				
	Reliance Brands Limited	Fellow Subsidiary	4 80.00	(80.33)	
6	Interest cost				
	Reliance Brands Limited	Fellow Subsidiary	13.95	4.97	
7	Expenses Towards warehousing & Advertising				
	Reliance Brands Limited	Fellow Subsidiary	45.12	27.56	
	Reliance Retail Limited	Fellow Subsidiary	0.35	-	
8	Employee benefit Expense				
	Reliance Retail Limited	Fellow Subsidiary	-	0.04	
9	Rent Including Lease Rentals & Electricity Charges				
	Reliance Industries Limited	Ultimate Holding Company	21.30	-	
10	Telephone Expense				
	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.05	-	
11	General & Administrative Expenses				
	Reliance Brands Limited	Fellow Subsidiary	0.06	-	
12	Payment to Key Managerial Personnel				
	Kinjal Shah	Key Managerial Personnnel	12.00	12.00	
	Pareen Soni	Key Managerial Personnnel	4.50	12.00	
	Brijesh Upadhyay	Key Managerial Personnnel	5.50	-	
	Preeti Chhapru	Key Managerial Personnnel	12.00	12.00	
	Compensation of Key Managerial Personnel		2023-24	2022-23	
i)	Short-term benefits		34.00	35.98	
ii)	Post employment benefits		-	0.02	
	Total		34.00	36.00	

Reliance Lifestyle Products Private Limited

Notes to the Standalone Financial Statements for the year ended 31st March, 2024

33	Ratios	As at 31st March, 2024	As at 31st March, 2023	% Change
	Particulars			
i	Current Ratio	1.96	1.90	3.25
ii	Debt Service Coverage ratio ^^	0.56	0.46	20.05
iii	Inventory Turnover Ratio%	0.83	0.87	-4.45
iv	Trade Payable Turnover Ratio \$	1.85	2.45	-24.33
v	Net Profit Ratio i	2%	5%	-62.24
vi	Return on Investment #	1%	0%	100.00
vii	Debt-Equity Ratio *	0.55	NA	100.00
viii	Return on Equity Ratio ^	5%	15%	-68.07
ix	Trade Receivables Turnover Ratio@	8.05	20.84	-61.36
x	Net Capital Turnover Ratio ##	2.58	3.35	-23.06
xi	Return on Capital Employed &	8%	20%	-60.03

^^ Debt service coverage ratio has increased due to increase in borrowings & corresponding decrease in EBITA

\$ Trade Payables turnover ratio has reduced due to increase in payables balance

i Net Profit Ratio has decreased since revenue has decreased in current year

Return on investment increased due to significantly lower cash balance in current year

* Debt-Equity ratio has increased due to loan borrowed in current year

^ Return on Equity ratio has decreased due to reduction in profit

@ Trade Receivables turnover ratio decreased due to decrease in turnover & significant increase in receivables balance

Net Capital Turnover Ratio has decreased due to increase in working capital

& Return on capital employed has decreased due to reduction in profits, increased borrowings & lower cash balance in current year

Formulae for computation of ratios are as follows:

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

Reliance Lifestyle Products Private Limited**Notes to the Standalone Financial Statements for the year ended 31st March, 2024****34 Other Statutory Information**

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

35 The figures of the corresponding year has been regrouped wherever nessasary, to make them comparable.

36 The Financial statements were approved for issue by the Board of Directors on 16th April, 2024.

Reliance Lifestyle Products Private Limited

As per our Report of even date

For and on behalf of the Board

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

Sanjay Kapoor
Director
DIN: 00264602

Varsha A. Fadte
Partner
Membership No. 103999

Ashish Mahadeo Patil
Director
DIN: 00076627

Samirbhai Rameshbhai Sheth
Director
DIN: 01285752

Dhirendra Harilal Shah
Director
DIN: 00004616

Kinjal Jayprakash Shah
Chief Executive Officer

Brijesh Rashmikant Upadhyay
Chief Financial Officer

Mumbai
Dated : 16th April 2024

Preeti Kishinchand Chhapru
Company Secretary