

ANNUAL REPORT
OF
GO FASHION (INDIA) PRIVATE LIMITED
FY 2018-19

BOARD'S REPORT

To the Members,

Your Directors have pleasure in submitting their **Ninth Annual Report** of the Company together with the Audited Statements of Accounts **for the year ended 31st March, 2019.**

1. FINANCIAL RESULTS

During the year the performance of the company has remained satisfactory. The brief financial highlights are as follows.

Particulars	Standalone (Rupees in Lakhs)	
	2019	2018
Turnover	28,524.68	18,879.71
Other Income	573.15	132.06
Total Revenue	29,097.83	19,011.77
Less: Total Expenses excluding (A) and (B)	23,613.27	15,410.68
Less: Finance Cost (A)	1.79	100.14
Less: Depreciation & Amortization Expense (B)	477.97	369.12
Profit before Tax	5,004.80	3,131.83
Current Tax	1,339.89	1,218.24
Deferred Tax	15.52	(145.05)
Net Tax	1,355.41	1,073.19
Profit after Tax	3,649.39	2,058.64
Less : Proposed Dividend & Tax thereon	-	(0.35)
Balance carried to Balance Sheet	3,649.39	2,058.29

2. FINANCIAL SUMMARY OR HIGHLIGHTS OF PERFORMANCE

Your company has reported total revenue of Rs.29,097.83 Lakhs (Twenty Nine Thousand and Ninety Seven Lakhs Only) for the current year 2018-19 as compared to previous year 2017-18 Rs.19,011.77 Lakhs (Nineteen Thousand and Eleven Lakhs), Resulting in the increase of 53.05 % growth as compared to previous year. The Net Profit after tax for the year has increased by 77.10 % as compared to previous year.

Your Company continues with its rigorous cost restructuring exercises and efficiency improvements which have resulted in significant savings through continued focus on cost controls and process efficiencies thereby enabling the Company to maintain profitable growth.

3. RESERVE AND SURPLUS AND TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR PROTECTION FUND

The Company has not transferred any amount to reserve account for the year ended 31.03.2019. Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

4. DIVIDEND

The Director's at their meeting held on 01/08/19 has recommended preference dividend for the financial year 2018-19 to its preference shareholders and the same has to be approved in the shareholders meeting to be held on 30-9-19. The Company has paid preference dividend to preference shareholders for the FY 2017-18 on 23rd October 2018.

No dividend for equity shares is recommended as the company decided to conserve the resources for the business.

5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the ends of the financial year to which this statement relates.

6. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANIES OPERATION IN FUTURE

Not applicable as, there were no such orders from the regulators affecting the status of going concern basis of operation.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a) CONSERVATION OF ENERGY:

Your Company has considered Sustainability as one of the strategic priorities and energy conservation is one of the strong pillars for preserving natural resources and improving bottom line. Your Company is continuously striving towards improving the energy performance in all areas. Your Company has always considered energy and natural resource conservation as a focus area and has been consciously making efforts towards improving the energy performance year on year.

The steps taken or impact on conservation of energy are:

- Replacement of conventional lighting with LED lighting.
- Energy efficient air-conditioning systems.
- The steps taken by company for utilizing alternate sources of energy -
- Solar Energy Tapping is being worked
- The capital investment on energy conservation equipment –NIL

b) TECHNOLOGY ABSORPTION:

- The efforts made towards technology absorption – NIL
- The benefits derived like product improvement, cost reduction, pro duct development or import substitution – NIL
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NIL
 - (a) The details of technology imported;
 - (b) The year of import;
 - (c) Whether the technology been fully absorbed;
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;
 - (e) Expenditure incurred on Research and Development; Nil

c) **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year the company has reported an import of Rs.18,75,22,869 on CIF basis and also the export amounting to Rs. 64,92,557 on FOB basis.

8. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company's risk management. The Company has a robust Organizational structure for managing and reporting on risks.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Corporate Social Responsibility provisions under the Companies Act are applicable on the company from the financial year ending March 2017. The company has formulated CSR policy and constituted CSR committee. The present members of the CSR committee are as follows:

Composition of CSR Committee at the end of the financial year

The composition of CSR committee constitutes three directors:

Mr.Gautam Saraogi – Chairman
Mr.Prakash Kumar Saraogi- -Member
Mr.Rahul Saraogi- Member

As the company is focusing on women garments the CSR committee thought it is appropriate to spend the money more on women welfare and hence this year it has taken the main target of construction of toilets at various government girls' schools. The final closure is a total of 15 Schools having 76 units toilet block which were undertaken by the company in association with Rotary Club, and all the toilets are fully functional before the end of the year.

Total amount spent for the financial year: Rs.25,79,090. The CSR Policy and Annual Report on CSR has been attached as **Annexure B** to this report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There are no loans, guarantees or investments made under the section 186 of the companies' act 2013, during the year under review. The company had a subsidiary, Go fashion FZE, and the entire investment in terms of equity in the subsidiary amounting to Rs.707.34 Lakhs has been written off during the current year as the Subsidiary Company is closed and the necessary documents has been filed with RBI in this regard. The loan amount of Rs.345.52 lakhs, outstanding from the subsidiary has been written off during the year under review.

11. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year ended 31st March, 2019 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. However, related party transactions have been properly approved by the Board, whenever initiated and Details pertaining to related party transactions are given in Form AOC-2, as required under section 134 (3)(h), is enclosed as **Annexure-A** to this report. The disclosure of transactions with related party for the year is given under notes No.30 to the financial statements.

12. CHANGE IN THE NATURE OF THE BUSINESS:

There was no change in the nature of the business during the period under review.

13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

14. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

15. PARTICULARS OF EMPLOYEES

Disclosures under this clause are not applicable as the company is a private limited company.

16. ANNUAL RETURN

The extract of Annual Return is given as annexure to this Board's Report as MGT-9.

17. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Board of Directors duly met (10) times on 10-04-2018, 15-05-2018, 02-07-2018, 09-08-2018, 25-09-2018, 01-10-2018, 05-10-2018, 20-10-2018, 28-11-2018 and 09-01-2019 during the financial year 2018-19. The intervening gap between two Meetings was within the period prescribed under the Companies Act, 2013.

The dates of the Board Meetings are as given below:

Date of Meeting	Directors Strength	No. of Directors Present
10/04/2018	Six	Six
15/05/2018	Six	Two
02/07/2018	Six	Two
09/08/2018	Six	Five
25/09/2018	Six	Three
01/10/2018	Six	Two
05/10/2018	Six	Two

20/10/2018	Six	Two
28/11/2018	Six	Six
09/01/2019	Six	Five

18. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

- a) In the preparation of the Annual accounts for the year ended March 31, 2019 the applicable Accounting Standards have been followed along with proper explanation relating to material departures if any. The Company has moved from Indian GAAP to Indian Accounting Standards (Ind AS) Voluntarily during the Financial Year.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2019 and of the profit for the year ended 31st March, 2019.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts for the year ended March 31, 2019 on a going concern basis.
- e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The wholly owned subsidiary M/S Go Fashion FZE situated at Dubai (UAE) has been closed during the financial year under review and all the investments valued at Rs.707.34 lakhs has been written off in the financial statement as on 31st March 2019. Necessary filing has been done with RBI in this regard. There are no joint ventures or associate companies.

20. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

The company had a wholly owned subsidiary at the beginning of the financial year 2018-19. During the year, the company has liquidated the subsidiary. All the Investment made in wholly owned subsidiary M/S Go Fashion FZE situated at Dubai (UAE), valued at Rs. 707.34 lakhs have been written off during the period ended 31st March 2019 (Financial Year 2018-2019) and the necessary filing has been done with RBI in this regard. As the subsidiary has been closed during the financial year 2018-19, the outstanding loan amount lent to the subsidiary valued at Rs.345.52 lakhs has also been written off.

21. DEPOSITS

Your Directors state that there is no disclosure or reporting is required in respect of the deposit as there were no transactions falling under chapter V during the year under review.

22. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 (4) pertaining to the appointment of Independent Directors do not apply to our Company.

23. STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration Number 117366W), who had been appointed as Statutory Auditors for a period of five years, from the conclusion of fifth annual general meeting till the conclusion of tenth annual general meeting, being eligible for appointment, board recommends for ratification of their appointment at the ensuing Annual General Meeting to be held on 30.09.2019.

24. SECRETARIAL AUDIT REPORT

Being a Private Limited Company the provisions of Section 204 of the Companies Act, 2013 relating to the Secretarial Audit Report are not applicable to the Company.

25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

26. SHARES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review, except that issue of shares under Bonus Issue.

- a. Buy Back of Securities
- b. Sweat Equity
- c. Bonus Shares - Issue of 2,00,00,080 (Two Crore Eighty Only) Equity Shares of Rs. 10/- (Rupees Ten only) Bonus Shares in the ratio of 1:2 to existing shareholders of the company vide Extra Ordinary General Meeting dated 08.10.2018.
- d. Employees Stock Option Plan
- e. Equity Shares under preferential allotment

f. PREFERENCE SHARES

As a result of Issue of 2,00,00,080 (Two Crore Eighty Only) Equity Shares of Rs. 10/- (Rupees Ten only) Bonus Shares in the ratio of 1:2 to existing equity shareholders of the company, the conversion ratio of the Series A and Series B Compulsorily Cumulative Preference Shareholders of the company would change accordingly.

Series A conversion ratio which was hitherto agreed at 1:2 would be changed to 1:6 and Series B Compulsorily Convertible Cumulative Preference Shares conversion ratio which was hitherto agreed at 1:1 would be changed to 1:3.

g. AUTHORISED CAPITAL

The company had increased its Authorised Share Capital from 60,00,00,000 Indian Rupees (sixty crore rupees Only) divided into equity capital of INR 11,00,00,000 (Indian Rupees Eleven Crores) consisting of 1,10,00,000 (One crore ten lakhs) Equity Shares of INR 10 (Indian Rupees Ten Only) and Preference capital of INR 49,00,00,000 (Indian Rupees Forty Nine Crores only) divided into 49,00,000 Lakhs Preference shares

of Rs.100 each consisting of 25,00,000 (Twenty Five lakhs) Series A Compulsorily Convertible Cumulative Preference Shares of INR 100 (Indian Rupee One Hundred only) 24,00,000 (Twenty Four lakhs) Series B Compulsorily Convertible Preference Shares of INR 100 (Indian Rupee One Hundred only) each to INR 80,00,00,000 (Indian Rupees Eighty Crores Only) Consisting of INR 31,00,00,000 (Indian Rupees Thirty One Crores) consisting of 3,10,00,000 (Three crore ten lakhs) Equity Shares of INR 10 (Indian Rupees Ten Only) and Preference capital of INR 49,00,00,000 (Indian Rupees Forty Nine Crores only) divided into 49,00,000 (Forty Nine Lakhs) Preference shares of Rs.100 each consisting of 25,00,000 (Lakhs Only) Series A compulsorily Convertible Cumulative Preference Shares of INR 100 (Indian Rupees One Hundred Only) each and 24,00,000 (Lakhs Only) Series B compulsorily Convertible Cumulative Preference Shares of INR 100 (Indian Rupees One Hundred Only) each."

27. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

There was an appointment of Mrs. SAKSHI VIJAY CHOPRA as Non-Executive Nominee Director of Sequoia Capital India Investments IV("INVESTOR"1), during the financial year.

Mr. Bharadwaj Thiruvenkata Venkataragavan has tendered his resignation from the office of Nominee Director with effect from 12th September 2018.

S. No	Name	Address	Designation	Date of Appointment /resignation
1.	Sakshi Vijay Chopra (Appointment)	4A Harmony, Dr.E. Moses Road, Worli Naka, Mumbai 400018, Maharashtra	Nominee Director	25-09-2018
2.	Bharadwaj Thiruvenkata Venkataragavan (Resignation)	702,7 th Orchid Tower-A,241/242, BellasisRoad Mumbai Central, Mumbai 400008, Maharashtra	Nominee Director	12-09-2018

28. COST RECORDS

The provision of Cost audit as per section 148 doesn't applicable on the Company and the company is not required to maintain cost records for the financial year under review

29. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no frauds as reported by the statutory auditors under sub section 12 of section 143 of the companies act 2013 along with rules made there-under other than those which are reportable to the central government. There is no fraud in the company during the financial year ended 31st March 2019. This is also being supported by the report of the auditors of the company as no fraud has been reported in their audit report for the financial year ended 31st March 2019.

30. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment from all employees (permanent, contractual, temporary, trainees) are covered under this policy. ICC has received no complaints during the financial year.

32. ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and Cooperation received from the Banks, financial institutions, Government Authorities, Customers, Vendors and Members during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed services of executives, staff and workers of Company.

For and on behalf
of the Board of Directors
Go Fashion (India) Private Limited

For and on behalf
of the Board of Directors
Go Fashion (India) Private Limited

Mr. Prakash Kumar Saraogi
Director
DIN: **00496255**

Mr. Gautam Saraogi
Director
DIN: **03209296**

Address:
6A, NITHYASHREE APARTMENT,
NO. 51, CHAMIERS ROAD, R.A. PURAM,
CHENNAI 600028

Address:
6A, NITHYASHREE APARTMENT,
NO.51, CHAMIERSROAD, R.A.PURAM
CHENNAI 600028

Place: Chennai
Date: 01-08-2019

Annexure A

FORM NO. AOC - 2

Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

- **Details of contracts or arrangements or transactions not at arm's length basis: Nil**
- **Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Justification for entering into such contracts or arrangement or transactions	Salient terms of the contracts or arrangement or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances if any:
Meridian Global Ventures Private Limited	Purchase of Assets	Continuing based on Approvals	Arm's Length Transaction Entered in Ordinary Course of Business	Rs.61,600		NA
Meridian Global Ventures Private Limited	Sale of Finished Goods	Continuing based on Approvals	Arm's Length Transaction Entered in Ordinary Course of Business	RS.8,505		NA
Meridian Global Ventures Private Limited	Rent and Security Deposit	Continuing based on Approvals	Arm's Length Transaction Entered in Ordinary Course of Business	Rs.1,41,27,696 (Rent) Rs.72,00,000 (Security Deposit)	10.04.2018	NA
Meridian Global Ventures	Advance and Interest	Advance given against purchase,	Arm's Length Transaction Entered in	Rs.3,00,00,000	02/07/2018	NA

Private Limited			Ordinary Course of Business	(Advance given against purchase) Rs.3,00,00,000 (Refund of advance) Rs.4,29,452 (Interest received)		

** In the definition of related party, clause (viii) of sub rule 76 of rule 2 has been excluded vide notification dated 05th June 2015 and as per fourth proviso of section 188 (1) of Companies Act 2013 amended vide Companies (Amendment) Act 2015. In view of this the related party transaction between holding and subsidiary is not required to be reported here.

** All Transactions with related parties were in arm's length and in the ordinary course of business which are exempted from any approvals as per 3rd proviso of section 188 (1) of Companies Act 2013.

ANNEXURE B

ANNUAL REPORT DETAILS OF CSR ACTIVITIES

1. Brief outline of the Company's CSR policy

The Board of Directors adopted the CSR policy on June 14, 2017. Corporate Social Responsibility (CSR) at GO FASHION (INDIA) PRIVATE LIMITED is beyond business and extends to the implementation of socially relevant activities for the benefit of society at large.

2. Composition of CSR Committee at the end of the financial year and number of Meetings of CSR committee

(i) The composition of CSR committee constitutes three directors

Mr.Gautam Saraogi - Chairman
Mr. Prakash Kumar Saraogi - Member
Mr.Rahul Saraogi - Member

(ii) Number of Meeting of CSR committee

The CSR committee met 5(five) times during the financial year ended on 08-05-2018, 09-08-2018, 03-10-2018, 20-11-2018 and 20-03-2019.

3. Average Net profit of the Company for last three financial years

Average Net Profit (Before Tax): Rs. 15,38,24,749 (Rupees Fifteen crores thirty-eight lakhs twenty-four thousand seven hundred and forty nine only)

4. Prescribed CSR Expenditure 2% of the average net profit of the preceding three financial years (two percent of the amount as in item 3 above)

The Company is required to spend Rs. 30,76,495 (Rupees Thirty lakhs seventy-six thousand four hundred and ninety-five only)

5. Details of CSR Spent during the financial year

As the company is focusing on women garments, the CSR committee thought it is appropriate to spend the money more on women welfare and hence this year it has taken the main target of construction of toilets at various government girls' schools. The final closure is a total of 15 Schools toilet block having 76 units which were undertaken by the company in association with Rotary Club, and all the toilets are fully functional before the end of the year.

(a) Total amount spent for the financial year: Rs.25,79,090

(b) Amount Unspent: Rs. 4,97,405

(c) Manner in which the amount spent during the financial year: Construction of toilets and promotion of sanitation

6. Reason for not spending proposed CSR Expenditure

The Company could not spend the specified CSR amount in full as it was in the process of determining specific activities and identifying specific partners that would be aligned with your Company's CSR Policy. Your Directors believe that this process should be completed in the coming financial year and the CSR amount as stipulated by the Companies Act will be spent on qualifying activities accordingly.

The Directors would also like to take this opportunity to state that CSR through financial inclusion has always been a fundamental part of your Company's business philosophy and culture and the Company takes its social responsibilities extremely seriously.

7. Responsibility Statement

The Chairman of CSR Committee has given a responsibility statement that the CSR policy implementation and monitoring thereof is, in letter and spirit, in compliance with CSR objectives of the Company.

Mr.Prakash Kumar Saraogi
Member, CSR Committee
DIN:00496255

Mr.Gautam Saraogi,
Chairman
DIN:03209296

Mr.Rahul Saraogi
Member, CSR Committee
DIN:00496259

Place: Chennai
Date: 01-08-2019

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

1	CIN	U17291TN2010PTC077303
2	Registration Date	09/09/2010
3	Name of the Company	GO FASHION (INDIA) PRIVATE LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5	Address of the Registered office & contact details	SATHAK CENTER, 5TH FLOOR NEW NO.4, OLD NO.144/2, NUNGAMBAKKAM HIGH ROAD, CHENNAI - 600034 Contact Details -actsmain@gocolors.com
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product 2008/service	% to total turnover of the company
1.	Retail sale of readymade garments, hosiery goods, other articles of clothing and clothing accessories	F47711** G-2 in Line with Form MGT-7**	99.46%
2.	Scrap Sale	G46699** G-2 in Line with Form MGT-7**	00.54%

(i) Indian									
(ii) Overseas- Sequoia Capital India Investments IV	N A	20	20	0.000 1	N A	60	60	0.000 1	200 %
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto R s.1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
(c) Others (specify)									
Sub- total(B)(2) :									
Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for ADRs and GDRs									
Grand Total (A+B+C)	N A	1,00,00,04 0	1,00,00,04 0	100	N A	3,00,00,12 0	3,00,00,12 0	100	200 %

C) Change in Promoters' Shareholding (please specify, if there is no change) -

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the company
	At the beginning of the year	10000000	99.998	10000000	99.996
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	2,00,00,000 (Fully paid Bonus Shares) Bonsu issue approval 08.10.2018 Allotment- 20.10.2018		2,00,00,000 (Fully paid Bonus Shares)	
	At the end of the year	3,00,00,000	99.998	3,00,00,000	99.99

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): NA

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2018)		Increase/Decrease in shareholding (No. of Shares)	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)	
		No of Shares	% of total shares of the company		No of shares	% of total shares of the company
1	India Advantage Fund S4 I	20	0.0001	Decrease of 2 shares by transfer on 02/07/2018 Increase by issue of Bonus shares 36 shares on 08/10/2018	54	0.0001
2	Dynamic India Fund S4 US I	0	0	2 shares were transferred on 2 nd July 2018 Increase by issue of Bonus shares 4 shares on 08/10/2018	6	0

3	Sequoia Capital India Investments IV	20	0.0001	40 shares during the year by bonus issue	60	0.0001

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during The Year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	99,99,980	99.998	99,99,980	99.9994
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /				
	Allotment of Bonus Shares(As on March 2019)	1,99,99,960 (Fully paid Bonus Shares)		1,99,99,960 (Fully paid Bonus Shares)	
	At the end of the year	2,99,99,940	99.99	2,99,99,940	99.99

V) **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,55,54,354	-	-	2,55,54,354
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,55,54,354	-	-	2,55,54,354
Change in Indebtedness during the financial year				
* Addition	5,72,50,646	-	-	5,72,50,646
* Reduction	-	-	-	-
Net Change	5,72,50,646	-	-	5,72,50,646
Indebtedness at the end of the financial year				
i) Principal Amount	8,28,05,000	-	-	8,28,05,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,28,05,000	-	-	8,28,05,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Director

Sl. No	Particulars of Remuneration	Name of Director			Total Amount
		PRAKASH KUMAR SARAOGI		GAUTAM SARAOGI	
		PRAKASH KUMAR SARAOGI		GAUTAM SARAOGI	--
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	86,83,068	-	34,73,220	1,21,56,288
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	NIL	-	NIL	--
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NIL	-	NIL	--
2	Stock Option	NIL	-	NIL	--
3	Sweat Equity	NIL	-	NIL	--
4	Commission	NIL	-	NIL	--
	- As % of profit	NIL	-	NIL	--
	- Others , specify...		-		--
5	Others, please specify	NIL	-	NIL	--
	Total (A)	86,83,068	-	34,73,220	1,21,56,288
	Ceiling as per the Act	--	-	--	--

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					↗
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary		4,20,000		↗
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors
GO FASHION (INDIA) PRIVATE LIMITED

Mr. Prakash Kumar Saraogi

Director

DIN: 00496255

Address: 6A, NITHYASHREE APARTMENT,
 APARTMENT, NO. 51,
 NO. 51, CHAMBERS ROAD, R.A. PURAM,
 CHENNAI 600028

Place: Chennai

Date: 01-08-2019

Director

DIN: 03209296

6A, NITHYASHREE **Mr. Gautam Saraogi**

CHAMBERS ROAD, R.A. PURAM,
 CHENNAI 600028

INDEPENDENT AUDITOR'S REPORT

**To The Members of
Go Fashion (India) Private Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Go Fashion (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

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

- Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- Based on the work we have performed; we conclude that we have nothing to report in this regard.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

Reporting on comparatives in case of first Ind AS financial statements

The comparative financial information of the Company for the year ended March 31, 2018 and the related transition date opening balance sheet as at April 1, 2017 included in these Ind AS financial statements, have been prepared after adjusting the previously issued standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. Adjustments made to the previously issued standalone financial statements to comply with Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

- g) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

S Ganesh
(Partner)
(Membership No. 204108)
(Unique Document Identification No:
19204108AAAACN3466)

Place: Bangalore
Date: August 01,2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Go Fashion (India) Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of 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 based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 respective 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 over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

S Ganesh
(Partner)
(Membership No. 204108)
(Unique Document Identification No:
19204108AAAACN3466)

Place: Bangalore
Date: August 01,2019

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)

- (i) In respect of property, plant and equipment :
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals.
 - (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence compliance with the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, as amended with regard to the deposits accepted is not applicable to the company.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 and hence report under clause (vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods And Services Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax as on March 31, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum Where the Dispute is pending	Period to which the amount relates	Amount involved (Rs. in Lakhs)	Amount Unpaid (Rs. in Lakhs)
Jammu and Kashmir Value Added Tax, 2005	Value Added Tax	Assessing Authority, State Taxes Officer	2015-16	0.13	0.13

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the company
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

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

S Ganesh
(Partner)
(Membership No. 204108)
(Unique Document Identification No:
19204108AAAACN3466)

Place: Bangalore
Date: August 01,2019

GO FASHION (INDIA) PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2019

(Amount Rs. In Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
A. ASSETS				
1. Non-current assets				
(a) Property, plant and equipment	3 a	4,730.26	2,606.56	1,804.74
(b) Capital work-in-progress	4	196.39	171.87	88.96
(c) Other intangible assets	3 b	49.08	27.37	79.14
(d) Financial assets				
(i) Investments	5	-	707.34	707.34
(ii) Loans	6	1,794.41	1,313.07	632.42
(e) Deferred tax assets (net)	24 a	88.72	118.99	-
(f) Other non-current assets	7	-	1.34	0.64
Total non - current assets		6,858.86	4,946.54	3,313.24
2. Current assets				
(a) Inventories	8	6,949.47	4,363.25	2,739.66
(b) Financial assets				
(i) Investments	5	2,344.64	7,357.75	3.47
(ii) Trade receivables	9	3,913.12	2,888.96	2,401.33
(iii) Cash and cash equivalents	10 a	1,061.30	779.88	121.50
(iv) Bank balances other than (iii) above	10 b	3,304.12	11.49	256.31
(v) Loans	6	150.01	89.96	277.19
(c) Current tax assets (net)	24 b	145.54	-	-
(d) Other current assets	7	1,589.42	1,014.11	399.83
Total current assets		19,457.62	16,505.40	6,199.29
TOTAL ASSETS		26,316.48	21,451.94	9,512.53
B. EQUITY AND LIABILITIES				
1. Equity				
(a) Share capital	11	7,899.49	5,899.48	3,499.62
(b) Other equity	12	15,489.19	13,803.91	4,123.27
Total equity		23,388.68	19,703.39	7,622.89
2. Non-current liabilities				
(a) Provisions	13	72.44	84.37	64.48
(b) Deferred tax liabilities (Net)	24 a	-	-	16.94
Total non-current liabilities		72.44	84.37	81.42
3. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	14	828.05	255.54	673.66
(ii) Trade payables	15			
-total outstanding dues of micro enterprises and small enterprises		1.28	2.54	-
-total outstanding dues of creditors other than micro enterprises and small enterprises.		1,404.40	793.50	527.36
(iii) Other financial liabilities	16	133.13	68.33	103.20
(b) Provisions	13	-	1.22	0.46
(c) Current tax liabilities (net)	24 b	-	188.99	196.64
(d) Other current liabilities	17	488.50	354.06	306.90
Total current liabilities		2,855.36	1,664.18	1,808.22
TOTAL EQUITY AND LIABILITIES		26,316.48	21,451.94	9,512.53
See accompanying 1 to 38 notes forming part of the financial statements				

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Go Fashion (India) Private Limited

S Ganesh
Partner
Membership No. 204108

Prakash Kumar Saraogi
Director

Gautam Saraogi
Director

Mohan Ramaseshan
Chief Financial Officer

Anu Maria Sebastian
Company Secretary

Place : Bangalore
Date : 01.08.2019

Place : Chennai
Date : 01.08.2019

GO FASHION (INDIA) PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount Rs. In Lakhs)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
1. Income			
Revenue from operations	18	28,524.68	18,879.71
Other income	19	573.15	132.06
Total Income		29,097.83	19,011.77
2. Expenses			
Cost of materials consumed	20 a	8,275.96	6,988.91
Purchases of stock-in-trade	20 b	2,840.74	700.18
Changes in inventories of finished goods and work-in-progress	20 c	(1,747.52)	(1,500.16)
Manufacturing Expenses		2,045.17	1,499.18
Excise duty on sale of goods		-	6.30
Employee benefit expense	21	4,196.28	2,750.17
Finance costs	22	1.79	100.14
Depreciation and amortisation expenses	3	477.97	369.12
Other expenses	23	8,002.64	4,966.10
Total Expenses		24,093.03	15,879.94
3. Profit before tax (1 - 2)		5,004.80	3,131.83
4. Tax Expenses			
Current tax	24 c	1,339.89	1,218.24
Deferred tax	24 c	15.52	(145.05)
Income Tax Expenses		1,355.41	1,073.19
5. Profit for the year (3 - 4)		3,649.39	2,058.64
6. Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Re-measurements of the defined benefit plans [(gain)/ loss]		(50.65)	(31.33)
Income tax relating to (i) above		14.75	9.12
Total other comprehensive income		(35.90)	(22.21)
7. Total comprehensive income for the year (5 + 6)		3,685.29	2,080.85
Earnings per equity share of Rs. 10 each (face value)			
(1) Basic	25	12.16	6.86
(2) Diluted	25	6.99	3.94
See accompanying 1 to 38 notes forming part of the financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

For and on behalf of the Board of Directors of
Go Fashion (India) Private Limited

S Ganesh
Partner
Membership No. 204108

Prakash Kumar Saraogi
Director

Gautam Saraogi
Director

Mohan Ramaseshan
Chief Financial Officer

Anu Maria Sebastian
Company Secretary

Place : Bangalore
Date : 01.08.2019

Place : Chennai
Date : 01.08.2019

GO FASHION (INDIA) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount Rs. In Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
A. Cash flows from operating activities		
Profit before tax for the year	5,004.80	3,131.83
Adjustments for:		
Depreciation and amortisation	477.97	369.12
Liquidation of subsidiary	707.34	-
Loan to subsidiary written off	345.52	-
Property, Plant and Equipment Written off	-	146.82
Obsolete Stock written off	-	333.48
Provision for inventory	77.72	-
(Gain)/ Loss on disposal of property, plant and equipment	(0.54)	(0.00)
Interest on fixed deposits	(132.76)	(7.19)
Finance costs	1.79	100.14
Unrealized forex exchange loss (net)	0.60	1.06
Interest (Time Value) recognized on interest free lease deposits	(97.95)	(58.47)
Operating profit before working capital changes	6,384.49	4,016.79
<i>Working capital adjustments for:</i>		
(Increase)/Decrease in Inventories	(2,663.94)	(1,957.06)
(Increase)/Decrease in Trade and other receivables	(1,022.36)	(487.63)
(Increase)/Decrease in Loans and advances and other assets	(1,339.93)	(1,074.05)
(Decrease)/ Increase in Trade payables and other current liabilities	806.82	279.86
(Decrease)/ Increase in Provisions	37.49	51.98
	(4,181.92)	(3,186.90)
Cash generated from operations	2,202.57	829.89
Income tax paid (net of refunds)	(1,674.42)	(1,209.97)
Net cash flow from/ (used in) operating activities (A)	528.15	(380.08)
B. Cash flows from investing activities		
Purchase of Property, plant and equipment, intangible assets and capital work in progress	(2,649.82)	(1,352.00)
Proceeds from disposal of Property, Plant and Equipment	2.46	3.10
Bank deposits (opened)/ matured during the year	(3,292.63)	244.83
Interest received on fixed deposits	109.78	15.37
Net cash flow from/ (used in) investing activities (B)	(5,830.21)	(1,088.70)
C. Cash flows from financing activities		
Proceeds from the issue of share capital	-	10,000.00
Finance costs paid	(1.79)	(100.14)
Dividends and dividend distribution tax paid	(0.35)	(0.30)
Net cash flow from/ (used in) financing activities (C)	(2.14)	9,899.56
Net increase / decrease in cash and cash equivalents (A+B+C)	(5,304.20)	8,430.78
Cash and cash equivalents at the beginning of the year	7,882.09	(548.69)
Cash and cash equivalents at the end of the year	2,577.89	7,882.09

GO FASHION (INDIA) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(Amount Rs. In Lakhs)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents as per Balance Sheet	1,061.30	779.88
Add: Current investments considered as part of Cash and cash equivalents (Refer Note 5) (as defined in Ind AS 7 Statement of Cash Flows)	2,344.64	7,357.75
Less: Cash credit from banks (Refer Note 14)	(828.05)	(255.54)
TOTAL	2,577.89	7,882.09

See accompanying 1 to 38 notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

For and on behalf of the Board of Directors

Go Fashion (India) Private Limited

S Ganesh

Partner

Membership No. 204108

Prakash Kumar Saraogi

Director

Gautam Saraogi

Director

Mohan Ramaseshan

Chief Financial Officer

Anu Maria Sebastian

Company Secretary

Place : Bangalore

Date : 01.08.2019

Place : Chennai

Date : 01.08.2019

GO FASHION (INDIA) PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Share Capital

Equity share capital :

(Amount Rs. In Lakhs)

Particulars	Amount
Balance as at April 1, 2017	1,000.00
Movement during the year	0.00
Balance as at March 31, 2018	1,000.00
Movement during the year	2,000.01
Balance as at March 31, 2019	3,000.01

0.01% Series A Compulsorily Convertible Cumulative preference shares :

(Amount Rs. In Lakhs)

Particulars	Amount
Balance as at April 1, 2017	2,499.62
Movement during the year	-
Balance as at March 31, 2018	2,499.62
Movement during the year	-
Balance as at March 31, 2019	2,499.62

0.01% Series B Compulsorily Convertible Cumulative preference shares :

(Amount Rs. In Lakhs)

Particulars	Amount
Balance as at April 1, 2017	-
Movement during the year	2,399.86
Balance as at March 31, 2018	2,399.86
Movement during the year	-
Balance as at March 31, 2019	2,399.86

B. Other Equity

(Amount Rs. In Lakhs)

Particulars	Reserves and surplus		Other comprehensive income	Total
	Securities premium	Retained earnings	Re-measurement of defined benefit plan	
Balance as at April 1, 2017	2,979.13	1,144.14	-	4,123.27
Premium on share issued during the year	7,600.14	-	-	7,600.14
Profit for the year	-	2,058.64	-	2,058.64
Other comprehensive income (net of taxes)	-	-	22.21	22.21
Dividends	-	(0.29)	-	(0.29)
Tax on dividends	-	(0.06)	-	(0.06)
Balance as at March 31, 2018	10,579.27	3,202.43	22.21	13,803.91
Utilised for issue of bonus shares	(2,000.01)	-	-	(2,000.01)
Profit for the year	-	3,649.39	-	3,649.39
Other comprehensive income (net of taxes)	-	-	35.90	35.90
Dividends	-	-	-	-
Tax on dividends	-	-	-	-
Balance as at March 31, 2019	8,579.26	6,851.82	58.11	15,489.19

See accompanying 1 to 38 notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

For and on behalf of the Board of Directors
Go Fashion (India) Private Limited

S Ganesh
Partner
Membership No. 204108

Prakash Kumar Saraogi
Director

Gautam Saraogi
Director

Mohan Ramaseshan
Chief Financial Officer

Anu Maria Sebastian
Company Secretary

Place : Bangalore
Date : 01.08.2019

Place : Chennai
Date : 01.08.2019

1 General Background

Go Fashions (India) Private Limited ("the Company") was incorporated on September 09, 2010. The Company's registered office is at New No.4, Old No. 144/2, 5th Floor, Sathak Center, Nungambakkam High Road, Chennai - 600 034, Tamilnadu, India. The Company is mainly engaged in the business of manufacture and sale of apparels for women and kids.

2 Significant accounting policies

2.1 Statement of compliance with Indian Accounting Standards (Ind AS's)

Ministry of Corporate Affairs ("MCA") notified roadmap to implement Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per requirements for applicability, the Company would be required to apply Ind AS from financial year beginning 2019-20. However, the Company decided for voluntary adoption of Ind AS from the financial year beginning April 1, 2018. Accordingly, the financial statements of the Company have been prepared in accordance with the Ind AS.

For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with (Accounts) Rules, 2014 ('Previous Indian GAAP'). These financial statements for the year ended March 31, 2019, are the first the Company has prepared in accordance with Ind AS (Refer Note 34 for Information on how the company has adopted Ind AS).

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain assets and liabilities which are measured at fair values at the end of each reporting period, as explained in the accounting policies below:-

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would consider those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** : Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** : Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** : Inputs are unobservable inputs for the asset or liability.

2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Useful lives of Property, plant and equipment (Refer Note 2.9)
- (ii) Assets and obligations relating to employee benefits (Refer Note 2.7)
- (iii) Valuation and measurement of income taxes and deferred taxes (Refer Note 2.8)

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

2.4 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 to which the Company expects to be entitled in exchange for those goods or services. Revenue from Contracts with customers, mandatory for reporting periods beginning on or after 1 April 2018.

Sale of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method. Sales are net of Sales Tax and Goods & Service Tax.

Dividend, Interest Income and Export Incentives

Dividend income from investments is recognised when the Company's right to receive payment has been established. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. Income in respect of export incentives arising from export sales are recognised in the year of exports when the certainty of realisation of the incentive is established.

2.5 Foreign currencies

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

Transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such restatement is dealt with in the Statement of Profit and Loss.

2.6 Leases

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease payments are structured to increase in line with the expected inflation.

Assets taken on finance lease are capitalized, while lease charges on assets taken on operating lease are expensed.

2.7 Employee benefits

Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance and Employee State Insurance, which are recognized in the statement of Profit and loss on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders the service entitling them to the contributions.

The Company has no obligation, other than the contribution payable to the provident fund.

Retirement benefit costs and termination benefits

Liabilities for gratuity funded in terms of a scheme administered by the LIC are determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

2.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

The tax currently payable is based on estimated taxable profit for the year. Estimated taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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 are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax ("MAT") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

2.9 Property, plant and equipment and Depreciation on Property, Plant and Equipment

Property, plant and equipment are stated at costs less accumulated depreciation (other than freehold land) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalized only if such expenditure results in an increase in the future economic benefits from such asset beyond its previously assessed standard of performance .

Depreciation is provided for property, plant and equipment on the straight-line method over the estimated useful life from the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Deemed Cost on transition to Ind AS :

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (transition date) measured as per the Previous Indian GAAP and use that carrying value as its deemed cost as of the transition date.

Capital work in progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. The capital work- in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.10 Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets comprise of computers and are amortized on a straight line basis over their estimated useful lives of 3 years. The estimated useful lives of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

2.11 Impairment

Financial assets (other than fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Non-financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

2.12 Inventories

Items of inventory are valued at lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition and is net of taxes where applicable. Cost of raw materials, stores and spares, packing material and traded goods is determined on weighted average basis. In case of work in-process and finished goods, cost includes an appropriate proportion of cost of conversion.

2.13 Provisions and Contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

2.14 Investment

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

2.15 Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

A) Financial assets

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of profit and loss.

Foreign exchange gains and losses

The fair value of foreign assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For the foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in statement of profit and loss.

B) Financial liabilities and Equity

Financial liabilities at amortized cost

Financial liabilities are measured at amortized cost using effective interest method.

Borrowings & Security Deposits

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Equity instruments

An equity instrument is contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in 'Other income'

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in the profit and loss.

2.16 Cash and cash equivalent

Cash comprises cash on hand, cheques and demand drafts on hand, balances with banks in current accounts / demand deposits. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.17 Earnings per share (EPS)

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.19 Recent accounting pronouncements

Amendments to Ind AS 12 - Income Taxes

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 – Income Taxes. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

Amendment to Ind AS 19 - Employee Benefits

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 – Employee Benefits in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019, though early application is permitted.

New Accounting Standard : Ind AS 116 - Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019.

3. Property, plant and equipment

a) Tangible Assets

Particulars	Plant & Machinery	Furnitures & Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations*	Total Tangible Assets
(a) Deemed Cost							
Balance as at 1st April 2016	62.28	594.81	26.60	26.99	82.44	160.96	954.08
Additions	0.83	996.80	0.74	113.48	63.66	-	1,175.51
Disposal	-	(2.53)	-	-	-	-	(2.53)
As at April 1, 2017	63.11	1,589.08	27.34	140.47	146.10	160.96	2,127.06
Additions	65.66	1,035.82	25.96	76.57	49.14	-	1,253.15
Disposal	(2.52)	(252.13)	-	-	(0.85)	-	(255.50)
Balance as at March 31, 2018	126.25	2,372.77	53.30	217.04	194.39	160.96	3,124.71
Additions	691.12	1,656.79	-	166.20	66.75	-	2,580.86
Disposal	-	(2.46)	-	-	-	-	(2.46)
Adjustments during the year	-	(2.01)	-	2.01	-	-	-
Balance as at March 31, 2019	817.37	4,025.09	53.30	385.25	261.14	160.96	5,703.11
(b) Accumulated Depreciation and Amortisation							
Balance as at 1st April 2016	4.66	76.75	1.82	9.17	37.93	23.77	154.10
Depreciation and amortisation expense for the year	3.97	97.98	3.19	13.08	35.12	15.29	168.63
Disposal / Adjustments during the year	-	(0.41)	-	-	-	-	(0.41)
Balance as at April 1, 2017	8.63	174.32	5.01	22.25	73.05	39.06	322.32
Depreciation and amortisation expense for the year	5.84	207.04	3.76	33.74	53.54	-	303.92
Disposal / Adjustments during the year	(0.00)	(107.82)	-	-	(0.27)	-	(108.09)
Balance as at March 31, 2018	14.47	273.54	8.77	55.99	126.32	39.06	518.15
Depreciation and amortisation expense for the year	18.74	336.52	6.33	52.26	41.40	-	455.25
Disposal / Adjustments during the year	-	(0.55)	-	-	-	-	(0.55)
Balance as at March 31, 2019	33.21	609.51	15.10	108.25	167.72	39.06	972.85
Net carrying value as at March 31, 2019	784.16	3,415.58	38.20	277.00	93.42	121.90	4,730.26
Net carrying value as at March 31, 2018	111.78	2,099.23	44.53	161.05	68.07	121.90	2,606.56
Net carrying value as at April 1, 2017	54.48	1,414.76	22.33	118.22	73.05	121.90	1,804.74

b) Intangible assets

(Amount Rs. In Lakhs)

Software	Total Intangible Assets
175.37	175.37
23.17	23.17
-	-
198.54	198.54
13.43	13.43
-	-
211.97	211.97
44.43	44.43
-	-
-	-
256.40	256.40
61.64	61.64
57.76	57.76
-	-
119.40	119.40
65.20	65.20
-	-
184.60	184.60
22.72	22.72
-	-
207.32	207.32
49.08	49.08
27.37	27.37
79.14	79.14

*Depreciation relating to Electrical Installations block is included as part of Furniture & Fixtures.

Depreciation and Amortisation expenses

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Depreciation on Tangible assets	455.25	303.92
Amortization of Intangible assets	22.72	65.20
Total	477.97	369.12

4. Capital work-in-progress

(Amount Rs. In Lakhs)

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
Furniture	129.67	77.73	88.96
Office equipment	2.98	1.67	-
Others	63.74	92.47	-
TOTAL	196.39	171.87	88.96

5. Financial Assets - Investments

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Current	Non Current	Current	Non Current	Current	Non Current
A. Unquoted at Cost						
Investment in equity instruments in subsidiary company (Refer Note 36)						
Go Fashions FZE, Dubai Nil (As at 31 March 2018: 400,000; As at 1 April 2017: 400,000) equity shares of AED 10 each fully paid up	-	-	-	707.34	-	707.34
Total Unquoted Investments	-	-	-	707.34	-	707.34
B. Quoted (at Fair Value Through Profit and Loss)						
Investments in Mutual funds						
HDFC Liquid Fund - Direct Plan - Growth Option 102 (As at 31 March 2018: 102; As at 1 April 2017: 102) units	3.75	-	3.49	-	3.47	-
HDFC Liquid Fund - Direct Plan - Daily Dividend 40,223 (As at 31 March 2018: 326,255; As at 1 April 2017: Nil) units	410.20	-	3,327.21	-	-	-
ICICI Prudential Liquid - Direct Plan - Daily Dividend 1,928,603 (As at 31 March 2018: 4,027,478; As at 1 April 2017: Nil) units	1,930.69	-	4,027.05	-	-	-
Total Quoted Investments	2,344.64	-	7,357.75	-	3.47	-
TOTAL INVESTMENTS CARRYING VALUE	2,344.64	-	7,357.75	707.34	3.47	707.34
Other disclosures						
Aggregate value of quoted investments	2,344.64	-	7,357.75	-	3.47	-
Aggregate value of unquoted investments	-	-	-	707.34	-	707.34

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

6. Financial Assets - Loans

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
a) Security Deposits - at amortised cost									
- Unsecured, considered good	150.01	1,794.41	1,944.42	89.96	1,140.31	1,230.27	277.19	638.80	915.99
Less: Provision for doubtful deposits	-	-	-	-	-	-	-	(6.38)	(6.38)
b) Other Loans									
Other advances	-	-	-	-	172.76	172.76	-	-	-
TOTAL	150.01	1,794.41	1,944.42	89.96	1,313.07	1,403.03	277.19	632.42	909.61

7. Other Assets

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Current	Non- Current	Total	Current	Non- Current	Total	Current	Non- Current	Total
(a) Capital advances	19.18	-	19.18	14.97	-	14.97	52.62	-	52.62
(b) Advances to suppliers	517.19	-	517.19	388.17	-	388.17	101.73	-	101.73
(c) Advances to employees	16.12	-	16.12	3.06	-	3.06	13.50	-	13.50
(d) Advances to others	-	-	-	194.44	-	194.44	22.94	-	22.94
(e) Balances with government authorities (other than income taxes)	489.71	-	489.71	96.11	-	96.11	18.73	-	18.73
(f) Prepayments									
Prepaid expenses	37.45	-	37.45	20.28	-	20.28	20.44	-	20.44
Prepaid rent	484.73	-	484.73	296.37	-	296.37	160.27	-	160.27
(g) Interest accrued on fixed deposits	25.04	-	25.04	0.71	1.34	2.05	9.60	0.64	10.24
TOTAL	1,589.42	-	1,589.42	1,014.11	1.34	1,015.45	399.83	0.64	400.47

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

8. Inventories

(at lower of cost and net realisable value)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Raw materials	1,650.53	734.11	610.68
(b) Work-in-progress	1,413.23	998.33	529.39
(c) Finished goods and stock-in-trade	3,963.43	2,630.81	1,599.59
Less: Provision for Inventories	(77.72)	-	-
TOTAL	6,949.47	4,363.25	2,739.66

9. Trade Receivables

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Receivables outstanding for a period exceeding six months from the date they became due for payment			
Unsecured, considered good	190.60	219.70	413.67
Unsecured, considered doubtful	1.64	1.64	5.84
Less: Provision for doubtful receivables	-1.64	-1.64	-5.84
	(i) 190.60	219.70	413.67
Other receivables			
Unsecured, considered good	3,722.52	2,669.26	1,987.66
	(ii) 3,722.52	2,669.26	1,987.66
TOTAL (i+ii)	3,913.12	2,888.96	2,401.33

9.1 The average credit period on sale of products ranges between 30 to 60 days. The Company has financial risk management policies in place to ensure that all the receivables are collected within the pre-agreed credit terms.

10 a. Cash and cash equivalents

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Cash in hand	96.40	79.81	24.64
(b) Balances with banks in current accounts	964.90	700.07	96.86
TOTAL	1,061.30	779.88	121.50

10 b. Bank balances other than cash and cash equivalents

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Earmarked balances with banks	11.49	11.49	20.21
(b) Margin money deposits	275.78	-	-
(c) Other Bank Deposits	3,016.85	-	236.10
TOTAL	3,304.12	11.49	256.31

24 a Deferred tax assets and liabilities (net)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax assets	88.72	118.99	53.87
Deferred tax liabilities	-	-	(70.81)
Net deferred tax asset/ (liability)	88.72	118.99	(16.94)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Deferred tax liability			
a)Property, plant and equipment and Intangible assets	-	-	70.81
Gross deferred tax liability	-	-	70.81
Deferred tax asset			
a)Property, plant and equipment and Intangible assets	6.91	15.36	-
b) Employee benefits	54.61	49.57	32.92
c) Preliminary expenses disallowed	27.20	54.06	20.95
Gross deferred tax asset	88.72	118.99	53.87
Net deferred tax asset/ (liability) (net)	88.72	118.99	(16.94)

24 b Current tax assets and liabilities (net)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Provision for taxation	1,367.81	1,574.12	517.66
Less: Taxes paid	(1,513.35)	(1,385.13)	(321.02)
Net current tax asset/ (current tax liability)	(145.54)	188.99	196.64

24 c Current tax and deferred tax expense recognised in statement of profit and loss

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current Tax		
- in respect of current year	1,367.81	1,218.24
- in respect of prior years	(27.92)	-
TOTAL	1,339.89	1,218.24
Deferred Tax		
Provision for Employee Benefits	(5.03)	(16.65)
Difference between book balance and tax balance of Property, plant and equipment	8.44	(86.17)
Preliminary expenses allowed	26.86	(33.11)
Less: Income tax recognized on other comprehensive income	30.27	(135.93)
	(14.75)	(9.12)
TOTAL	15.52	(145.05)

11.Share Capital

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	Value (Rs. In Lakhs)	No. of shares	Value (Rs. In Lakhs)	No. of shares	Value (Rs. In Lakhs)
Authorised:						
Equity shares of Rs.10 each with voting rights	31,000,000	3,100.00	11,000,000	1,100.00	11,000,000	1,100.00
Preference shares of Rs.100/- each	4,900,000	4,900.00	4,900,000	4,900.00	2,500,000	2,500.00
Issued, Subscribed and fully Paid:						
Equity shares of Rs.10 each with voting rights	30,000,120	3,000.01	10,000,040	1,000.00	10,000,020	1,000.00
Preference shares 0.01% Series A Compulsorily Convertible Cumulative preference shares of Rs. 100 each fully paid up	2,499,615	2,499.62	2,499,615	2,499.62	2,499,615	2,499.62
Preference shares 0.01% Series B Compulsorily Convertible Cumulative preference shares of Rs. 100 each fully paid up	2,399,860	2,399.86	2,399,860	2,399.86	-	-

Note: The Company has increased authorised share capital limit from 6,000 lakhs to 8,000 lakhs by obtaining the approval of members in Extraordinary General meeting also amended the Memorandum of Association accordingly.

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	Value (Rs. In Lakhs)	No. of shares	Value (Rs. In Lakhs)	No. of shares	Value (Rs. In Lakhs)
Equity Shares with Voting rights						
At the commencement of the year	10,000,040	1,000.00	10,000,020	1,000.00	5,000,010	500.00
Shares issued during the year	-	-	20	0.00	-	-
Issue of bonus shares	20,000,080	2,000.01	-	-	5,000,010	500.00
At the end of the year	30,000,120	3,000.01	10,000,040	1,000.00	10,000,020	1,000.00
0.01% series A Compulsorily Convertible Cumulative preference shares						
At the commencement of the year	2,499,615	2,499.62	2,499,615	2,499.62	2,499,615	2,499.62
Shares issued during the year	-	-	-	-	-	-
At the end of the year	2,499,615	2,499.62	2,499,615	2,499.62	2,499,615	2,499.62
0.01% series B Compulsorily Convertible Cumulative preference shares						
At the commencement of the year	2,399,860	2,399.86	-	-	-	-
Shares issued during the year	-	-	2,399,860	2,399.86	-	-
At the end of the year	2,399,860	2,399.86	2,399,860	2,399.86	-	-

(ii) Terms/ Rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having a nominal value of Rs. 10. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Terms/ Rights attached to Preference shares:

Paid up preference shares of the Company comprise of:

24,99,615 (P.Y 24,99,615) 0.01% Series A Compulsorily Convertible Cumulative preference shares of Rs 100 each, allotted to Sequoia Capital India Investments IV. The shares are convertible at the option of holder of the preference shares at the conversion price then in effect, upon the earlier of (i) 1 day prior to the expiry of 20 years from the First Closing Date; or (ii) in connection with a IPO, prior to filing of a prospectus by the Company.

23,99,860 (PY 23,99,860) 0.01% Series B Compulsorily Convertible Cumulative preference shares of Rs 100 each, allotted to India Advantage Fund S4 I. These shares may be converted to equity shares at any time at the option of the shareholder, at the conversion price then in effect, upon the earlier of (i) 1 day prior to the expiry of 20 years from the First Closing Date; or (ii) in connection with a IPO, prior to filing of a prospectus by the Company.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward. The preference shares are entitled to one vote per share at meetings of the company on any resolutions of the company directly affecting their rights. However, a cumulative preference shareholder acquires voting rights on par with an equity shareholder if the dividend on preference shares has remained unpaid for a period of not less than two years. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

During the year, the company has allotted bonus shares in the ratio 1:2 for equity shareholders. Preference shareholders are eligible for bonus shares at the time of conversion.

(iv) 0.01% Series B Compulsorily Convertible Preference Shares:

During the year company has received share transfer requests on May 28, 2018 from one of its shareholders, India Advantage Fund S4, acting through its trustee IDBI Trusteeship Services Limited, to transfer its holding in equity and preference shares, partially to Dynamic India Fund S4 US I.

Accordingly, the Company has transferred 2 Equity shares of Rs.10 each and 1,92,226 Series B fully and Compulsorily convertible preference shares of Rs.100 each to Dynamic India Fund S4 US I in the current year.

(v) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares	No. of shares held	% holding in that class of shares
Equity shares of Rs.10 each with voting rights						
(a) Mr. Rahul Saraogi	14,999,940	49.99	4,999,980	50.00	4,999,980	50.00
(b) Mr. Gautam Saraogi	14,999,940	49.99	4,999,980	50.00	4,999,980	50.00
0.01% Series A Compulsorily Convertible Cumulative Preference shares of Rs 100 each fully paid up						
(a) Sequoia Capital India Investments IV	2,499,615	100.00	2,499,615	100.00	2,499,615	100.00
0.01% Series B Compulsorily Convertible Cumulative Preference shares of Rs 100 each fully paid up						
(a) India Advantage Fund S4 I	2,207,634	91.99	2,399,860	100.00	-	-
(b) Dynamic India Fund S4 US I	192,226	8.01	-	-	-	-

(vi) Details of shares issued for consideration other than cash during the preceeding three years:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Equity Shares with Voting rights			
Fully paid up bonus shares	20,000,080	-	5,000,010

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

12. Other equity

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Securities premium		
Opening balance	10,579.27	2,979.13
Premium on share issued during the year	-	7,600.14
Utilised for issue of bonus shares	(2,000.01)	-
Closing balance	8,579.26	10,579.27
Retained Earning		
Balance at the beginning of the year	3,202.43	1,144.14
Add: Transfer from the statement of Profit & Loss	3,649.39	2,058.64
Less : Dividend	-	(0.29)
Less : Tax on dividend	-	(0.06)
Closing balance	6,851.82	3,202.43
Total Reserves and Surplus	15,431.08	13,781.70
Remeasurements of defined benefit obligations		
Opening Balance	22.21	-
Add/ (Less): Remeasurements of defined benefit obligations	35.90	22.21
Closing balance	58.11	22.21
Total Other Comprehensive Income	58.11	22.21
TOTAL	15,489.19	13,803.91

13. Provisions

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Current	Non- Current	Current	Non- Current	Current	Non- Current
Provision for employee benefits						
Provision for gratuity (Refer Note 32)	-	72.44	0.87	84.37	0.16	64.48
Other Provisions						
Provision for proposed preference dividend	-	-	0.29	-	0.25	-
Provision for tax on proposed dividend	-	-	0.06	-	0.05	-
TOTAL	-	72.44	1.22	84.37	0.46	64.48

14. Financial Liabilities - Borrowings (Current)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
A. Secured Borrowings			
Cash credit from Banks (Refer Note below)	828.05	255.54	673.66
TOTAL	828.05	255.54	673.66

Notes:

14.1 The cash credit facility from Ratnakar Bank Limited comprising of Rs 2000 Lakhs (March 31, 2018: INR 2000 Lakhs; April 1, 2017: NIL), has been obtained for the purpose of working capital. The facility has been availed for a tenure of 12 months, and is repayable on demand.

14.2 The facility is secured by way of an exclusive charge on the entire current assets and moveable fixed assets of the company, both present and future, and an unconditional and irrevocable personal guarantee of Mr. Prakash Saraogi, Mr. Gautam Saraogi and Mr. Rahul Saraogi.

14.3 Interest is charged at 0.45% above 1 year MCLR on a monthly basis.

14.4 The company had obtained a working capital loan from Union Bank of India, during Financial Year 2016-17 for meeting the day to day expenses by hypothecating the stock and book debts and personal guarantee of the directors. The same was repaid in Financial Year 2017-18.

15. Trade Payables

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Dues of Micro Enterprises and Small Enterprises	1.28	2.54	-
Dues of creditors other than Micro Enterprises and Small Enterprises	1,404.40	793.50	527.36
TOTAL	1,405.68	796.04	527.36

15.1 The average credit period on domestic purchases ranges between 30 -45 days. The Company has financial risk management policies in place to ensure that all the payable are paid within the pre-agreed credit terms.

16. Other Financial Liabilities (Current)

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Security Deposits	63.71	35.42	38.67
(b) Capital Creditors	69.42	32.91	64.53
TOTAL	133.13	68.33	103.20

17. Other Current Liabilities

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a) Advances received from customers	0.01	2.37	26.43
(b) Statutory dues payable	156.24	86.86	96.35
(c) Employee benefits payable	76.71	74.24	42.97
(d) Other payables	255.54	190.59	141.15
TOTAL	488.50	354.06	306.90

18. Revenue from Operations

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of Products		
Retail Sales	29,218.70	18,827.26
Less: Discounts provided during the year (Refer Note 35)	(659.84)	-
Less: Gift Vouchers availed during the year (Refer Note 35)	(187.51)	-
Total - Sale of Products	28,371.35	18,827.26
Other Operating Revenue		
Scrap sales	155.13	48.04
Export incentives	(1.80)	4.41
Total - Other operating revenues	153.33	52.45
Total Revenue from operations	28,524.68	18,879.71

18.1 Disaggregated revenue information

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales Channels		
Exclusive Brand Outlets ('EBO')	18,192.49	11,289.79
Large Format Stores ('LFS')	7,633.69	5,430.65
Others	2,698.50	2,159.27
Total Revenue from operations	28,524.68	18,879.71

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

19. Other income**(Amount Rs. In Lakhs)**

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Income on financial assets:		
- Bank deposits	132.76	7.19
- Security deposits measured at amortised cost	97.95	58.47
- On investments in mutual funds	286.88	54.28
(b) Net Gain on Foreign Exchange Transactions and Translation	32.70	0.20
(c) Gain on sale of Property, plant and equipment (Net)	0.54	0.00
(e) Miscellaneous Income	22.32	11.92
TOTAL	573.15	132.06

GO FASHION (INDIA) PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2019

20 a. Cost of materials consumed

(Amount Rs. In Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock of raw materials	734.11	610.68
Add: Purchases	9,192.38	7,112.34
	9,926.49	7,723.02
Less: Closing stock of raw materials	(1,650.53)	(734.11)
Cost of materials consumed	8,275.96	6,988.91
Breakup of cost of material consumed:		
Fabric	6,910.62	5,967.61
Accessories	901.06	710.50
Packing Materials	160.88	157.06
Yarn	303.40	153.74
	8,275.96	6,988.91

20 b. Purchases of stock-in-trade

(Amount Rs. In Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Garments	2,840.74	700.18
TOTAL	2,840.74	700.18

20 c. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(Amount Rs. In Lakhs)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening Stock		
Work-in-progress	998.33	529.39
Finished goods and stock-in-trade	2,630.81	1,599.59
	3,629.14	2,128.98
Closing Stock		
Work-in-progress	1,413.23	998.33
Finished goods and stock-in-trade	3,963.43	2,630.81
	5,376.66	3,629.14
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,747.52)	(1,500.16)

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

21. Employee benefit expenses

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Salaries, Wages and Bonus	3,898.47	2,525.22
(b) Contribution to provident and other funds	81.56	77.68
(c) Gratuity expenses	67.84	51.94
(d) Staff welfare expenses	148.41	95.33
TOTAL	4,196.28	2,750.17

22. Finance costs

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest expense on cash credit facility	1.79	100.14
TOTAL	1.79	100.14

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

23. Other expenses

(Amount Rs. In Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Power & fuel	220.93	131.84
Sales Promotion Expenses	531.38	670.27
Freight and handling charges	371.40	263.73
Rent	3,762.57	2,235.02
Repairs and maintenance :		
- Buildings	399.38	225.34
- Machinery	16.95	3.89
- Others	296.86	204.24
Communication expenses	48.89	41.46
Printing and stationery	28.68	17.05
Travelling and conveyance	181.66	117.71
Rates and taxes	56.14	65.27
Legal and professional charges	139.31	294.91
Payment to auditor (Refer note below)	18.35	19.20
Expenditure on corporate social responsibility (CSR) (Refer Note 29)	25.79	4.60
Cash collection charges	78.94	68.14
Bank charges	98.44	81.53
Investment written off (Refer Note 36)	707.34	-
Loan written off (Refer Note 36)	345.52	-
Fixed assets written off	-	146.82
Obsolete Stock written off	501.97	333.48
Provision for Inventory	77.72	-
Miscellaneous expenses	94.42	41.60
TOTAL	8,002.64	4,966.10

(Amount Rs. In Lakhs)

Payments to Auditors	For the year ended March 31, 2019	For the year ended March 31, 2018
Statutory audit	16.00	16.00
Tax audit	1.50	1.50
Other services	0.85	1.50
Reimbursement of expenses	-	0.20
TOTAL	18.35	19.20

GO FASHION (INDIA) PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2019
25. Earnings per share has been computed as under:

₹

Particulars	As at March 31, 2019	As at March 31, 2018
Profit after Tax - (Rs. In Lakhs)	3,649.39	2,058.64
Less: Preference dividend - (Rs. In Lakhs)	(0.49)	(0.29)
Less: Dividend distribution tax on the above - (Rs. In Lakhs)	(0.10)	(0.06)
Profit after Tax attributable for Equity share holders - (Rs. In Lakhs)	3,648.80	2,058.29
Earnings per share – Basic (Rs.)	12.16	6.86
Earnings per share – Diluted (Rs.)	6.99	3.94
Face Value of Equity Shares (Rs.)	10.00	10.00

Note:

Particulars	As at March 31, 2019	As at March 31, 2018
Weighted average number of equity shares for Basic EPS (No's)	30,000,120	30,000,120
Weighted average number of equity shares for Diluted EPS (No's)	52,197,390	52,197,390

Number of equity shares outstanding, has increased for the year ended 31 March, 2019 and 31 March, 2018 as a result of a bonus issue during the year. Accordingly the calculation of basic and diluted earnings per share has been computed for the current year and the previous year.

26. Leases

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Operating lease commitment as lessee		
Expenses recognized in the statement of profit and loss		
a) Minimum lease payments	3,545.21	2,031.28
b) Contingent rent	217.36	138.51
Variable rent for certain stores is payable in accordance with the lease agreement as the higher of :	3,762.57	2,169.79
(a) fixed minimum guarantee amount		
(b) revenue share percentage		

Agreements with a non-cancellable clause are executed for periods ranging from 6 to 108 months and with cancellable clause ranging from 7 to 108 months.

The future minimum rental payments in respect of non-cancellable lease for premises are as below:

c)The future minimum rental payments in respect of leased premises are as follows:

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Not later than one year	3,153.17	2,117.26	1,231.34
Later than one year and not later than five years	8,135.78	5,307.59	3,113.38
Later than five years	2,954.34	1,402.06	548.78

27. Contingent liabilities and commitments

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(i) Contingent liabilities			
a) Bank guarantees outstanding			
b) Claims against the company not acknowledged as debts			
- Telangana CST Demand 2016-17	37.65	-	-
- Jammu and Kashmir CST Demand 2015-16	0.13	-	-
- Disputed demands under appeal not provided - Disputed Sales Tax*	-	-	95.41
	37.78	-	95.41
(ii) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	296.21	-	2.78
Less: Capital Advances paid	(75.47)	-	-
TOTAL	220.74	-	2.78

Note: In respect of the contingent liability shown in the Financial year 2016-17, Final Annual Assessment and No Due Notices had been received from The Central Sales Tax department upon submission of relevant C-Forms during the year 2017-2018.

GO FASHION (INDIA) PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2019

28 Disclosures required under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(Amount Rs. In Lakhs)	
	As at March 31, 2019	As at March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	1.28	2.29
The amount of interest paid by the buyer under the Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the Act not paid);	-	0.26
The amount of interest accrued and remaining unpaid at the end of accounting year	-	0.26
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note: The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

29 Corporate Social Responsibility (CSR)

Particulars	(Amount Rs. In Lakhs)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013	30.57	4.60
Amount spent during the year	25.79	4.60

Note: The company is in the process of determining specific activities and identifying specific partners that would be aligned with Company's CSR Policy. The deficit of CSR expenditure in the current year, will be spent in the subsequent year.

30 Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24

a) List of Related Parties and Relationships

Relationship	Related Party
Subsidiaries	GO Fashion FZE, UAE
Key Management Personnel	Prakash Kumar Saraogi Gautam Saraogi
Relatives of ('KMP')	Ms.Usha Saraogi Ms.Anita Rasiwasia Ms.Pushpa Saraogi Ms.Neha Garodia Ms. Ruchita Saraogi
Entities in which KMP / Relatives of KMP can exercise significant influence	Meridian Investments, Firm Meridian Global Ventures Private Limited (formerly Meridian Apparels Private Limited) Go Colors Garment Trading LLC, UAE Invenire Energy Private Limited

Note: Related Parties relationships are as identified by the management and relied upon by the auditors.

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24 (contd.)

b) Related Party transactions

(Amount Rs. In Lakhs)

Particulars	Key Management Personnel and their Relatives		Subsidiary*		Enterprises owned or significantly influenced by Key Management Personnel / Directors and their relatives	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Transactions during the year:						
Remuneration of KMP:						
Prakash Kumar Saraogi	86.83	86.83	-	-	-	-
Gautam Saraogi	34.73	34.73	-	-	-	-
Loan written off:						
GO Fashion FZE	-	-	345.52	-	-	-
Investment written off:						
GO Fashion FZE	-	-	707.34	-	-	-
Bad debts:						
GO Fashion FZE	-	-	24.45	-	-	-
Interest income :						
Invenire Energy Private Limited	-	-	-	-	-	0.55
Meridian Global Ventures Private Limited	-	-	-	-	4.29	-
Advance Given :						
Meridian Global Ventures Private Limited	-	-	-	-	300.00	-
Refund of Advance :						
Meridian Global Ventures Private Limited	-	-	-	-	300.00	-
Sales of Finished goods :						
GO Fashion FZE	-	-	-	61.24	-	-
Meridian Global Ventures Private Limited	-	-	-	-	0.09	-
Ms. Usha Saraogi	-	0.28	-	-	-	-
Ms. Anita Rasiwasia	-	0.01	-	-	-	-
Ms. Pushpa Saraogi	0.03	0.69	-	-	-	-
Ms. Neha Garodia	-	0.09	-	-	-	-
Ms. Ruchita Saraogi	-	0.04	-	-	-	-
Purchases of raw materials :						
Go Fashion FZE	-	-	-	78.89	-	-
Meridian Global Ventures Private Limited	-	-	-	-	-	8.61
Purchases of assets :						
Meridian Global Ventures Private Limited	-	-	-	-	0.62	1.48
Rent :						
Meridian Global Ventures Private Limited	-	-	-	-	141.28	-
Security deposit :						
Meridian Global Ventures Private Limited	-	-	-	-	72.00	-
Loan Given :						
Go Fashion FZE	-	-	-	343.42	-	-
Invenire Energy Private Limited	-	-	-	-	-	500.00

*During the Year Go Fashion FZE, 100% Subsidiary of Go Fashion India Private Limited has been liquidated (Refer Note - 36).

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24 (contd.)

(Amount Rs. In Lakhs)

Particulars	Key Management Personnel and their Relatives			Subsidiary*			Enterprises owned or significantly influenced by Key Management Personnel / Directors and their relatives		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Outstanding as at Year end:									
Trade receivables:									
Go Fashion FZE	-	-	-	-	82.26	205.86	-	-	-
Meridian Global Ventures Private Limited	-	-	-	-	-	-	0.10	-	-
Security deposit :									
Meridian Global Ventures Private Limited	-	-	-	-	-	-	72.00	-	-
Trade Payables:									
Go Fashion FZE	-	-	-	-	1.17	-	-	-	-
Meridian Global Ventures Private Limited	-	-	-	-	-	-	0.29	-	-
Loan receivable:									
Go Fashion FZE	-	-	-	-	345.52	-	-	-	-
Balances receivable from KMP and their relatives									
Ms.Usha Saraogi	-	0.28	-	-	-	-	-	-	-
Ms.Anita Rasiwasia	-	0.01	-	-	-	-	-	-	-
Ms.Pushpa Saraogi	0.03	0.69	-	-	-	-	-	-	-
Ms.Neha Garodia	-	0.09	-	-	-	-	-	-	-
Ms. Ruchita Saraogi	-	0.04	-	-	-	-	-	-	-

*During the Year Go Fashion FZE, 100% Subsidiary of Go Fashion India Private Limited has been liquidated (Refer Note - 36).

31 Financial Instruments

A) Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

(Amount Rs. In Lakhs)

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
Total equity attributable to the equity shareholders of the company	23,388.68	19,703.39	7,622.89
As a percentage of total capital	97%	99%	92%
Current borrowings	828.05	255.54	673.66
As a percentage of total capital	3%	1%	8%
Total Capital	24,216.73	19,958.93	8,296.55

The Company is predominantly financed through Equity, which is evident from the capital structure table. There is no change in the overall capital risk management strategy of the Company compared to last year.

B) Categories of financial instruments

The carrying value of the financial instruments by categories as on March 31, 2019, March 31, 2018 and April 1, 2017 is as follows:

(Amount Rs. In Lakhs)

Particulars	Carrying amount			Fair value		
	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets						
a) Measured at fair value though profit and loss						
Investments in Mutual Funds	2,344.64	7,357.75	3.47	2,344.64	7,357.75	3.47
b) Measured at amortised cost						
Investment in subsidiary	-	707.34	707.34	-	707.34	707.34
Loans	1,944.42	1,403.03	909.61	1,944.42	1,403.03	909.61
Trade receivables	3,913.12	2,888.96	2,401.33	3,913.12	2,888.96	2,401.33
Cash and cash equivalents	1,061.30	779.88	121.50	1,061.30	779.88	121.50
Bank balance other than cash and cash equivalents	3,304.12	11.49	256.31	3,304.12	11.49	256.31
Total	12,567.60	13,148.45	4,399.56	12,567.60	13,148.45	4,399.56
Financial liabilities						
a) Measured at amortised cost						
Borrowings	828.05	255.54	673.66	828.05	255.54	673.66
Trade payables	1,405.68	796.04	527.36	1,405.68	796.04	527.36
Other financial liabilities	133.13	68.33	103.20	133.13	68.33	103.20
Total	2,366.86	1,119.91	1,304.22	2,366.86	1,119.91	1,304.22

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Company has disclosed financial instruments such as comprise of borrowings, trade payable, and other current liabilities, loans, trade receivable, cash and cash equivalents and bank balances other than cash and cash equivalents at carrying value because their carrying values are a reasonable approximation of the fair values due to their short term nature.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party.

C) Financial Risk Management

The Company's principal financial liabilities, comprise of borrowings, trade payable and other financial liabilities.

The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade receivables, cash and cash equivalents and bank balances other than cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors.

This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies and Company's risk objective.

The management reviews and agrees policies for managing each of these risks which are summarized as below:

GO FASHION (INDIA) PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2019

(a) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk. Financial instruments affected by market risks include borrowings, security deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31 March, 2019. The analyses exclude the impact of movements in market variables on; the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2019.

i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when revenue or expense is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and AED exchange rates, with all other variables held constant. The impact on the profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

(Amount Rs. In Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Amount in FC	Amount in INR	Amount in FC	Amount in INR	Amount in FC	Amount in INR
Liabilities						
Trade Payables						
USD	-	-	0.00	0.04	-	-
Assets						
Trade receivables						
AED	-	-	4.65	82.19	12.98	228.81
USD	0.91	63.12	-	-	-	-
Loan receivable						
AED	-	-	19.55	345.52	-	-
Advance paid to supplier						
USD	1.72	118.80	5.41	295.46	-	-
Net Assets		181.92		723.13		228.81

Sensitivity

(Amount Rs. In Lakhs)

Impact on profit before tax and equity	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	5% Increase	5% Decrease	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	9.10	(9.10)	17.61	(17.61)	-	-
AED	-	-	21.44	(21.44)	11.46	(11.46)

ii) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprises of interest bearing cash credit facility; however these are not exposed to risk of fluctuation in market interest rate as the rates are fixed at the time of contract/agreement and do not change for any market fluctuation. Moreover, the cash credit facility is used to facilitate the cash flow movement of the Company during the year, and the Company prefers to generally maintain a positive balance, hence controlling the interest costs pertaining to the cash credit facility.

(b) Credit Risk :

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating review and individual credit limits are defined in accordance with this assessment. The Company regularly monitors its outstanding customer receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, as a majority of its trade receivable balance is receivable from Large Format Stores ('LFS'), who are well established business entities, and have been regular in their payments over the history of the business.

GO FASHION (INDIA) PRIVATE LIMITED**Notes to the financial statements for the year ended March 31, 2019****ii) Financial instruments and cash & bank deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and mutual funds. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 is the carrying amounts which are given below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the company.

(Amount Rs. In Lakhs)

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
Non-current assets			
- Investments	-	707.34	707.34
- Loans	1,794.41	1,313.07	632.42
Current assets			
- Investments	2,344.64	7,357.75	3.47
- Trade receivables	3,913.12	2,888.96	2,401.33
- Cash and cash equivalents	1,061.30	779.88	121.50
- Bank balances other than cash and cash equivalents	3,304.12	11.49	256.31
- loans	150.01	89.96	277.19
Total	12,567.60	13,148.45	4,399.56

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis and Provision for bad and doubtful debts of trade receivables given below has been considered from the date the invoice falls due:

(Amount Rs. In Lakhs)

Particulars	As at	As at	As at
	March 31, 2019	March 31, 2018	April 1, 2017
Not Due			
Due from 0 to 180 days	3,722.52	2,669.26	1,987.66
Due from more than 180 days	192.24	221.34	419.52
Less: Provision for Doubtful debts	(1.64)	(1.64)	(5.84)
Total	3,913.12	2,888.96	2,401.34

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term investments and a cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be very low.

GO FASHION (INDIA) PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2019

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date:

(Amount Rs. In Lakhs)			
Particulars	Carrying Value	Less than 1 year	1 to 5 years
As at March 31, 2019			
Borrowings	828.05	828.05	-
Trade payables	1,405.68	1,405.68	-
Other financial liabilities	133.13	133.13	-
Total	2,366.86	2,366.86	-
Particulars	Carrying Value	Less than 1 year	1 to 5 years
As at March 31, 2018			
Borrowings	255.54	255.54	-
Trade payables	796.04	796.04	-
Other financial liabilities	68.33	68.33	-
Total	1,119.91	1,119.91	-
Particulars	Carrying Value	Less than 1 year	1 to 5 years
As at April 1, 2017			
Borrowings	673.66	673.66	-
Trade payables	527.36	527.36	-
Other financial liabilities	103.20	103.20	-
Total	1,304.22	1,304.22	-

D) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Disclosures of fair value measurement hierarchy for financial instruments are given below:

Particulars	(Amount Rs. In Lakhs)								
	Carrying amount/Fair value								
	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	L-1	L-2	L-3	L-1	L-2	L-3	L-1	L-2	L-3
Financial assets									
Carrying amounts/fair value:									
a) Measured at fair value through Profit and loss									
Investment in Mutual Funds	2,344.64	-	-	7,357.75	-	-	3.47	-	-
b) Measured at amortised cost									
Investment in Subsidiary	-	-	-	-	-	707.34	-	-	707.34
Loans	-	-	1,944.42	-	-	1,403.03	-	-	909.61
Trade receivables	-	-	3,913.12	-	-	2,888.96	-	-	2,401.33
Cash and cash equivalents	-	-	1,061.30	-	-	779.88	-	-	121.50
Bank balance other than cash and cash equivalents	-	-	3,304.12	-	-	11.49	-	-	256.31
TOTAL	2,344.64	-	10,222.96	7,357.75	-	5,790.70	3.47	-	4,397.09
Financial liabilities									
Carrying amounts/fair value:									
c) Measured at amortised cost									
Borrowings	-	-	828.05	-	-	255.54	-	-	673.66
Trade payables	-	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	133.13	-	-	68.33	-	-	103.20
TOTAL	-	-	961.18	-	-	323.87	-	-	776.86

32. Employee benefits

(a) Defined Contribution plan:

(i) The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

(ii) Expenses Recognized

Particulars	(Amount Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
(a) Included under 'Contributions to Provident and Other Funds' (Refer Note 21) Contributions to provident and pension funds	72.24	73.77
(b) Included under 'Staff Welfare Expenses' (Refer Note 21) Contributions to Employee State Insurance	105.94	67.05

(b) Defined Benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2019. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

(c) Other disclosures of Defined Benefit plans as required under Ind AS-19 are as under

(i) Amount recognised in the statement of profit & loss in respect of the defined benefit plan are as follows :

Particulars	(Amount Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Service Cost		
- Current Service Cost	62.46	47.36
- Interest cost	5.39	4.68
Components of defined benefit costs recognised in statement of profit or loss (A)	67.85	52.04
Actuarial (gain)/loss on Plan Obligations	(53.08)	(31.33)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	2.43	-
Components of defined benefit costs recognised in other comprehensive income (B)	(50.65)	(31.33)
TOTAL (A+B)	17.20	20.71

(ii) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	(Amount Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
I. Net (Liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	101.16	85.24
Less: Fair value of plan assets	(28.72)	-
Net (Liability) recognised in the Balance Sheet	72.44	85.24
Current portion of the above	-	0.87
Non current portion of the above	72.44	84.37

(iii) Movement in the present value of the defined benefit obligation are as follows :

Particulars	(Amount Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Present value of defined benefit obligation at the beginning of the year	85.24	64.64
Expenses Recognised in statement of Profit & Loss		
- Current Service Cost	62.46	47.36
- Interest cost	6.54	4.68
Benefit Paid	-	(0.11)
Remeasurement gains / (losses)		
- Actuarial Gain (Loss)	(53.08)	(31.33)
Present value of the Defined Benefit Obligation at the end of year	101.16	85.24

(iv) Movement in fair value of plan assets are as follows :

Particulars	(Amount Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Fair value of plan assets at the beginning of the year	-	-
Interest income on plan assets	1.15	-
Expenses Recognised in statement of Profit & Loss		
- Expected return on plan assets	(2.43)	
Remeasurement gains / (losses)		
- Actuarial gains/(loss) arising form changes in financial assumptions	-	-
Contributions by employer (including benefit payments recoverable)	30.00	0.11
Benefit payments	-	(0.11)
Fair value of plan assets at the end of the year	28.72	-

v. Sensitivity Analysis*

a) Impact of the change in the discount rate

Particulars	(Amount Rs. In Lakhs)
	Year ended March 31, 2019
Present value of the Defined Benefit Obligation at the end of year	101.16
a) Impact due to increase of 0.50%	98.08
b) Impact due to decrease of 0.50%	104.40

b) Impact of the change in the salary increase

Particulars	(Amount Rs. In Lakhs)
	Year ended March 31, 2019
Present value of the Defined Benefit Obligation at the end of year	101.16
a) Impact due to increase of 0.50%	98.14
b) Impact due to decrease of 0.50%	104.30

* Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

* Sensitivities as to rate of inflation, rate of increase of pension in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

vi. Maturity Profile.

(Amount Rs. in Lakhs)

Particulars	Year ended March 31, 2019
0 to 1 year	5.94
1 to 2 Year	7.97
2 to 3 Year	10.06
3 to 4 Year	13.78
4 to 5 Year	17.57
5 years onwards	61.29

vii. Actuarial Assumptions:

Principal assumptions used for actuarial valuation are:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Method used	Projected unit credit method	
Discount rate	7.37%	7.67%
Salary Escalation	10.00%	10.00%
Mortality Rate	IALM (2006-08) Ultimate LIC Ann (1996-98)	
Withdrawal rate up to 30/44 and above 44 years	20%	40%

33. Segment Reporting

The Company is primarily engaged in the business of retail trade through retail and departmental stores facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting business segment.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended March 31, 2019 and 2018 respectively, revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

34 First-time adoption of Ind AS

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended March 31, 2019 and the comparative information presented in these financial statements for the year ended March 31, 2018 and in the preparation of opening Ind AS balance sheet at April 1, 2017 (transition date). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act ("Previous Indian GAAP") and an explanation of how the transition from Previous Indian GAAP to Ind AS has affected the company's financial position, financial performance is presented in the form of reconciliations below.

Exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition to Ind AS.

A Ind AS optional exemptions

(i) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their Previous Indian GAAP carrying value.

(ii) Investments in subsidiaries

The Company has elected to measure its investments in subsidiary at the Previous Indian GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

(iii) Leases

Ind AS 17 "Leases" requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS except where the effect is material. The Company has elected to apply this exemption for such contracts/arrangements.

B Ind AS mandatory exceptions

i) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 1, 2017 are consistent with the estimates as at the same date made in conformity with Previous Indian GAAP.

ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Accordingly, classification and measurement of the financial assets has been based on the facts and circumstances that exist at the date of transition to Ind AS.

iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires an entity to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly the Company has applied the de-recognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

C Transition to Ind AS - Reconciliations

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous Indian GAAP to Ind AS in accordance with Ind AS 101:

- I. Reconciliation of comprehensive income
- II. Reconciliation of Equity

Reconciliation of Total Comprehensive Income for the year ended March 31, 2018

Particulars	(Amount Rs. in Lakhs)
	For the year ended March 31, 2018
Profit after tax as reported under the Previous Indian GAAP	2,087.62
Lease rentals on deposits	(6.77)
Employee Benefits - actuarial gains and losses (net of taxes)	22.21
Profit after tax as per Ind AS	2,103.06
Other comprehensive income (net of taxes)	(22.21)
Total comprehensive income	2,080.85

Reconciliation of equity as previously reported under Indian GAAP to Ind AS

Particulars	(Amount Rs. In Lakhs)	
	As at March 31, 2018	As at April 1, 2017
Total equity (shareholder's funds) as per Previous Indian GAAP	19,713.19	7,625.92
Fair valuation of Financial assets	(9.80)	(3.03)
Total equity (shareholder's funds) as per Ind AS	19,703.39	7,622.89

Notes:

i) Proposed dividend

Under the Previous Indian GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events and accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

ii) Financial assets / liabilities - Security deposits

Under the Previous Indian GAAP, interest free security deposits were recognized on historical cost. However, under Ind AS, the same has been accounted as per amortised cost using effective interest rate. Accordingly, the Company has fair valued the security deposits under Ind AS.

Other Notes:

iii) Fair Valuation of Investments

In accordance with Ind AS 109 "Financial Instruments", investments in mutual funds etc. are recognised at fair value through the statement of profit and loss at each reporting period.

iv) Straight-Lining of Leases

Since the company's lease payments are structured to increase in line with the expected inflation, rent has not been accounted on a straight line basis over the lease term.

v) Actuarial gain/(loss) on Defined Benefit Scheme (Ind AS – 19)

Both under Previous Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements i.e. actuarial gains and losses are recognised in balance sheet through other comprehensive income. Thus, employee benefits expense is reduced with the corresponding impact under other comprehensive income. The related current tax expense has also been reclassified from statement of Profit and loss to Other Comprehensive Income.

vi) Deferred Taxes (Ind AS -12)

Under the Previous Indian GAAP, deferred tax is calculated using the income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS 12 – 'Income tax' requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. As, the Company is already calculating deferred tax under balance sheet approach, therefore no impact has been noted for the year ended March 31, 2019 and March 31, 2018.

vii) Other comprehensive income

Under the Previous Indian GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expenses, gains or losses are required to be presented in other comprehensive income.

Under the Previous Indian GAAP, actuarial gains and losses were recognized in profit or loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of the net defined benefit obligation which are recognized in other comprehensive income. The actuarial gain for the year ended March 2018, was Rs. 22.21 Lakhs (net of taxes).

viii) The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities.

As per Ind AS 7, management has identified its cash credit facility which is repayable on demand as an integral part of its cash management, and has included the same as a component of cash and cash equivalents, for the purpose of preparing Statement of cash flows. Moreover, the current investments held by the company as considered as part of cash and cash equivalents, since they are not held with the intent to collect contractual cash flows (dividends), and are used as short term investments.

35 Ind AS 115 - Revenue from Contracts with Customers

The Company has applied IND AS 115 for the first time with effect from 1 April 2018. IND AS 115 supersedes IND AS 18 Revenues and it applies, with limited exceptions to all revenues arising from contracts with customers. IND AS 115 establishes a five step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

IND AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted IND AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018 and there are no adjustments required to the retained earnings as at 1 April 2018.

Due to the application of Ind-AS 115, revenue for the year ended 31 March 2019 is lower by Rs 847.35 Lakhs. However, this does not have any impact on profits/(loss) for year ended 31 March 2019.

36 The Company has liquidated the operations of its 100% foreign subsidiary, Go Fashion FZE, during the current financial year.

The subsidiary was having a negative net-worth and the company has written-off the investment amount of Rs.707.34 Lakhs ,the loan amount of Rs.345.52 Lakhs and trade receivables of Rs.24.45 Lakhs. The Company is in the process of obtaining the RBI Approval for the closure of the subsidiary.

37 The Company has computed the provision for income taxes at Rs. 1339.89 lakhs, based on the normal provisions of Income Tax Act, 1961 and decided case laws.

38 This being the first year of presentation of financial statements under Ind AS , the figures for the previous periods have been regrouped / reclassified to conform with the current year groupings / classifications.

For and on behalf of the Board of Directors

Go Fashion (India) Private Limited

Prakash Kumar Saraogi
Director

Gautam Saraogi
Director

Mohan Ramaseshan
Chief Financial Officer

Anu Maria Sebastian
Company Secretary

Place : Chennai

Date : 01.08.2019