

**JHS Svendgaard Retail Ventures Private Limited**  
(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)

Balance Sheet as at March 31, 2020

(All Amounts in Rupees, unless otherwise stated)

Particulars	Note no.	As at 31 March 2020	As at 31 March 2019
<b>I ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	87,24,096	34,13,596
(b) Capital work-in-progress	3	1,55,900	-
(c) Right of use asset	4	4,55,17,361	-
(d) Financial Assets			
i) Investments	5	-	1,92,02,400
ii) Loans	6	99,86,227	38,23,754
iii) Others	7	45,13,633	11,06,716
(e) Deferred tax assets(net)	8	17,60,973	5,67,206
(f) Other non-current assets	9	20,69,273	-
		<b>7,27,27,463</b>	<b>2,81,13,672</b>
<b>Current Assets</b>			
(a) Inventories	10	48,97,940	19,42,893
(b) Financial Assets			
i) Investments	11	1,26,86,300	1,12,20,710
ii) Trade receivables	12	2,80,270	3,64,401
iii) Cash and cash equivalents	13	8,20,868	7,34,925
iv) Loans	14	1,38,18,629	1,45,20,680
v) Others	15	6,92,459	1,34,808
(c) Current Tax Assets (Net)		4,645	4,465
(d) Other current assets	16	1,38,52,127	70,69,016
		<b>4,70,53,238</b>	<b>3,59,91,897</b>
		<b>11,97,80,701</b>	<b>6,41,05,571</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	17	6,51,20,000	6,51,20,000
(b) Other equity	18	(56,90,304)	(37,59,310)
		<b>5,94,29,696</b>	<b>6,13,60,690</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities			
i) Borrowings	19(i)	10,00,000	10,00,000
ii) Lease liabilities	19(ii)	3,33,69,774	-
(b) Other Non Current Liabilities	20	-	4,70,723
		<b>3,43,69,774</b>	<b>14,70,723</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
i) Borrowings	21	-	-
ii) Trade payables	22(i)	-	-
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		46,43,802	2,32,882
iii) Lease liabilities	22(ii)	1,45,03,778	-
iv) Other financial liabilities	23	14,22,793	7,76,493
(b) Other current liabilities	24	54,10,858	2,64,782
		<b>2,59,81,231</b>	<b>12,74,157</b>
		<b>11,97,80,701</b>	<b>6,41,05,571</b>

Basis of Preparation 1  
Significant Accounting Policies 2  
The accompanying notes are an integral part of these financial statements

As per our report of even date attached

**For R. Khattar & Associates**  
Chartered Accountants  
Firm Regn No. - 009880N

*Kumod Ranjan*  
(Partner)  
M. No. - 510088  
Place : New Delhi  
Date : 18.06.2020



For and on behalf of the Board of Directors  
**JHS Svendgaard Retail Ventures Private Limited**

*(Nikhil Nanda)*  
DIN: 00051501

*(Sushma Nanda)*  
DIN: 01223706

**JHS Svendgaard Retail Ventures Private Limited**  
(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)

**Statement of Profit and Loss for the year ended March 31, 2020**

(All Amounts in Rupees, unless otherwise stated)

Particulars	Note no.	Year ended 31 March 2020	Year ended 31 March 2019
<b>Income</b>			
I Revenue from operations	25	2,63,68,852	1,73,49,106
II Other income	26	1,97,95,963	74,79,535
<b>III Total income (I +II)</b>		<b>4,61,64,815</b>	<b>2,48,28,641</b>
<b>IV Expenses</b>			
Purchase of stock-in-trade	27	2,35,48,334	1,49,96,741
Changes in inventories of finished goods, work in progress and stock-in-trade	28	(29,55,047)	(14,87,516)
Employee benefit expense	29	65,85,303	30,21,450
Finance cost	30	40,58,522	2,07,024
Depreciation and amortisation expense	31	1,12,62,873	6,95,087
Other expense	32	71,62,589	93,93,309
<b>Total expenses (IV)</b>		<b>4,96,62,573</b>	<b>2,68,26,095</b>
<b>V Profit/ (loss) before exceptional items and tax (III-IV)</b>		<b>(34,97,758)</b>	<b>(19,97,454)</b>
<b>VI Exceptional items</b>		-	-
<b>VII Profit/ (loss) before tax (V-VI)</b>		<b>(34,97,758)</b>	<b>(19,97,454)</b>
<b>VIII Tax expense</b>			
a) Current tax		-	-
b) Deferred tax	8	(11,93,768)	(3,71,492)
<b>IX Profit/ (loss) for the year (VII-VIII)</b>		<b>(23,03,990)</b>	<b>(16,25,962)</b>
<b>X Other comprehensive income</b>			
-Items that will not be reclassified to profit or loss		-	-
Re-measurement gains/ (losses) on defined benefit plans		-	-
Income tax relating to Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income tax relating to Items that will not be reclassified to profit or loss		-	-
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>(23,03,990)</b>	<b>(16,25,962)</b>
(Profit/ loss + other comprehensive income)			
<b>XII Earnings per equity share (for continuing operations)</b>			
a) Basic	39	(0.35)	(0.26)
b) Diluted	39	(0.35)	(0.26)

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

**For R. Khattar & Associates**  
Chartered Accountants  
Firm Regn No. - 009880N

**Kumod Ranjan**  
(Partner)  
M. No. - 510088



For and on behalf of the Board of Directors  
**JHS Svendgaard Retail Ventures Private Limited**

(Nikhil Nanda)  
DIN: 00051501

(Sushma Nanda)  
DIN:01223706

Place : New Delhi  
Date : 18.06.2020

**JHS Svendgaard Retail Ventures Private Limited**  
**(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Statement of Changes in equity for the year ended March 31, 2020**

**A. Equity Share Capital**

Balance at 01 April 2018	Changes in equity share capital during the year	Balance at 31 March 2019
1,20,000	6,50,00,000	6,51,20,000
Balance at 01 April 2019	Changes in equity share capital during the year	Balance at 31 March 2020
6,51,20,000	-	6,51,20,000

**B. Other Equity**

	Retained Earnings	Total
Balance at April, 01 2018	(21,33,348)	(21,33,348)
Changes in accounting policy/prior period errors	-	-
Profit for the year	(16,25,962)	(16,25,962)
Other Comprehensive income	-	-
Total Comprehensive income for the year	(16,25,962)	(16,25,962)
Balance at 31 March 2019	(37,59,310)	(37,59,310)
	Retained Earnings	Total
Balance at April, 01 2019	(37,59,310)	(37,59,310)
Profit for the year	(23,03,990)	(23,03,990)
Add: Other Adjustments	(2,58,254)	(2,58,254)
Add: Adjustments of Lease Equilisation Reserve	6,31,249	6,31,249
Total Comprehensive income for the year	(19,30,995)	(19,30,995)
Balance at 31 March 2020	(56,90,304)	(56,90,304)

As per our report of even date attached

**For R. Khattar & Associates**

Chartered Accountants

Firm Regn No. - 009880N

  
**Kumod Ranjan**  
**(Partner)**  
**M. No. - 510088**



For and on behalf of the Board of Directors of

**JHS Svendgaard Retail Ventures Private Limited**

  
**(Nikhil Nanda)**  
**Director**  
**DIN: 00051501**

  
**(Sushma Nanda)**  
**Director**  
**DIN:01223706**

Place : New Delhi  
Date : 18.06.2020





## INDEPENDENT AUDITOR'S REPORT

To

The Members of **JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED**

### Report on the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended March 31, 2020, notes to the financial statements, including a summary of the 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 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) 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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has not any pending litigations on its financial position in its standalone financial statements.;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
2. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.





As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For R. Khattar & associates  
Chartered Accountants  
Firm Reg. No. 009880N

  
Kumod Ranjan  
Partner  
Membership No. 510088  
UDIN: 20510088AAAADK3370



Place: New Delhi  
Dated: 18<sup>th</sup> June 2020

## **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 to the Members of **JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED** 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 **JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal 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 controls system over financial reporting and their operating effectiveness. Our audit of internal controls over financial reporting included obtaining an understanding of internal 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 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 Ind AS financial statements for external purposes in accordance with generally accepted





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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the 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.

For R. Khattar & associates  
Chartered Accountants  
Firm Reg. No. 009880N

  
Kumod Ranjan  
Partner  
Membership No. 510088  
UDIN: 20510088AAAADK3370



Place: New Delhi  
Dated: 18<sup>th</sup> June 2020

## 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 to the Members of JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED of evendate)

- i. In respect of the Company's Fixed Assets:
  - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As informed and explained to us, the management, during the year, has physically verified the items of the fixed assets of the company at reasonable interval.
  - c. The company is not having any immovable property and therefore matter specified in item (c.) of the item (i) of the said order is not applicable to the company.
- ii. As informed and explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- iii. According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to any company, firm, LLP, or other parties, covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The company has neither entered into any loan or borrowing agreement with any director nor made any investment as on the reporting date. Therefore, compliance with provision of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The Company does not fall under provision of the maintenance of cost records specified by the Central Government under section 148(1) of the Companies Act, 2013. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- 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 Income Tax, Goods and Service Tax, Cess, Provident Fund, Employee State Insurance and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- viii. The Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders. Hence, reporting under clause 3 (viii) of the Order is not applicable to the Company.
- 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 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination





of section 197 read with Schedule V to the Act.

- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R. Khattar & associates  
Chartered Accountants  
Firm Reg. No. 009880N

  
Kumod Ranjan  
Partner  
Membership No. 510088  
UDIN: 20510088AAAADK3370



Place: New Delhi  
Dated: 18<sup>th</sup> June 2020



Components of cash and cash equivalents as at end of the year

Cash on hand	22,962	4,959
Balances with banks		
on current account	7,07,906	7,29,966
in term deposits with original maturity of 1 months or less		

Cash and bank balance (Refer note 9 and 10)

8,20,868 7,34,925

1 Net debt reconciliation

	31-Mar-20	31-Mar-19
Cash & cash equivalents	8,20,868	7,34,925
Liquid investments	1,26,86,300	1,12,20,710
Debentures		1,91,02,400
	1,35,07,168	3,11,58,035

Particulars	Other assets		Non Current asset	Total
	Cash & cash equivalents	Liquid Investments	Debentures	
Net debt as at April 01, 2018	12,58,161	-	-	12,58,161
Cash flows	(5,23,236)	1,09,62,457	1,85,42,232	2,89,81,453
Fair value adjustments	-	2,58,254	9,18,422	11,76,675
Net debt as at March 31, 2019	7,34,925	1,12,20,711	1,94,80,654	3,14,16,289
Cash flows	85,943	(1,09,62,457)	(72,10,868)	(1,80,87,382)
Fair value adjustments	-	(2,58,254)	4,36,514	1,78,260
Net debt as at March 31, 2020	8,20,868	-	1,26,86,300	1,35,07,167

As per our report of even date attached.

For R. Khattar & Associates  
Chartered Accountants  
Firm Regn No. - 009880N

For and on behalf of the Board of Directors  
JHS Svendgaard Retail Ventures Private Limited

*Kumod Ranjan*  
Kumod Ranjan  
(Partner)  
M. No. - 510088



(Nikhil Nanda)  
DIN- 00051501

(Sushma Nanda)  
DIN-01223706

Place : New Delhi  
Date : 18.06.2020

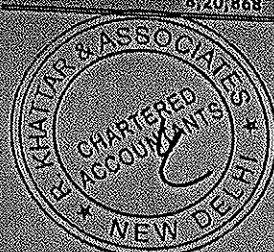


JHS Svendgaard Retail Ventures Private Limited  
(Formerly known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)

**Statement of Cash Flow for the year ended March 31, 2020**

(All Amounts in Rupees, unless otherwise stated.)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>A. Cash Flow from Operating Activities</b>		
Net profit before tax	(34,97,758)	(19,97,454)
Adjustments for:		
Depreciation and Amortization	1,12,62,872	6,95,087
Interest Income	(7,83,339)	(11,78,141)
Interest Income - Ind AS Adjustments	(12,97,949)	(6,59,741)
Re-measurement Gains	2,58,253	-
Security deposit for advance rental as per Ind AS 109	(8,22,801)	21,931
Amortisation expense of security deposit	9,14,015	-
Gain on termination of lease	(5,95,298)	-
Interest and Financial Charges	40,58,521	2,07,074
<b>Operating profit before working capital changes</b>	<b>94,96,517</b>	<b>(29,11,294)</b>
Adjustments for:		
(Increase)/Decrease in Inventories	(29,55,047)	(14,87,516)
(Increase)/Decrease in trade receivables	84,130	(1,55,961)
(Increase)/Decrease in Current Loans	10,46,979	(1,12,44,554)
(Increase)/Decrease in Other Current Assets	(57,99,497)	(63,39,761)
(Increase)/Decrease in Other Current Financial assets	(1,00,051)	(1,34,808)
(Increase)/Decrease in Non current Loans	(97,64,354)	(30,47,450)
(Increase)/Decrease in Other non-current assets	-	86,11,111
Increase/ (decrease) in Other Current Financial Liabilities	81,60,345	2,23,185
Increase/ (decrease) in Trade payables	39,16,358	5,37,617
Increase/ (decrease) in Short term provisions	-	-
Increase/ (decrease) in Other Non Current Financial Liabilities	5,04,87,681	-
Increase/ (decrease) in Long term provisions	-	3,34,282
Increase/ (decrease) in Other Current liabilities	23,62,222	2,47,067
Increase/ (decrease) in Other non Current liabilities	-	-
<b>Cash generated from operations</b>	<b>5,69,35,282</b>	<b>(1,53,68,062)</b>
Taxes Paid	-	-
<b>Net cash generated from operating activities</b>	<b>5,69,35,282</b>	<b>(1,53,68,062)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,67,29,273)	(24,24,102)
Right of use assets	(1,49,22,063)	-
Interest Income received	7,83,339	11,78,141
Redemption of MLD	72,10,868	(1,95,42,232)
Redemption of Mutual fund	1,09,62,457	(1,09,62,457)
Change in Other bank balance and cash not available for immediate use	(34,06,917)	(6,17,500)
<b>Net Cash (used) in Investing activities</b>	<b>(4,61,01,589)</b>	<b>(3,13,68,150)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from/ (repayment of) short term borrowings	-	(1,85,80,000)
Issue of share capital	-	6,50,00,000
Interest and Financial charges	(1,85,979)	(2,07,074)
Repayment of lease liabilities	(1,05,61,772)	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>	<b>(1,02,47,750)</b>	<b>4,62,12,976</b>
Opening balance of cash and cash equivalents	85,943	(5,23,236)
Closing balance of cash and cash equivalents	7,34,925	12,58,161
	8,20,868	7,34,925





**JHS Svendgaard Retail Ventures Private Limited (Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended March 31, 2020**

(All Amounts in Rupees, unless otherwise stated)

**Background**

JHS Svendgaard Retail Ventures P Ltd Limited ("the Company", formerly known as "JHS Svendgaard Infrastructure Private Limited Limited") is a Subsidiary Company of a Listed Public Company named JHS Svendgaard Laboratories Limited, domiciled in India and incorporated under the provisions of the Companies Act on April, 2008.

**1 Basis of Preparation**

**a) Compliance with Indian Accounting Standard**

The Standalone Ind AS financial statements ("financial statements") of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

For all the period upto and including the financial statements of year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the section 133 Companies Act, 2013, read with rule 7 of Companies Accounts Rules, 2014 (as amended) and other relevant provisions of the Act (Previous GAAP).

These financial statements for the year ended 31 March, 2020 are the first financial statements that are prepared in accordance with Ind AS. Refer to note 39 for information on how the transition has affected the financial position and financial performance and cash flows.

**b) Basis of Measurement**

The Financial Statements have been prepared on a historical cost convention on accrual basis, unless otherwise stated.

**c) Others**

Financial Statements has been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards) Rules, 2015 issued by the Central Government.

**d) Current versus Non-Current Classification**

The Company presents assets and liabilities in the Financial Statement based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

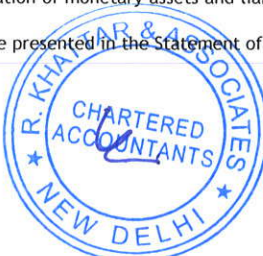
**e) Foreign Currency Translation**

**i) Functional and Presentation Currency**

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (`INR), which is Company's functional and presentation currency.

**ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognized in the Statement of Profit and Loss. Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/ expenses.





## 2 Summary of significant accounting policies

### a) Revenue Recognition

The Company derives revenues primarily from sale of oral care products, cosmetic products and other products.

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and / or revised significant accounting policies related to revenue recognition.

Refer Note 2a "Significant Accounting Policies," in the Company's 2018 Annual Financials for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations;
- Recognise revenue when or as an entity satisfies performance obligation.

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.

#### Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been dispatched to the location of customer. Following dispatch, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 45-60 days. The Company considers the effects of variable consideration, non-cash consideration, and consideration payable to the customer (if any).

#### Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised

will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

#### Contract balances

##### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the

consideration is due). Refer to accounting policies of financial assets in section (g) Financial instruments - initial recognition and subsequent measurement.

##### Contract liabilities (which the Company refer to as advance from customer)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

##### Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in 'commission on sales' under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

**Costs to fulfil a contract** i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

##### Financing components



The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money. Also, refer Note xx for other disclosures.

**b) Income Tax**

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to an item which is recognised in other comprehensive income or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively.

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

**Current Tax**

Calculation of current tax is based on tax rates applicable for respective years on the basis of tax law enacted and substantively enacted at the end of the reporting period. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current is payable on taxable profit, which differs from profit and loss in financial statements. Current tax is charged to Statement of Profit and Loss. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

**Deferred Tax**

Deferred income taxes are calculated without discounting using the Balance Sheet method on temporary differences between carrying amounts of assets and liabilities and there tax base using the tax laws that have been enacted or substantively enacted by the reporting date. However deferred tax is not provided on the initial recognition of assets and liabilities unless the related transaction is business combination or affects tax or accounting profit. Tax losses available to the carried forward and other income tax credit available to the entity are assesse for recognition as deferred tax assets. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to utilize against future taxable income.

Deferred tax asset are recognised to the extent that is probable that the underlying tax loss or deductible temporary differences will be utilized against future taxable income. This is assessed based on Company's forecast of future operating income at each reporting date.

Deferred tax assets and liabilities are offset where the entity has a right and intention to set off current tax assets and liabilities from the same taxation authority.

**Minimum Alternative Tax(MAT)**

Minimum alternate tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimate its recovery in future years.

**c) Leases**





The Company's lease asset classes primarily consist of leases for retail store space at different airports across the country. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### d) Impairment of Non-Financial Assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life

intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

#### e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### f) Inventories

(i) Traded goods are valued at the lower of cost and net realizable value. Cost of traded goods is determined on the FIFO basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

(ii) Provision for obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.

(iii) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(iv) The comparison of cost and net realizable value is made on an item by item basis.



**g) Financial Assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the

Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**(ii) Initial Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(iii) Subsequent Measurement**

***Debt instruments***

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no financial assets fulfill this condition.

- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

***Equity instruments***

All equity investments in scope of Ind AS 109, are measured at fair value. At Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss, even on sale of investment. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/ (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of Financial Assets**





For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

**(v) De recognition of Financial Assets**

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**h) Financial Liabilities**

**Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement**

**Financial liabilities at amortized cost**

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss.

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

**i) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**j) Property plant and equipment**

Freehold land is carried at historical cost. Other property, plant and equipment are stated at historical cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and amortization, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site if any.

Where cost of a part of the asset is significant to the total cost of the assets and useful lives of the part is different from the remaining asset, then useful live of the part is determined separately and accounted as separate component.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss when the asset is derecognized.



#### **Transition to Ind AS**

The Company has elected to continue with the carrying value for all of its PPE recognized in the financial statements as on April 1, 2017 to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. "First-time Adoption of Indian Accounting Standards". Refer note 39 for the first time adoption impact.

#### **k) Intangible Assets**

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use. Losses arising from retirement of, and gains or losses on disposals of intangible assets are determined as the difference between net disposal proceeds with carrying amount of assets and recognised as income or expenses in the Statement of Profit and Loss.

#### **Transition to Ind AS**

The Company has elected to continue with the carrying value for all of its intangible assets recognized in the financial statements as on April 1, 2017 to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments as per Ind AS 101. "First-time Adoption of Indian Accounting Standards". Refer note 39 for the first time adoption impact.

#### **l) Capital Work in progress/ Intangible under development**

Capital Work in progress/ Intangible under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost. Cost includes related acquisition expenses, development cost, borrowing cost (wherever applicable) and other direct expenditures.

#### **m) Depreciation and Amortization**

Depreciation on fixed assets has been provided on straight line method in accordance with the provisions of Part C of Schedule II of the Companies Act 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, except for moulds and dies, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Based on internal assessment and technical evaluation, the management has assessed useful lives of moulds and dies as five years, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Intangible assets comprising of computer software are amortized over a period of five years.

Depreciation and amortization on addition to fixed assets is provided on pro rata basis from the date of assets are ready to use. Depreciation and amortization on

sale/deduction from fixed assets is provided for upto the date of sale, deduction, discardment as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

All assets costing Rs. 5,000 or below are depreciated/ amortized by a one-time depreciation/amortization charge in the year of purchase.

#### **n) Borrowing Costs**

Borrowing cost includes interest calculated using the effective interest rate method and amortization of ancillary cost incurred in connection with the arrangement of borrowings. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All Other borrowing costs are expensed in the period in which they are incurred.

#### **o) Provisions and Contingent Liabilities**

A Provision is recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will

be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.





Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

**p) Employee Benefits :**

**(i) Short-term obligations**

Short term benefits comprises of employee cost such as salaries and bonuses including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the Balance Sheet.

**(ii) Long-term obligations**

**Gratuity obligations**

The Company provides for the retirement benefit in the form of Gratuity. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Leave encashment**

The liabilities for accumulated absents are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**Provident Fund**

All the employees of the Company are entitled to receive benefits under Provident Fund, which is defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and miscellaneous Provisions Act, 1952.

These contributions are made to the fund administered and managed by the Government of India.

**Employee state Insurance**

Employees whose wages/salary is within the prescribed limit in accordance with the Employee State Insurance Act, 1948, are covered under this scheme. These contributions are made to the fund administered and managed by the Government of India. The Company's contributions to these schemes are expensed off in the Statement of Profit and Loss. The Company has no further obligations under the plan beyond its monthly contributions.

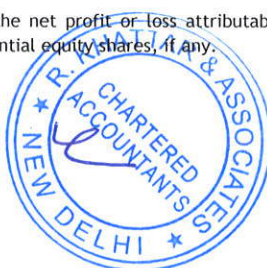
**q) Contributed equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**r) Earnings Per Share**

Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity Shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issued to existing shareholders.

For the purpose calculating diluted earnings per share, the net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.



**s) Segment Reporting**

In line with the provisions of Ind AS 108 Operating Segments, and on the basis of the review of operations by the Chief Operating Decision Maker(CODM), the operations of the Company fall under retail operations, which is considered to be the only reportable segment.

**t) Measurement of fair values**

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

**u) Assets held for Sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

**v) Exceptional Items**

An item of income or expense which its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

**w) Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs

to exercise judgment in applying the Company's accounting policies

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted

due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is

included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

**i. Useful life of property, plant and Equipment**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.





**ii. Recoverable amount of property, plant and equipment**

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows.

Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

**iii. Estimation of defined benefit obligation**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

**iv. Estimation of Deferred tax assets for carry forward losses and current tax Expenses**

The Company review carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 2(b).

**v. Impairment of Trade Receivables**

The Company review carrying amount of Trade receivable at the end of each reporting period and provide for Expected Credit Loss based on estimate.

**vi. Fair Value Measurement**

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as fast as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm's length transaction at the reporting date.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



3 Property, Plant and Equipment

Particulars	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION & AMORTIZATION				NET BLOCK	
	As at April 01, 2019	Additions	Disposals/ adjustments	As at March 31, 2020	As at April 01, 2019	Depreciation & amortization for the year	Disposals/ adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>Property, Plant and Equipment</b>										
Furniture & fixture	41,19,966	71,25,420	3,22,100	1,09,23,286	7,78,036	15,96,809	1,18,656	22,56,189	86,67,097	33,41,930
Computer	76,784	10,678	-	87,462	5,118	25,345	-	30,463	56,999	71,666
Computer network	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>41,96,750</b>	<b>71,36,098</b>	<b>3,22,100</b>	<b>1,10,10,748</b>	<b>7,83,154</b>	<b>16,22,154</b>	<b>1,18,656</b>	<b>22,86,652</b>	<b>87,24,096</b>	<b>34,13,596</b>
Add: Capital work-in-progress	-	1,55,900	-	1,55,900	-	-	-	-	1,55,900	-





JHS Svendgaard Retail Ventures Private Limited(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)  
Notes to Financial Statements for the year ended March 31, 2020

4 Right of use asset

	Retail Stores
Balance as at April 1, 2019	1,90,59,581
Add: Lease assets during the period	4,16,74,823
Less: Depreciation during the period	96,40,719
Less: Termination of Lease*	55,76,325
Balance as at March 31, 2020	4,55,17,361

\* The Company has terminated its lease pertaining to the retail store located at Mohali Airport w.e.f. 19th March,2020. Hence, as per the requirement of Para 46 of INDAS 116, the Company has recognized the gain on termination on Lease.

5 Non - current Investment

Particulars	As at 31 March, 2020	As at 31 March, 2019
Investments carried at fair value through profit or loss		
Investments in debentures		
Quoted		
11 (March 31, 2019: 18) Redeemable secured debentures, of Kotak Mahindra Prime Limited	-	1,92,02,400
	-	1,92,02,400

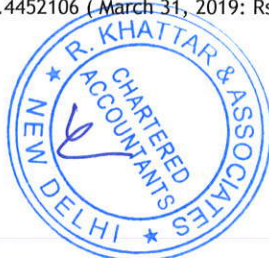
6 Non - current loans

Particulars	As at 31 March, 2020	As at 31 March, 2019
Unsecured, considered good		
Security deposit to a related party*	-	
Security deposit to others	99,86,227	38,23,754
	99,86,227	38,23,754
Unsecured, considered Doubtful		
Advances to suppliers	-	-
Advances to related parties	-	-
Allowance for bad and doubtful debts	-	-
	-	-
	99,86,227	38,23,754

7 Other non- current financial assets

Particulars	As at 31 March, 2020	As at 31 March, 2019
Deposits with Banks having maturity period of more than twelve months*	45,13,633	11,06,716
Interest accrued on non current fixed deposits	-	
	45,13,633	11,06,716

\*pledged with Banks against BG's amounting to Rs.4452106 (March 31, 2019: Rs 1106716).



8 Income Tax Expense

(a) Income Tax Expense

	As at 31 March 2020	As at 31 March 2019
i. Current Tax		
Current income tax charge for the year	-	-
Adjustments in respect of current income tax of previous years	-	-
ii. Deferred tax		
Deferred tax on the profit/ (loss) for the year	(11,93,768)	(3,71,492)
	(11,93,768)	(3,71,492)
Income tax expense reported in the Statement of Profit and Loss	(11,93,768)	(3,71,492)

(b) Reconciliation of tax expense and the accounting profit multiplied by the tax rate.

	As at 31 March 2020	As at 31 March 2019
Profit from continuing Operations (A)	(34,97,758)	(19,97,454)
Income tax rate applicable (B)	26.00%	26.00%
Income tax expense (A*B)	(9,09,417)	(5,19,338)
Tax effects of the items that are not deductible (taxable) while calculating taxable income :		
Tax on expenses not tax deductible		
Effect of Non- deductible expenses		
Effect of creation of DTA	(5,77,457)	2,07,694
Deferred tax asset not recognized in absence of reasonable certainty of realization		
Effect of Ind As adjustments	2,93,106	(59,848)
Others		
Income tax expense/(Reversal)	(11,93,768)	(3,71,492)

(c) Deferred tax balances

The balance comprises temporary differences attributable to:

	As at 31 March 2020	As at 31 March 2019
Deferred tax assets/(Deferred tax liability) on account of:		
Property, Plant & Equipment	3,73,880	1,22,228
C/F Losses ( incl depreciation )	10,93,988	5,04,826
Deferred rent	-	-
Fair Valuation of investment	(3,52,283)	(2,33,036)
Security Deposit	32,779	1,73,188
Right-of-use asset	(1,18,34,514)	-
Lease Liability	1,24,47,124	-
Net deferred tax (liability)/Asset	17,60,973	5,67,206

(d) Movement in deferred tax balances:

	Depreciation difference (a)	Unabsorbed losses (including depreciation) (b)	Others (c)	Right-of-use assets (d)	Lease Liabilities (e)	Total (a+b+c)
At March 31, 2018	(236)	1,95,951	-	-	-	1,95,715
(Charged)/credited:						
- to profit or loss	1,22,464	3,08,875	(59,848)	-	-	3,71,491
- to other comprehensive income						-
At March 31, 2019	1,22,228	5,04,826	(59,848)	-	-	5,67,206
(Charged)/credited:						
- to profit or loss	2,51,652	5,89,162	(2,59,656)	(1,18,34,514)	1,24,47,124	11,93,767
- to other comprehensive income						-
At March 31, 2020	3,73,880	10,93,988	(3,19,504)	(1,18,34,514)	1,24,47,124	17,60,973

(e) During the year no amount of tax has been recognised directly into equity of the Company.





9 Other non current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred rent expense	20,69,273	-
	<b>20,69,273</b>	<b>-</b>

10 Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
Packing material	51,778	32,000
Finished goods	48,46,162	19,10,893
	<b>48,97,940</b>	<b>19,42,893</b>

11 Current Investment

Particulars	As at 31 March 2020	As at 31 March 2019
Investment carried at fair value through profit and loss		
Investment in Mutual Fund		
Union Liquid Fund Growth	-	1,12,20,710
Nil units (As at 31st March 2019: 6238.03 Units)		
Investments in debentures		
Quoted		
11 (March 31, 2019: 18) Redeemable secured debentures, of Kotak Mahindra Prime Limited	1,26,86,300	-
	<b>1,26,86,300</b>	<b>1,12,20,710</b>

12 Current trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, Considered good		
Receivable from related party*	-	-
Receivable from other	2,80,270	3,64,401
	<b>2,80,270</b>	<b>3,64,401</b>
Unsecured, Considered doubtful		
Receivable from related party*	-	-
Allowance for bad and doubtful debts	-	-
	<b>-</b>	<b>-</b>
Receivable from other	-	-
Allowance for bad and doubtful debts	-	-
	<b>-</b>	<b>-</b>
	<b>2,80,270</b>	<b>3,64,401</b>

13 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balance with bank		
- current account	7,97,906	7,29,966
Cash on hand	22,962	4,959
	<b>8,20,868</b>	<b>7,34,925</b>

14 Current Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
loans to corporates	30,40,000	30,40,000
loans to others	1,07,78,629	1,14,80,680
	<b>1,38,18,629</b>	<b>1,45,20,680</b>



JHS Svendgaard Retail Ventures Private Limited(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)  
Notes to Financial Statements for the year ended March 31, 2020

15 Current financial Assets

Particulars	As at	As at
	31 March 2020	31 March 2019
FDR Interest Receivables	2,34,859	1,34,808
Other Receivables from related party*	4,57,600	-
	<b>6,92,459</b>	<b>1,34,808</b>

\*Receivable from Sushma nanda in respect of balance amount of consideration for sale of 7 units of Kotak Mahindra Prime Debentures.

16 Other current assets

Particulars	As at	As at
	31 March 2020	31 March 2019
Deferred Rent expense	14,41,394	4,03,834
Balances with statutory/government authorities	74,67,427	11,00,155
Advance to suppliers	46,56,397	48,60,713
Others	2,86,910	7,04,315
	<b>1,38,52,127</b>	<b>70,69,016</b>





**JHS Svendgaard Retail Ventures Private Limited(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended March 31, 2020**

**17 Equity Share Capital**

	As at 31 March, 2020	As at 31 March, 2019
a) <b>Authorised share Capital</b> 100,00,000 Equity shares of Rs.10/- each (100,00,000 Equity shares March 31, 2018 : Rs. 10/- each)	10,00,00,000	10,00,00,000
b) <b>Issued, subscribed &amp; fully paid up share Capital</b> 6512000 Equity shares of Rs.10/- each; 6512000 Equity shares March 31, 2018 : Rs. 10/- each;	6,51,20,000	6,51,20,000
<b>Total</b>	<b>6,51,20,000</b>	<b>6,51,20,000</b>

**c) Movement in equity share capital**

Particulars	For the Financial year 2019-20		For the Financial year 2018-19	
	No. of Shares	Amount in Rs	No. of Shares	Amount in Rs
At the beginning of the year	65,12,000	6,51,20,000	12,000	1,20,000
Add : Shares issued during the year	-	-	65,00,000	6,50,00,000
At the end of the year	<b>65,12,000</b>	<b>6,51,20,000</b>	<b>65,12,000</b>	<b>6,51,20,000</b>

**d) Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share referred to herein as equity share. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case where interim dividend is distributed. During the year ended March 31, 2020 and March 31, 2019, no dividend has been declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amount will be in proportion to the number of equity shares held by the shareholders.

**e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date: Nil**

**f) Detail of shareholders holding more than 5% shares in the Company**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of holding	No. of Shares	% of holding
JHS Svendgaard Laboratories Ltd. ( Holding Company)	65,00,000	99.82%	65,00,000	99.82%
Nikhil Nanda	5,000	0.08%	5,000	0.08%
Sushma Nanda	7,000	0.11%	7,000	0.11%
	<b>65,12,000</b>		<b>65,12,000</b>	



JHS Svendgaard Retail Ventures Private Limited  
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Notes to Financial Statements for the year ended March 31, 2020

18 Other Equity

(All Amounts in Rupees, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Reserves and Surplus</b>		
<b>Particular</b>		
Deficit in the Statement of Profit and Loss	(56,90,304)	(37,59,310)
<b>Total</b>	<b>(56,90,304)</b>	<b>(37,59,310)</b>

a) Deficit in the Statement of Profit and Loss

	Year ended March 31, 2020	Year ended March 31, 2019
<b>Particulars</b>		
Opening balance	(37,59,310)	(21,33,348)
Add: Profit for the year transferred from the Statement of Profit and Loss	(23,03,990)	(16,25,962)
Add: Other Adjustments	(2,58,254)	
Add: Adjustments of Lease Equilisation Reserve	6,31,249	
<b>Closing balance</b>	<b>(56,90,304)</b>	<b>(37,59,310)</b>
<b>Total reserves and surplus</b>	<b>(56,90,304)</b>	<b>(37,59,310)</b>

19 Non Current Liabilities

(i) Borrowings

	Non current As at 31 March, 2020	As at 31 March, 2019
<b>Unsecured</b>		
from Banks	-	-
from Others	10,00,000	10,00,000
	<b>10,00,000</b>	<b>10,00,000</b>
<b>Net Amount</b>	<b>10,00,000</b>	<b>10,00,000</b>
<b>Total</b>	<b>10,00,000</b>	<b>10,00,000</b>

(ii) Lease Liabilities

	As at 31 March, 2020	As at 31 March, 2019
<b>Balance as at April 1, 2019</b>	1,90,59,581	-
Add: Lease assets during the period	4,16,74,823	-
Add: Interest expense during the period	38,72,543	-
Less: Cash outflows	1,05,61,772	-
Less: Termination of Lease	61,71,623	-
<b>Balance as at March 31, 2020</b>	<b>4,78,73,552</b>	-
<b>Non Current</b>	<b>3,33,69,774</b>	
<b>Current</b>	<b>1,45,03,778</b>	

20 Others

	Non Current As at 31 March, 2020	As at 31 March, 2019
<b>Rent Eq Reserve</b>	-	4,70,723
	-	4,70,723





**JHS Svendgaard Retail Ventures Private Limited(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended March 31, 2020**

**21 Current borrowings**

**Particulars**

Interest free loan related parties repayable on demand  
 Related Party  
 Others

	As at 31 March, 2020	As at 31 March, 2019
Interest free loan related parties repayable on demand	-	-
Related Party	-	-
Others	-	-
	-	-

**22 Current Financial liabilities**

**Particulars**

(i) Trade payable  
 due to micro & small enterprises (refer note 40)  
 due to related party\*  
 due to others

	As at 31 March, 2020	As at 31 March, 2019
(i) Trade payable	-	-
due to micro & small enterprises (refer note 40)	-	-
due to related party*	-	-
due to others	46,43,802	2,32,882
	<b>46,43,802</b>	<b>2,32,882</b>

**(ii) Lease Liabilities**

	As at 31 March, 2020	As at 31 March, 2019
(ii) Lease Liabilities	1,45,03,778	-
	<b>1,45,03,778</b>	<b>-</b>

**23 Other current financial liabilities**

**Particulars**

Payable to employees  
 Expenses payable

	As at 31 March, 2020	As at 31 March, 2019
Payable to employees	13,94,503	6,24,788
Expenses payable	28,290	1,51,705
	<b>14,22,793</b>	<b>7,76,493</b>

**24 Other current liabilities**

**Particulars**

Statutory dues  
 Rent Eq Reserve

	As at 31 March, 2020	As at 31 March, 2019
Statutory dues	54,10,858	1,04,256
Rent Eq Reserve	-	1,60,526
	<b>54,10,858</b>	<b>2,64,782</b>



**JHS Svendgaard Retail Ventures Private Limited**  
**(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended March 31, 2020**

**25 Revenue from operations**

	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from contracts with customers		
Sale of Products*	2,63,68,852	1,73,49,106
Revenue from operations	<b>2,63,68,852</b>	<b>1,73,49,106</b>

\* It represents disaggregated revenue information in accordance with INDAS 115.

**Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables *	2,80,270	3,64,401

\* Trade receivables are non-interest bearing and are generally on terms of 5 to 10 days.

**26 Other income**

	Year ended 31 March 2020	Year ended 31 March 2019
Interest income	20,10,324	11,78,141
Deferred Rental Income	12,26,985	2,04,064
Expenses recovered from vendors*	1,50,24,662	51,71,186
Profit on sale of investment	10,84,007	-
Miscellaneous income	64,645	-
Gain on Termination of Lease (Refer Note 40)	5,95,298	-
Interest Income on Loan measured at amortised cost	3,22,260	2,11,786
Net gain on financial asset mandatorily measured at FVTPL	6,94,768	9,18,422
	<b>1,97,95,963</b>	<b>74,79,535</b>

\* Represents amounts recovered from vendor related to charges incurred by company but ultimately borne by the vendor.





**JHS Svendgaard Retail Ventures Private Limited**  
**(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**  
**Notes to Financial Statements for the year ended March 31, 2020**

**27 Purchase of stock in trade**

	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of Finished Goods	2,35,48,334	1,49,96,741
	<b>2,35,48,334</b>	<b>1,49,96,741</b>

**28 Changes in inventories of finished goods, work in progress and stock-in-trade**

	Year ended 31 March 2020	Year ended 31 March 2019
<b>Opening Inventory</b>		
Finished goods	19,42,893	4,55,377
	<b>19,42,893</b>	<b>4,55,377</b>
<b>Closing Inventory</b>		
Finished goods	48,97,940	19,42,893
	<b>48,97,940</b>	<b>19,42,893</b>
	<b>(29,55,047)</b>	<b>(14,87,516)</b>

**29 Employee Benefits Expense**

	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages, bonus and other allowances	62,43,035	30,21,240
Contribution to provident and other funds	2,69,779	-
Workmen and staff welfare expenses	42,800	210
Staff Training & Stipends	29,689	-
	<b>65,85,303</b>	<b>30,21,450</b>

**30 Finance Costs**

	Year ended 31 March 2020	Year ended 31 March 2019
Bank Charges	1,71,624	2,06,375
Interest Cost	14,355	649
Interest Expense on Lease Liabilities	38,72,543	-
	<b>40,58,522</b>	<b>2,07,024</b>

**31 Depreciation and Amortization Expense**

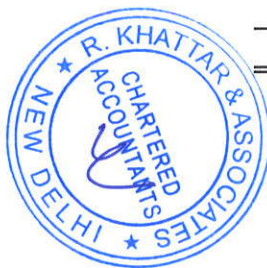
	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of tangible assets	16,22,154	6,95,087
Depreciation on Lease assets	96,40,718	-
	<b>1,12,62,873</b>	<b>6,95,087</b>



JHS Svendgaard Retail Ventures Private Limited  
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Notes to Financial Statements for the year ended March 31, 2020

32 Other expenses

	Year ended 31 March 2020	Year ended 31 March 2019
Electricity Exp.	5,34,265	2,28,040
Airport Service Charges	13,18,800	5,16,109
Minimum Gurantee	1,03,662	37,26,903
Marketing Fund	4,22,662	2,15,085
Revenue Shares	5,23,076	7,59,232
Freight Exp.	1,42,392	1,45,800
General Exp.	61,510	1,02,227
Conveyance Expenses	67,082	63,353
Bussiness Promotion	39,314	2,66,368
Advertisement Exp	-	2,55,200
Travelling Exp.	19,146	1,37,578
Printing & Stationery	33,278	7,085
Rent -Laptop	11,200	21,677
Vehicle Running & Maintenance	21,555	38,693
Repaire & Maintenace -Computer	10,59,396	1,31,364
Repaire & Maintenace -Others	61,114	2,400
Telephone Exp.	38,640	30,979
Fee Rates & Taxes	-	3,26,950
Legal & professional	2,18,600	2,26,024
Filing Fees	38,101	10,64,680
Payment to Auditors*	1,07,600	70,000
Director Siting Fees	5,00,000	1,00,000
Discounts	-	2,846
Short & Excess	-	-
Misc. Expense	19,323	-
Sundry Balance W/off	99	(7,042)
Amortisation of deferred expense	16,18,330	2,33,915
Amortisation of deferred rent	-	2,25,996
Lease rent	-	4,94,806
Profit/Loss on Sale of Fixed Assets	2,03,443	-
	<b>71,62,589</b>	<b>93,93,309</b>





### 33 Segment Reporting

The Company is engaged in retail outlets . Information reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) for the purpose of resource allocation and assessing performance focuses on business as a whole. The CODM reviews the Company's performance on the analysis profit before tax at overall level.

Revenue from External Customers	As at March 31, 2020	As at March 31, 2019
Within India	2,63,68,852	1,73,49,106
Outside India	-	-
	2,63,68,852	1,73,49,106

#### Details of Revenue from Single Customer more than 10%

There is no revenue which exceeds the 10% of the total revenue of the company for the FY 2019-20

Non Current Assets	As at March 31, 2020	As at March 31, 2019
(Other than financial instruments; Post Employment benefits; Deffered Tax Assets; and right arising under insurance contracts)		
Within India	87,24,095.89	34,13,596.37
Outside India	-	-
	87,24,095.89	34,13,596.37



**JHS Svendgaard Retail Ventures Private Limited(Formerly Known as JHS SVENDGAARD INFRASTRUCTURE PRIVATE LIMITED)**

Notes to Financial Statements for the year ended March 31, 2020

**34 Fair valuation measurements**

S.No.	Particulars	Level of Hierarchy	As at 31 March 2020			As at 31 March 2019		
			FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
1	<b>Financial assets</b>							
1	Investments	1		-	-	1,12,20,710	-	-
1	Investment in Mutual Fund	1	1,26,86,300	-	-	1,92,02,400	-	-
1	Investment in Debentures	1						
1	Loans	3						
1	Security Deposit	3		-	99,86,227	-	-	38,23,754
2	Others	3		-	52,06,092	-	-	1,45,20,680
2	Trade receivables	3		-	2,80,270	-	-	3,64,401
3	Loans	3		-	1,38,18,629	-	-	12,41,524
4	Cash & Cash Equivalents	3		-	8,20,868	-	-	7,34,925
5	Bank balances other than cash & cash equivalents	3		-	-	-	-	-
	<b>Total Financial Assets</b>		<b>1,26,86,300</b>	<b>-</b>	<b>3,01,12,086</b>	<b>3,04,23,110</b>	<b>-</b>	<b>2,06,85,282</b>
	<b>Financial Liability</b>							
1	Borrowings including current maturities	3		-	10,00,000	-	-	10,00,000
2	Trade & Other Payables	3		-	46,43,802	-	-	2,32,882
3	Lease Liabilities	3		-	4,78,73,552	-	-	-
3	Other financial Liabilities	3		-	14,22,793	-	-	7,76,493
	<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>	<b>5,49,40,147</b>	<b>-</b>	<b>-</b>	<b>20,09,375</b>

a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

b) - Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.





**JHS Svendgaard Retail Ventures Private Limited**  
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**Notes to Financial Statements for the year ended March 31, 2020**

**35 FINANCIAL RISK MANAGEMENT**

**Risk management objectives and policies**

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 35. The main types of risks are interest rate risk, credit risk and liquidity risk.

The Company's risk management is coordinated by its board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

**Significant estimates and judgments**

**Impairment of financial assets**

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

**1 LIQUIDITY RISK**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

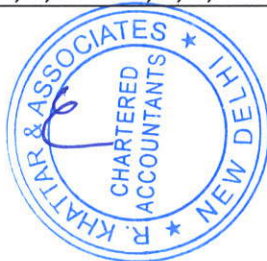
**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments :

March 31, 2019					
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings including current maturities	-	10,00,000	-	-	10,00,000
Trade payables	7,27,445	-	-	-	7,27,445
Other financial liabilities	2,81,930	-	-	-	2,81,930
<b>Total</b>	<b>10,09,375</b>	<b>10,00,000</b>	<b>-</b>	<b>-</b>	<b>20,09,375</b>

March 31, 2020					
	Upto 1 year	1 to 3 years	3 to 5 year	Above 5 years	Total
Borrowings including current maturities	-	10,00,000	-	-	10,00,000
Trade payables	46,43,802	-	-	-	46,43,802
Lease liabilities	1,45,03,778	3,33,69,774	-	-	4,78,73,552
Other financial liabilities	14,22,793	-	-	-	14,22,793
<b>Total</b>	<b>2,05,70,373</b>	<b>3,43,69,774</b>	<b>-</b>	<b>-</b>	<b>5,49,40,147</b>



**JHS Svendgaard Retail Ventures Private Limited**  
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**Notes to Financial Statements for the year ended March 31, 2020**

**36 CONTINGENT LIABILITIES AND COMMITMENTS**

	Year ended 31 March 2019	Year ended 31 March 2018
(i) <b>Contingent Liabilities</b>		
(a) Guarantees excluding financial guarantees	44,52,106	11,06,716
	<b>44,52,106</b>	<b>11,06,716</b>





**JHS Svendgaard Retail Ventures Private Limited**  
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**Notes to Financial Statements for the year ended March 31, 2020**

**37 Capital Management**

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020 and March 31, 2019.

	As at March 31, 2020	As at March 31, 2019
Equity Share capital	6,51,20,000	6,51,20,000
Free Reserve*	(56,90,304)	(37,59,310)

\* Comprises of retained earning and general reserves.

The Gearing Ratio at end of the reporting period are as follows:

	As at March 31, 2020	As at March 31, 2019
Non Current Liabilities (Other than DTL)	10,00,000	10,00,000
Current Maturities of Long Term Debts	-	-
Short Term Borrowings	-	-
<b>Gross Debt</b>	<b>10,00,000</b>	<b>10,00,000</b>
Less Cash and Cash Equivalents ( to the extent of gross Debts )	8,20,868	7,34,925
<b>Net Debt (A)</b>	<b>1,79,132</b>	<b>2,65,075</b>
Total Equity (As per Balance Sheet Date) (B)	5,94,29,696	6,13,60,690
<b>Net Gearing Ratio (A/B)</b>	<b>0.30%</b>	<b>0.43%</b>



**JHS Svendgaard Retail Ventures Private Limited**  
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**Notes to Financial Statements for the year ended March 31, 2020**

**38 Related party disclosures**

**(a) Names of related parties and description of relationship:**

Relationships	Name of Related Party
Parent Company	JHS Svendgaard Laboratories Limited
Entities controlled by a person who is a KMP of the Company or a person who has significant influence over the Company	- Starpool Consultants & Advisors LLP - JHS Svendgaard Brands Limited - Harish Chander Nanda Educational and Charitable Society
Entities which are controlled or jointly controlled by Key Managerial Personnel category or by his/her close family members	- Number One Enterprises Pvt. Ltd. - Chrome IAS academy LLP - Apogee Manufacturing Private Limited - DVS Worldwide Services Private Limited

**(b) Key Managerial Personnels (KMP) of the Company**

Name of Key Managerial Personnel	Category	Period
Mr. Nikhil Nanda	Director	2019-20
Mrs Sushma Nanda	Director	2019-20
Mrs. Balbir Verma	Director	2019-20
Mr. Ashish Goel	CFO	2019-20
Mr. Piyush Garg	CS	Upto 13.04.2019
Ms. Heena Malik	CS	From 01.06.2019 - 15.02.2020

**(c) Key Management Personnel Compensation**

	As at March 31, 2020	As at March 31, 2019
Short- term employee benefits	2,06,041	96,972
Post- employment benefits	-	-
Long- term employee benefits	-	-
Director's Sitting fees	5,00,000	1,00,000
<b>Total Compensation</b>	<b>7,06,041</b>	<b>1,96,972</b>

**(d) Transactions with related parties**

The following transactions occurred with related parties:

S.No.	Statement of Profit and Loss heads	As at March 31, 2020	As at March 31, 2019
<b>1</b>	<b>Expenditure:</b>		
i.	Advertisement of expenses		
	- JHS Svendgaard Laboratories Limited	-	2,55,200
ii	Sale of MLD		
	Sushma Nanda	79,57,600	-

**(e) Loans and advances to/ from Related Parties**

	As at March 31, 2020	As at March 31, 2019
<b>i. Loans/ Advances taken</b>		
- JHS Svendgaard Laboratories Limited	-	5,00,000
- JHS Svendgaard Brands Limited	1,56,526	-
- Nikhil Nanda	-	10,82,745
<b>ii. Loans/ Advance repaid</b>		
- Nikhil Nanda	-	95,32,745
- JHS Svendgaard Brands Limited	1,56,526	-
- JHS Svendgaard Laboratories Limited	-	15,30,000
<b>iii. Loans/ Advance Given</b>		
- JHS Svendgaard Laboratories Limited	15,000	-

(f)	Balance Sheet heads (Closing Balances)	As at March 31, 2020	As at March 31, 2019
<b>i. Debit Balances</b>			
Receivables			
-Sushma Nanda	4,57,600	-	
- JHS Svendgaard Laboratories Limited	15,000	-	

**(g) Terms and Conditions**

- All outstanding balances were unsecured and recoverable/repayable on demand.
- The sales to and purchase from related parties are made on terms equivalent to those that prevail in Arm's Length Transaction. Outstanding balances at the year end are unsecured and interest free. There has been no guarantee provided or received for any related party receivable and payable.





**JHS Svendgaard Retail Ventures Private Limited**  
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**Notes to Financial Statements for the year ended March 31, 2020**

**39 Profit per share (EPS)**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>Calculation of loss for basic/diluted EPS</b>		
Net Profit attributable to equity shareholders	(23,03,990)	(16,25,962)
Profit after tax (before other comprehensive income)		
Nominal value of equity share (Rs.)	10	10
No of shares as at end of the year	65,12,000	6,51,20,000
No. of weighted average equity shares	65,12,000	62,98,301
No. of diluted equity share	65,12,000	62,98,301
Basic Earning/(Loss) per share	(0.35)	(0.26)
Number of equity shares for Dilutive EPS		
Dilutive Earning/(Loss) per share	(0.35)	(0.26)

