Director's Report

To,

The Members,

Campus Activewear Private Limited

Your Directors are pleased to present their thirteenth Report on the business and operations of the Company, together with Audited Financial Statement (Standalone and Consolidated) for the Financial Year ended on 31st March, 2021.

1. Financial Summary

The Financial results of the Company during the period ended on 31st March, 2021 along with previous year's figures is summarized below:

(Amounts in INR Millions)

Particulars	**Consolidated**		**Standalone**	
	Financial Year		**Financial Year**	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Total Income	7154.18	7341.16	7881.22	6694.77
Total Expenses	6454.74	6353.61	7756.73	5940.42
Profit before tax	**699.44**	**987.55**	**124.49**	**754.35**
Profit after tax	**268.63**	**623.70**	**(165.03)**	**603.22**

2. State of Affairs:

Campus Activewear Private Limited is engaged in the business of Manufacture of footwear and sports goods. During the Financial year under review, your Company achieved total income of Rs. 7881.22 Million as compared to Rs. 6694.77 Million in the previous year on standalone basis. Net loss (after tax) for the year is Rs. 165.03 Million as compared to Net Profit (after tax) of Rs. 603.22 Million in the previous year on standalone basis.

3. Dividend

As the Company is in the growth stage, Directors do not recommend any dividend on the Equity Shares of the Company for the financial year ended on 31st March, 2021.

4. Reserves and Surplus/ Other Equity

During the financial year under review, your Company has transferred an amount of Rs.279.65 Millions as consolidated and Rs. (155.36) Millions as standalone to Reserves and Surplus/ Other equity.

5. Change in the Nature of Business, if any

There is no change, affecting the nature of the financial position of the Company between the end of the financial year of the Company to which the Financial Statement relates and the date of report.

6. Material Changes and Commitments

The following material changes and commitments occurred affecting the financial position of the Company, during the financial year under review:

i. The following matters were approved by the shareholders in the Extra-Ordinary General Meeting held on 09th February, 2021:

    a) Alteration in the object clause of Memorandum of Association of the Company

b) Reclassification of Authorized Share Capital

ii. The following matters were approved shareholders in the Extra-Ordinary General Meeting held on 19th March, 2021:

a) Alteration in the Articles of Association of the Company
b) Approval of Employee Stock Option Plan 2021

iii. With a view to simplify the group structure by consolidation of legal entities and reduction in management overlaps and elimination of legal and regulatory compliances & associated costs due to operation of multiple entities, Company has filed the Scheme of Amalgamation u/s 230 to 232 and other applicable provisions of the Companies Act, 2013 between the Company ("Transferee Company") and Campus AI Private Limited (wholly owned Subsidiary Company) ("Transferor Company")and their respective shareholders and creditors ("Scheme") (as approved by the Board of Directors of the Company on 11th November, 2020), with effect from 01st April, 2020, being the Appointed Date, before the Hon'ble National Company Law Tribunal ("NCLT"), New Delhi Bench for sanction of amalgamation of both the Companies.

The Scheme is subject to approval of Hon'ble NCLT, New Delhi Bench and necessary regulatory approvals, if so required, under applicable laws.

No material changes/ commitments of the Company have occurred after the end of the financial year 2020-21 and till the date of this report, which affect the financial position of your Company.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There were no material orders passes by the regulators or courts or tribunals that could impact the going concern status of the company or future operations.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has an adequate Internal financial control process in place which is tested on the periodic basis and statutory auditor has further on independent basis tested and given the clean report.

9. Details of Subsidiary/Joint Ventures/Associate Companies

The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.	-
Financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statements.	Financial position of Campus AI Private Limited and MG Udyog Private Limited is annexed as ***Annexure-I***.

10. Performance and Financial Position of each of the Subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statement

The statement containing the salient features of the Financial Statements of Campus AI Private Limited (wholly owned subsidiary) and M G Udyog Private Limited (with common control) in the prescribed form AOC-I, is annexed herewith as ***Annexure-I***.

11. Share Capital

- During the financial year 2020-21, the following changes took place in the Share Capital of the Company:

  The Authorised Share Capital of the Company has been reclassified from Rs. 453,50,00,000/- (Rupees Four Hundred Fifty Three Crores and Fifty Lakhs only) divided into 30,05,00,000 (Thirty Crores Five Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten) each and 15,30,00,000 (Fifteen Crores Thirty Lakhs) Redeemable preference shares of Rs. 10/- (Rupees Ten) each to Rs. 453,50,00,000 (Rupees Four Hundred Fifty Three Crores and Fifty Lakhs only) divided into 45,35,00,000 (Forty Five Crores Thirty Five Lakhs only) Equity shares of Rs. 10/- (Rupees Ten) each.

- As on 31st March, 2021, the Authorised Share Capital of the Company was Rs. 453,50,00,000/- divided 45,35,00,000 (Forty Five Crores Thirty Five Lakhs only) Equity shares having face value of Rs. 10/- (Rupees Ten) each and the Issued Capital, Subscribed Capital and Paid-up share Capital of the Company stand at Rs. 1,51,87,15,640/- divided into 15,18,71,564 Equity shares having face value of Rs. 10/- (Rupees Ten) each.

12. Extract of the Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 is annexed herewith as ***Annexure- II***.

13. Directors:

Composition

At the end of year under review, the Board comprised of following Executive & Non-Executive Directors.

S. No.	Name of the Director	Category	Date of appointment
1	Hari Krishan Agarwal	Managing Director	01/03/2017
2	Nikhil Aggarwal	CEO cum Director	24/09/2008
3	Vinod Aggarwal	Director	04/09/2017
4	Anil Rai Gupta	Nominee Director	04/09/2017
5	Puneet Bhatia	Nominee Director	04/09/2017

Changes in Directors and Key Managerial Personnel

The Board of the Company is duly constituted. Further, there were no changes in the composition of Board of Directors and Key Managerial Personnel during the financial year 2020-21.

Mrs. Vinod Aggarwal (DIN: 00441055), Non-executive Director, tendered her resignation from the Board of Directors of the Company w.e.f. 24th September, 2021, due to her pre-occupations. The Board places on record its deep appreciation for the valuable contribution made by Mrs. Vinod Aggarwal during her brief tenure on the Board of Directors of the Company.

The Board of Directors, after considering expertise, experience and integrity of Directors, accorded its approval for the appointment of Ms. Madhumita Ganguli (DIN: 00676830), Mr. Anil Kumar Chanana (DIN: 00466197) and Mr. Nirmal Kumar Minda (DIN: 00014942) as an Additional Director (Non-executive Independent Director) w.e.f. 24th September, 2021, to hold office up to the date of ensuing AGM. Ms. Madhumita Ganguli, Mr. Anil Kumar Chanana and Mr. Nirmal Kumar Minda were also appointed as an Independent Director for a period of 5 consecutive years up to 23rd September, 2026 (subject to approval of the members).

Further, Board has also appointed Mr. Ankur Thadani (DIN: 03566737) as Non-executive w.e.f. 24th September, 2021 on the Board of Directors of the Company.

The Board commends the appointment of Ms. Madhumita Ganguli, Mr. Anil Kumar Chanana, Mr. Nirmal Kumar Minda as Non-executive Independent Director, and Mr. Ankur Thadani as Non-executive Director for approval of members at the ensuing AGM.

All the Independent Directors of the Company have confirmed that they meet the criteria of independence as prescribed under both, the Companies Act, 2013, along with declaration of compliance of Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to their registration on the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Brief resume, nature of expertise, details of directorship held in other Companies, of the Directors proposed to be appointed at the ensuing AGM, along with their shareholding in the Company, as stipulated under Secretarial Standard-2, is provided in the Notice convening the ensuing AGM.

14. Number of meetings of the Board of Directors

Company has a process of updating the operational performance on the monthly basis with the mechanism of executive committee where performance is deliberated and discussed.

The Board of the Company has duly met five (5) times on 29th June, 2020, 22nd October, 2020, 11th November, 2020, 9th February, 2021 and 19th March, 2021, during the financial year 2020-21.

During the year, two (2) Extra Ordinary General Meetings were held on 9th February, 2021 and 19th March, 2021.

15. Committee(s)

The Company has constituted four Committees - the Remuneration Committee, the Finance Committee, the Internal Complaints Committee and the Corporate Social Responsibility Committee. The composition of these Committees, are as follows:

A. Remuneration Committee:

The composition of Remuneration Committee as on 31st March, 2021 was as follows:

Name of Members	Designation
Mr. Nikhil Aggarwal	Chairman
Ms. Ambika Wadhwa	Member
Mr. Raman Chawla	Member
Mr. Mayank Bajpai	Member
Mr. Piyush Singh	Member

B. Finance Committee:

The composition of Finance Committee as on 31st March, 2021 was as follows:

Name of Members	Designation
Mr. Nikhil Aggarwal	Chairman
Mr. Piyush Singh	Member
Mr. Raman Chawla	Member
Mr. Simit Batra	Member

C. Internal Complaint Committee:

Pursuant to the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"), the Company has constituted the Internal Complaint Committee to provide the safety to the women employees at workplace, where the victims (women employees) of such harassment, may report the plaint.

The composition of Internal Complaint Committee as on 31st March, 2021 was as follows:

Name of Members	Designation
Ms. Ambika Wadhwa	Presiding officer
Ms. Dimple Mirchandani	Member
Ms. Arshdeep Kaur	Member
Mr. Nikhil Aggarwal	Member
Ms. Prerna Aggarwal	Member

D. Corporate Social Responsibility (CSR) Committee

The Board has constituted a Corporate Social Responsibility Committee to discharge the duties stipulated under Section 135 of the Companies Act, 2013 which includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating the amount to be undertaken by the Company as per Schedule VII of the Companies Act, 2013, recommendations of the amount of expenditure to be incurred and monitoring CSR Policy of the Company.

The Composition of Corporate Social Responsibility Committee as on 31st March, 2021 is as under:

Name of Members	Designation
Mr. Nikhil Aggarwal	Chairman
Mr. Hari Krishan Agarwal*	Member

** Mr. Hari Krishan Agarwal inducted as member of the Committee in place of Mrs. Vinod Aggarwal w.e.f. 9th February, 2021.*

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in ***Annexure-III*** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

16. Deposits

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

17. Vigil Mechanism

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Mr. Nikhil Aggarwal, CEO cum Director of the Company who is nominated by the Board of Directors of the Company to play the role to oversee the vigil mechanism process. During the financial year, no employee was denied access to Mr. Nikhil Aggarwal and no complaint was received.

18. Particulars of Loans, Guarantees or Investments under Section 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

19. Employee's Stock Option Scheme

Your Company with the objective to promote the culture of employee ownership and as well as to attract, retain, motivate and incentivize senior and critical talents, formulated an Employee Stock Options under 'Campus Activewear Private Limited Employee Stock Option Plan 2021' ("ESOP 2021"/ "Plan") and 'Campus Activewear Private Limited Employee Stock Option Plan 2018' ("ESOP 2018"/ "Plan") to the employees and Directors of the Company, its subsidiaries and holding company. The Company views Employee Stock Options as long term incentive tools that would enable the employees not only to become co-owners, but also to create wealth out of such ownership in future.

During the year, Company at its meeting held on19th March, 2021 has approved introduction of the Campus Activewear Private Limited Employee Stock Option Plan 2021 ("ESOP 2021") for the benefit of the present and future employees of the Company including its subsidiary companies.

The brief disclosure pursuant to Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 with regard to ESOP 2021 and ESOP 2018 of the Company is annexed as ***Annexure-IV.***

20. Director's Responsibility Statement

The Director's Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, confirms that-

i. In the preparation of the annual accounts for the financial year ended on 31st March, 2021, the applicable Accounting Standards have been followed and there are no material departures;
ii. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2021; and of the profit and loss of the Company for the year ended on 31st March, 2021;
iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. The annual accounts have been prepared on a going concern basis;
v. Proper internal financial controls were in place and that such internal financial controls were adequate and operating effectively; and
vi. Systems has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Related Party Transactions:

All Related Party Transactions entered during the year were in Ordinary Course of the Business and at Arm's Length basis. All Related Party Transactions were placed before the Board for review and approval.

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 is annexed herewith as ***Annexure-V***.

22. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In compliance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, a statement containing information on conservation of energy, technology absorption, foreign exchange earnings and outgo of the Company, is in the prescribed format.

(A) Conservation of energy:

(i)	the steps taken or impact on conservation of energy:	NIL
(ii)	the steps taken by the company for utilizing alternate sources of energy:	
(iii)	the capital investment on energy conservation equipment's:	

(B) Technology absorption:

(i)	the efforts made towards technology absorption:	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution:	NIL
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
(a)	the details of technology imported:	NIL
(b)	the year of import:	NIL
(c)	whether the technology been fully absorbed:	NIL
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
(iv)	the expenditure incurred on Research and Development.	NIL

(C) Foreign exchange earnings and Outgo:

(Rupees in Million)

1.	Activities relating to exports; initiative taken to increase exports; development of new export markets for products, services and export plans.	Nil
2.	Total foreign exchange used and earned	The information of foreign exchange earnings and outflow is furnished in notes to accounts

23. Statutory Auditors

M/s. BSR &Associates LLP, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 24th September 2018, for a term of five consecutive years.

The Auditors' has issued the unqualified opinion on Annual Financial Statements for the financial year ended on 31st March, 2021.

24. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Pooja Anand & Associates, Company Secretaries were appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks and the same is annexed herewith as ***Annexure-VI***.

25. Internal Auditor

During the financial year under review, M/s. P. C. Bindal & Co. were appointed as Internal Auditor of the Company and the report provided by them is reviewed by the Board from time to time.

28.Maintenance of Cost Record

The maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, are not applicable to the Company.

29. Risk Management

The Company has implemented and developed a risk management and assessment process for the Company. During the financial year, the Company has not identified any element of risk which may threaten the existence of the Company.

30. Detail of frauds reported by statutory auditors as per Companies (Accounts) Amendment Rules, 2018

The Directors confirm that there were no instances of any fraud during the year. In addition, the Statutory Auditors have not reported any type of fraud incurred by the company during the financial year 2020-21.

31. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has formed Internal Complaints Committee for various work places to address complaints pertaining to sexual harassment in accordance with the POSH Act. The Company has a policy for prevention of Sexual Harassment, which ensures a free and fair enquiry process with clear timelines for resolution. To build awareness in this area, the Company has conducted an awareness training for all female staff and people managers in the company. There is no complaint received during the financial year under review.

32. Particulars of Employees

Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

33. Acknowledgements:

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

By Order of the Board
For Campus Activewear Private Limited

Nikhil Aggarwal	**Hari Krishan Agarwal**
CEO cum Director	**Managing Director**
DIN: 01877186	**DIN: 00172467**
Add: 42/42, West Punjabi Bagh, New Delhi- 110026	**Add:** 42/42, West Punjabi Bagh, New Delhi-110026

Place: New Delhi
Date: 24th September, 2021

Annexure-I

FORM NO. AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries/Associates due to common control

(Rupees in Millions)

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	Campus AI Private Limited	MG Udyog Private Limited
2.	The date since when subsidiary was acquired	07.02.2020	-
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2021	31.03.2021
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees
5.	Share Capital	1.99	1.25
6.	Reserves & surplus	525.57	2.37
7.	Total assets	968.01	44.78
8.	Total Liabilities	440.45	41.16
9.	Investments	-	-
10.	Turnover	2548.86	121.63
11.	Profit before taxation	638.21	0.25
12.	Provision for taxation	(163.53)	(0.36)
13.	Profit after taxation	474.68	(0.11)
14.	Proposed Dividend	-	-
15.	% of shareholding/Profit sharing ratio	100%	Common Control

By Order of the Board
For Campus Activewear Private Limited

Nikhil Aggarwal
CEO cum Director
DIN: 01877186
Add: 42/42, West Punjabi Bagh,
New Delhi- 110026

Hari Krishan Agarwal
Managing Director
DIN: 00172467
Add: 42/42, West Punjabi Bagh,
New Delhi-110026

Annexure-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	: U74120DL2008PTC183629
2	Registration Date	: 24/09/2008
3	Name of the Company	: Campus Activewear Private Limited
4	Category/Sub-Category of the Company	: Company limited by shares
5	Address of the Registered office of the Company	: D-1, Udyog Nagar, Main Rohtak Road, New Delhi- 110041
6	Whether listed Company	: No
7	Name, Address and Contact details of RTA, If any	: Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of leather footwear such as shoes, sandals, chappals, leather cum-rubber/plastic cloth sandles and chappals	19201	99.55%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Campus AI Private Limited	U19129DL2020PTC361605	Wholly owned Subsidiary	100%	2(87)
2	M G Udyog Private Limited	U74899DL1994PTC056983	Subsidiary (due to common control)	Common Control	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	No. of shares (In Demat)	% of Total Shares	No. of shares (In Demat)	% of Total Shares	
A. Promoters					
(1) Indian					
a) Individual/~~HUF~~	11,93,21,502	78.57%	11,93,21,502	78.57%	-
b) Central Govt	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-
e) Banks / FI	-	-	-	-	-
f) Any Other….	-	-	-	-	-
Sub-total (A) (1):-	**11,93,21,502**	**78.57%**	**11,93,21,502**	**78.57%**	-
(2) Foreign					
a) NRIs - Individuals	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-
d) Banks / FI	-	-	-	-	-
e) Any Other….	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**11,93,21,502**	**78.57%**	**11,93,21,502**	**78.57%**	-

B. Public Shareholding					
1. Institutions					
a) Mutual Funds	-	-	-	-	-
b) Banks / FI	-	-	-	-	-
c) Central Govt	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-
g) FIIs	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-
i) Others (specify)	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-
a) Bodies Corp.					
i) Indian	58,79,646	3.87%	58,79,646	3.87%	-
ii) Overseas	2,46,07,236	16.20%	2,61,53,846	17.22%	1.02%
b) Individuals					
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,76,018	0.18%	2,76,018	0.18%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-
c) Others (ESOP)	17,87,162	1.18%	2,40,552	0.16%	(1.02)%
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+ (B)(2)	**3,25,50,062**	**21.43%**	**3,25,50,062**	**21.43%**	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-
Grand Total (A+B+C)	**15,18,71,564**	**100%**	**15,18,71,564**	**100%**	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change in share holding during the year
		No. of equity Shares (In Demat)	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of equity Shares (In Demat)	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Nikhil Aggarwal	2,06,33,502	13.59%	-	2,06,33,502	13.59%	-	-
2	Mr. Hari Krishan Aggarwal	9,86,88,000	64.98%	-	9,86,88,000	64.98%	-	-
	Total	**11,93,21,502**	**78.57%**	-	**11,93,21,502**	**78.57%**	-	-

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

	Shareholding at the beginning of the year		**Cumulative Shareholding during the year**	
	No. of equity shares (In Demat)	**% of total shares of the company**	**No. of equity shares (In Demat)**	**% of total shares of the company**
At the beginning of the year	11,93,21,502	78.57%	11,93,21,502	78.57%
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity etc.):	**No change**			
At the End of the year	11,93,21,502	78.57%	11,93,21,502	78.57%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	**Shareholder's Name**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of equity shares (In Demat)	**% of total shares of the company**	**No. of equity shares (In Demat)**	**% of total shares of the company**
At the beginning of the year	TPG Growth III SF PTE. LTD.	2,46,07,236	16.20%	2,61,53,846	17.22%
	QRG Enterprise Ltd.	58,79,646	3.87%	58,79,646	3.87%
	Mr. Rajiv Goel	92,520	0.06%	92,520	0.06%
	Mr. Rajesh Kumar Gupta	1,83,498	0.12%	1,83,498	0.12%
	Mr. Pramod Sharma	15,46,610	1.02%	15,46,610	1.02%
	Mr. Raman Chawla	1,37.238	0.09%	1.37.238	0.09%

	Mr. Piyush Singh	1,03,314	0.07%	1,03,314	0.07%
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	**15,46,610 Equity shares were transferred from Mr. Pramod Sharma to TPG Growth III SF PTE. LTD on 22nd October, 2020**				
At the End of the year (or on the date of separation, if separated during the year)	TPG Growth III SF PTE. LTD.	2,61,53,846	17.22%	2,61,53,846	17.22%
	QRG Enterprise Ltd.	58,79,646	3.87%	58,79,646	3.87%
	Mr. Rajiv Goel	92,520	0.06%	92,520	0.06%
	Mr. Rajesh Kumar Gupta	1,83,498	0.12%	1,83,498	0.12%
	Mr. Raman Chawla	1,37,238	0.09%	1,37,238	0.09%
	Mr. Piyush Singh	1,03,314	0.07%	1,03,314	0.07%

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares (In Demat)	% of total shares of the company	No. of shares (In Demat)	% of total shares of the company
At the beginning of the year	Mr. Nikhil Aggarwal	2,06,33,502	13.59%	2,06,33,502	13.59%
	Mr. Hari Krishan Agarwal	9,86,88,000	64.98%	9,86,88,000	64.98%
	Mr. Raman Chawla (CFO) (ESOP)	1,37,238	0.09%	1,37,238	0.09%
Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ decrease	**No change**				
At the End of the year	Mr. Nikhil Aggarwal	2,06,33,502	13.59%	2,06,33,502	13.59%
	Mr. Hari Krishan Agarwal	9,86,88,000	64.98%	9,86,88,000	64.98%
	Mr. Raman Chawla (CEO) (ESOP)	1,37,238	0.09%	1,37,238	0.09%

V. INDEBTEDNESS

Indebtedness of the Company (Consolidated) including interest outstanding/accrued but not due for payment

(Rupees in Lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	24,326.31	-	-	24,326.31
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	54.66	-	-	54.66
Total (i + ii + iii)	**24,380.97**	-	-	**24,380.97**
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	11,156.99	-	-	11,156.99
Net Change	**(11,156.99)**	-	-	**(11,156.99)**
Indebtedness at the end of the financial year				
i) Principal Amount	13,190.10	-	-	13,190.10
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	33.88	-	-	33.88
Total (i+ii+iii)	**13,223.98**	-	-	**13,223.98**

Indebtedness of the Company (Standalone) including interest outstanding/accrued but not due for payment

(Rupees in Lakhs)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	21,303.52	-	-	21,303.52
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	49.78	-	-	49.78
Total (i + ii + iii)	**21,353.30**	-	-	**21,353.30**
Change in Indebtedness during the financial year				
• Addition	433.1	-	-	433.1
• Reduction		-	-	
Net Change	433.1	-	-	433.1
Indebtedness at the end of the financial year				
i) Principal Amount	21755.71	-	-	21755.71
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	30.69	-	-	30.69
Total (i+ii+iii)	**21786.40**	-	-	**21786.40**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rupees in Millions)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Hari Krishan Agarwal (MD)	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	48.50 - -	48.50 - -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others (Bonus)	-	
	Total (A)	**48.50**	**48.50**
	Ceiling as per the Act (As per Schedule XIII of the Companies Act 1956)	Not applicable	

B. Remuneration to other Directors:

(Rupees in Millions)

Sr. No.	Particulars of Remuneration	Name of Directors Ms. Vinod Aggarwal	Total Amount
	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	-	-
	Total (1)	-	-
	Other executive/Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	12.00	12.00
	Total (2)	-	
	Total (B)=(1+2)	**12.00**	**12.00**
	Total Managerial Remuneration	**12.00**	**12.00**
	Overall Ceiling as per the Act	N.A.	N.A

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Rupees in Millions)

Sr. No.	Particulars of Remuneration	CEO (Mr. Nikhil Aggarwal)	Company Secretary (Ms. Dimple Mirchandani)	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	13.92		13.92
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission - as % of profit - others, specify…	-		-
5	Others (Bonus)	-		
	Total	**13.92**		**13.92**

VII. <u>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</u>:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT/ Court)	Appeal made, if any (give Details)
A. Company					
Penalty	NIL				
Punishment					
Compounding					
B. Directors					
Penalty	NIL				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	NIL				
Punishment					
Compounding					

Annexure-III

ANNUAL REPORT ON CSR ACTIVITIES FOR FY-21

1. A brief outline of the Company's CSR policy:

The Company had constituted CSR Committee by the approval of the Board of Directors in their meeting held on 5th April, 2019. Further, the CSR Committee has been reconstituted by the approval of the Board of Directors in their meeting held on 9th February, 2021. In pursuance of Section 135 read Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013, the Company framed CSR policy as a part of good Corporate philanthropy, which extends demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

The Company diligently volunteers and undertakes the objective as per the policy with the view of providing support to the marginalized cross section of the society through facilitation of opportunities carving the path for improved quality of life.

2. The Composition of the CSR Committee:

The CSR committee is formed in accordance with the provisions of Section 135 read Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly its constitution comprises of following eminent and professional members who conceptualizes, structures, directs the implementation of CSR activities:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Nikhil Aggarwal	Chairman	2	2
2	Mr. Hari Krishan Agarwal	Member	2	Not applicable

** Mr. Hari Krishan Agarwal inducted as member of the Committee in place of Mrs. Vinod Aggarwal w.e.f. 9th February, 2021.*

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Not Applicable

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in Millions)	Amount required to be set-off for the financial year, if any (Rs. in Millions)
1	2020-21	1.25	1.25
	Total	**1.25**	**1.25**

6. **Average net profit of the company for last three financial years:** 493.80 Millions

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 9.81 Millions

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Not Applicable

(c) Amount required to be set off for the financial year, if any– Rs. 1.25 Millions

(d) Total CSR obligation for the financial year (7a+7b-7c) – Rs.11.06 Millions

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Millions)	Amount Unspent (Rs. in Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11.06	Nil	Not Applicable	Nil	Nil	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (Rs. in Millions)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs. in Millions)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (Rs. in Million)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/No).**	**Location of the project.**		**Amount spent for the project (in Rs.)**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State	**District**			**Name**	**CSR Registration number**
1	Distribution of Footwear	Clause (iii) of Schedule VII- measures for reducing inequalities faced by socially and economically backward groups	Yes	Pan India	Pan India	38,49,019	No	Goonj	CSR00000291
						57,45,873	No	Clothes Box Foundation	CSR00002877
						4,19,951	No	The Earth Saviours Foundation	-
						15,365	No	Samaarambh Foundation	-
2	Initiative to control spread/ Impact of Coronavirus	Clause (i) & (xii) of Schedule VII Preventive care & disaster management including relief, rehabilitation and reconstruction activities	Yes	Pan India	Pan India	4,42,500	Yes Direct to White Horse Marcom Selections Pvt. Ltd.	Not Applicable	Not Applicable
	To impart training in Tennis sport	Clause (vii) of Schedule VII - Training to promote rural sports	Yes	Pan India	Pan India	5,90,000	Yes Direct to The Tennis Project	Not Applicable	Not Applicable
	Total					**1,10,62,708**			

(d) Amount spent in Administrative overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 11.06 Millions

(g) Excess amount for set off, if any:

S. No.	Particular	Amount (Rs. in Millions)
(i)	Two percent of average net profit of the company as per section 135(5)	9.88
(ii)	Total amount spent for the Financial Year	11.06
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.25
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.25

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Millions)	Amount spent in the reporting Financial Year (Rs. in Millions)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (Rs. in Millions)
				Name of the Fund	Amount (Rs. in Millions)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (Rs. in Millions)	Amount spent on the project in the reporting Financial Year (Rs. in Millions)	Cumulative amount spent at the end of reporting Financial Year. (Rs. in Millions)	Status of the project Completed /Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - None

(a) Date of creation or acquisition of the capital asset(s): Not applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not applicable

(c) Details of the entity or <u>public authority</u> or beneficiary under whose name such capital asset is registered, their address etc.: Not applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) - Not Applicable

Nikhil Aggarwal
Chairman of CSR Committee and Director
DIN: 01877186
Add: 42/42, West Punjabi Bagh, New Delhi- 110026

Hari Krishan Agarwal
Managing Director
DIN: 00172467
Add: 42/42, West Punjabi Bagh, New Delhi-110026

Place: New Delhi
Date: 24th September, 2021

Annexure-IV

Disclosure of Employee Stock Option Plan

(Pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

S. No.	Particulars	ESOP Plan 2018	ESOP Plan 2021 (as on 31.03.2021)
a.	Options granted	NIL	No options were granted/ vested/ exercised during the year under review
b.	Options vested	options	
c.	Options exercised	NIL	
d.	The total number of shares arising as a result of exercise of option	NIL	
e.	Options lapsed	NIL	
f.	The exercise price	Not Applicable	
g.	Variation of terms of options	As mentioned in ESOP Scheme 2018	
h.	Money realized by exercise of options	Not Applicable	
i.	Total number of options in force		
j.	Employee wise details of options granted to:- i. key managerial personnel; ii. any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year. iii. identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	**Details of employees to whom options Vested during the period:** i. Mr. Raman Chawla (CFO of the Company) ii. Mr. Piyush Singh iii. Mr. Rajiv Mittal iv. Mr. Sandeep Marwah **Details of Employee who were granted more than 1% of issue Capital:** i. During the year, Mr. Pramod Sharma sold his shares (received after exercising oh his outstanding options) to TPG Growth III SF PTE Ltd.	

ANNEXURE-V

FORM NO. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

1) **Details of contracts or arrangements or transactions not at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Nil							

2) **Details of material contracts or arrangement or transactions as per Section 188 on arm's length basis**

(Rupees in Millions)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Date(s) of approval by the shareholders, if any	Amount paid as advances, if any
Campus AI Private Limited (Subsidiary Company) (incorporated on 7th February, 2020)	Sale of Goods	12 months	841.75	29/06/2020	-	-
	Sales of property, plant and equipment	12 months	1.57	29/06/2020		
	Purchases	12 months	2409.47	29/06/2020	-	-
	Purchase of property, plant and equipment	12 months	1.20	29/06/2020		
M.G Udyog Pvt. Ltd. (Common Control)	Job Work	12 months	121.01	29/06/2020	-	-
Prerna Aggarwal (KMP's relative)	Remuneration	6 months	2.40	27/09/2019	-	-

B S R & Associates LLP

Chartered Accountants

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DLF Cyber City, Phase-II,
Gurugram – 122 002, India

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INDEPENDENT AUDITORS' REPORT

To the Members of Campus Activewear Private Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Campus Activewear Private Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated balance sheet as at 31 March 2021, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's board report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

  We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Holding Company and subsidiary companies as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and subsidiary companies respectively, none of the directors of the Group companies in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. There were no pending litigations as at 31 March 2021which would impact the consolidated financial position of the Group.

ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

The Holding Company and subsidiary companies are private limited companies and accordingly the requirements as stipulated by the provisions of section 197(16) of the Act are not applicable to the Group.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm's Registration No.116231W/W-100024

Sharma

Place: Gurugram
Date: 24 September 2021

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 21064440AAAADP1236

Annexure A to the Independent Auditors' report on the consolidated financial statements of Campus Activewear Private Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Campus Activewear Private Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm's Registration No. 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 21064440AAAADP1236

Place: Gurugram
Date: 24 September 2021

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Balance Sheet as at 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,062.21	1,261.97
Capital work-in-progress	4	2.48	352.03
Intangible assets	5	8.79	14.33
Right-of-use assets	6	490.88	416.10
Financial assets	7		
(i) Loans		27.83	24.15
(ii) Other non-current financial assets		15.24	14.59
Deferred tax assets (net)	8	373.33	598.63
Non-current tax assets (net)	9	27.62	22.79
Other non-current assets	10	7.59	171.67
Total non-current assets		**3,015.97**	**2,876.26**
Current assets			
Inventories	11	2,024.96	1,699.11
Financial assets			
(i) Trade receivables	12	981.98	1,443.16
(ii) Cash and cash equivalents	13	12.05	152.87
(iii) Bank balances other than those included in cash and cash equivalents	14	-	450.00
(iv) Loans	15	4.88	14.25
(v) Other current financial assets	16	4.28	6.95
Other current assets	17	803.39	549.62
Total current assets		**3,831.54**	**4,315.96**
Total assets		**6,847.51**	**7,192.22**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,518.71	1,518.71
Other equity	19	1,607.64	1,328.74
Total attributable to owners of the Company	20	**3,126.35**	**2,847.45**
Non-controlling interest		3.61	1.19
Total equity		**3,129.96**	**2,848.64**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	664.37	643.48
(ii) Lease liabilities	6	351.94	277.44
Provisions	22	57.29	63.70
Total non-current liabilities		**1,073.60**	**984.62**

D S R & Associates LLP Chartered Accountants

Campus Activewear P... Delhi

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Balance Sheet as at 31 March 2021

(All amounts are in INR millions unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020
Current liabilities			
Financial liabilities			
(i) Borrowings	21	434.60	1,616.65
(ii) Lease liabilities	6	64.51	45.58
(iii) Trade payables	23		
(a) Total outstanding dues of micro enterprises and small enterprises		86.68	40.30
(b) Total outstanding dues of creditors other than micro enterprises and small		1,621.94	1,188.12
(iv) Other current financial liabilities	24	345.53	268.64
Other current liabilities	25	49.07	108.79
Provisions	22	4.73	16.73
Current tax liabilities (net)	26	36.89	74.15
Total current liabilities		**2,643.95**	**3,358.96**
Total liabilities		**3,717.55**	**4,343.58**
Total equity and liabilities		**6,847.51**	**7,192.22**
Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma

Partner

Membership Number: 064440

Place: Gurugram

Date: 24 September 2021

For and on behalf of the Board of Directors of

Campus Activewear Private Limited

Hari Krishan Agarwal

Managing Director

DIN : 00172467

Place: New Delhi

Date: 24 September 2021

Nikhil Aggarwal

CEO and Director

DIN : 01877186

Place: New Delhi

Date: 24 September 2021

Raman Chawla

Raman Chawla

Chief Financial Officer

Dimple Mirchandani

Company Secretary

Membership No.: A46060

Campus Activewear Pvt. Ltd. Delhi

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
Revenue from operations	27	7,112.84	7,320.43
Other income	28	37.96	20.72
Total income (I)		**7,150.80**	**7,341.15**
Expenses			
Cost of materials consumed	29	4,005.97	4,138.34
Purchases of stock-in-trade	30	37.82	4.83
Changes in inventory of finished goods, stock-in-trade and work in progress	31	(299.74)	(341.89)
Employee benefits expenses	32	551.83	570.37
Finance costs	33	171.59	165.06
Depreciation and amortisation expenses	34	327.07	230.66
Other expenses	35	1,656.82	1,586.25
Total expenses (II)		**6,451.36**	**6,353.62**
Profit before tax		**699.44**	**987.53**
Tax expenses:			
Current tax	8	(210.13)	(328.62)
Deferred tax	8	(220.68)	(35.22)
Profit after tax (A)		**268.63**	**623.69**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plans	36	14.61	(15.35)
Income tax relating to remeasurement of defined benefit plans	36	(4.61)	3.93
Total other comprehensive income for the year, net of tax (B)		**10.00**	**(11.42)**
Total comprehensive income for the year (A + B)		**278.63**	**612.27**

B S R & Associates LLP Chartered Accountants

Campus Activewear Pvt. Ltd. Delhi

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit after tax attributable to:			
Owners of the Company		268.74	615.99
Non-controlling interests		(0.11)	7.70
Other comprehensive income attributable to:			
Owners of the Company		7.47	(6.95)
Non-controlling interests		2.53	(4.47)
Total comprehensive income attributable to:			
Owners of the Company		276.21	609.04
Non-controlling interests		2.42	3.23
Earnings per equity share (face value of INR 10 each)	37		
Basic (INR)		1.77	4.09
Diluted (INR)		1.77	4.09
Significant accounting policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN : 00172467

Nikhil Aggarwal
CEO and Director
DIN : 01877186

Campus Activewear Pvt. Ltd. Delhi

Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Statement of Cash Flows for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flows from operating activities		
Profit for the year before tax	699.44	987.53
Adjustments for:		
Depreciation and amortization expenses	327.07	230.66
Finance costs	171.59	165.06
Interest income	(10.63)	(1.07)
Trade receivables written off	1.10	0.30
Allowance for expected credit loss	48.13	71.27
Allowance for credit impaired trade receivables	14.71	2.37
Advances written off	2.21	-
Partners' capital waived off	-	27.44
Liabilities/ provisions no longer required written back	0.13	(1.14)
Gain on sale of property, plant and equipment (net)	(1.31)	(2.72)
Advances to creditors written back	(8.60)	-
Advance from customers written back	(0.45)	-
Provision for gratuity	25.49	29.44
Amortisation of security deposits debited to COGS	-	1.58
Share based payment expenses	2.69	33.30
Provision for inventory	14.01	22.76
Provision for compensated absences	-	3.29
Operating profit before changes in assets and liabilities	**1,285.58**	**1,570.07**
Adjustments for changes in assets and liabilities		
(Increase) in inventories	(339.86)	(540.31)
Decrease in trade receivables	373.10	102.99
(Increase) in other current assets	(253.77)	(260.26)
Decrease in loans	2.67	0.45
(Increase)/ decrease in other financial assets	2.67	(3.81)
(Increase) in other non current assets	(6.05)	-
Increase in trade payables	513.38	422.56
(Decrease) in provisions	(29.42)	(0.08)
Increase in other financial liabilities	8.91	31.12
Increase/ decrease in other current liabilities	(61.93)	68.79
Cash generated from operating activities	1,495.28	1,391.52
Less: Income tax paid (net of refunds)	(252.21)	(396.72)
Net cash generated from operating activities (A)	**1,243.07**	**994.80**
B. Cash flows from investing activities		
Purchase of property, plant and equipment including capital-work-in-progress, intangible assets, capital advances and capital creditors	(555.57)	(1,098.35)
Proceeds from sale of property, plant and equipment	5.68	3.03
Repayments/(Investments) in bank deposits (having original maturity of more than three months)	449.35	(450.97)
Interest income	10.63	1.07
Net cash used in investing activities (B)	**(89.91)**	**(1,545.22)**
C. Cash flows from financing activities		
Borrowings obtained / (repaid) - non-current borrowings	105.40	515.46
Borrowings obtained / (repaid) - current borrowings	(1,182.05)	169.59
Proceeds from share allotment under employee stock options	-	195.28
Share issue expenses	-	(15.86)
Principal payment of lease liabilities	(46.55)	(30.90)
Interest paid on lease liabilities	(30.38)	(26.59)
Interest paid other than on lease liabilities	(140.40)	(121.27)
Net cash (used in)/ generated from financing activities (C)	**(1,293.98)**	**685.71**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(140.82)**	**135.29**
Cash and cash equivalents at the beginning of the year	152.87	17.58
Cash and cash equivalents at the end of the year	**12.05**	**152.87**

B S R & Associates LLP * Chartered Accountants *

Campus Activewear Pvt. Ltd. Delhi *

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Consolidated Statement of Cash Flows for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

Notes to statement of cash flows :

(i) Components of cash and cash equivalents:	**As at 31 March 2021**	**As at 31 March 2020**
Cash on hand	0.94	0.80
Balance with banks:		
- In current account	11.11	152.07
- In term deposits (with original maturity of 3 months or less)	-	-
	12.05	**152.87**

(ii) Change in liabilities arising from financing activities

Particulars	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Opening balance		
Term loans (including current maturities)	815.98	300.76
Current borrowings	1,616.65	1,447.06
Cash flows		
Repayment of term loans	(150.94)	(103.19)
Proceeds from term loans	256.34	618.41
Increase/ (decrease) in Current borrowings	(1,182.05)	169.59
Net cash flow changes	**(1,076.65)**	**684.81**
Closing Balance		
Term loans (including current maturities)	921.39	815.98
Current borrowings	434.60	1,616.65

(iii) The statement of cash flows has been prepared in accordance with the 'Indirect method' as set out in the Ind AS 7 on "Statement of Cash flows".

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN : 00172467

Nikhil Aggarwal
CEO and Director
DIN : 01877186

Ramanchawla

Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

Campus Activewear Pvt. Ltd. Delhi

CAMPUS ACTIVEWEAR PRIVATE LIMITED

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

(All amounts are in INR millions unless otherwise stated)

(a) Equity share capital (refer note 18)

	Amount
Balance as at 1 April 2019	0.97
Shares issued during the year 2019-20	1,517.74
Balance as at 31 March 2020	1,518.71
Shares issued during the year 2020-21	-
Balance as at 31 March 2021	1,518.71

(b) Other equity (refer note 19)

	Reserves and surplus							
	Retained earnings	Securities premium	Capital reserve	Share options outstanding account	Other comprehensive income	Total attributable to owners of the Company	Attributable to Non-controlling interest	Total
Balance as at 1 April 2019	687.55	2,873.58	(1,567.87)	29.67	1.78	2,024.71	(26.28)	1,998.43
Profit for the year	615.99	-	-	-	-	615.99	7.70	623.68
Other comprehensive income for the year	-	-	-	-	(6.95)	(6.95)	(4.47)	(11.42)
Total comprehensive income for the year	615.99	-	-	-	(6.95)	609.04	3.23	612.26
Transfer to retained earnings	(5.17)	-	-	-	5.17	-	-	-
Non-controlling interests waived off	-	-	-	-	-	-	24.24	24.24
Options granted during the year	-	-	-	33.30	-	33.30	-	33.30
Issue of equity shares for cash (under employee stock options scheme)	-	213.66	-	(52.10)	-	161.56	-	161.56
Issue of bonus shares	-	(1,499.87)	-	-	-	(1,499.87)	-	(1,499.87)
Balance as at 31 March 2020	1,298.37	1,587.37	(1,567.87)	30.87	-	1,328.74	1.19	1,329.92
Profit for the year	268.74	-	-	-	-	268.74	(0.11)	268.63
Other comprehensive income for the year	-	-	-	-	7.47	7.47	2.53	10.00
Total comprehensive income for the year	268.74	-	-	-	7.47	276.21	2.42	278.63
Transfer to retained earnings	7.47	-	-	-	(7.47)	-	-	-
Options granted during the year	-	-	-	2.69	-	2.69	-	2.69
Share options lapsed during the year	3.44	-	-	(3.44)	-	-	-	-
Issue of equity shares for cash (under employee stock options scheme)	-	-	-	-	-	-	-	-
Issue of bonus shares	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	1,578.02	1,587.37	(1,567.87)	30.12	-	1,607.64	3.61	1,611.24

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN: 00172467

Nikhil Aggarwal
CEO and Director
DIN: 01877186

RamanChawla

Raman Chawla
Chief Financial Officer

Dimple Merchandani
Company Secretary
Membership No: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

Campus Activewear Pvt. Ltd.
Delhi

Campus Activewear Private Limited
Notes to consolidated financial statements for the year ended 31 March 2021
(All amounts are in INR Million unless otherwise stated)

1. Corporate information

Campus Activewear Private Limited is a private limited company domiciled in India with its registered office situated at D-1, Udyog Nagar, main Rohtak road New Delhi- 110041. It was incorporated on 24 September 2008 under the Companies Act, 1956 vide Corporate Identification Number (CIN) U74120DL2008PTC183629.

The consolidated financial statements comprise of financial statements of Campus Activewear Private Limited (the Company) and its subsidiaries (collectively, "the Group") for the year ended 31 March 2021.

Group is primarily engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.

2 (a) Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements of the Group for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 24th September 2021.

These financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

B. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

(a) Certain financial assets and liabilities (including derivatives instruments)	Fair value
(b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

C. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- ▶ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ▶ Exposure, or rights, to variable returns from its involvement with the investee, and
- ▶ The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

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Campus Activewear Pvt. Delhi

Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.
A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
▶ Derecognises the assets (including goodwill) and liabilities of the subsidiary
▶ Derecognises the carrying amount of any non-controlling interests
▶ Derecognises the cumulative translation differences recorded in equity
▶ Recognises the fair value of the consideration received
▶ Recognises the fair value of any investment retained
▶ Recognises any surplus or deficit in profit or loss
▶ Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes: -

- Leases; whether as arrangement contains a lease.
- Lease classification. - Note 6

Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes:

- Impairment test of non-financial assets: Key assumptions underlying recoverable amounts
- Measurement of defined benefit obligations: key actuarial assumptions
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets
- Estimation of current tax expense and recognition of deferred tax assets

E. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

B S R & Associates LLP Chartered Accountants

Campus Activewear Pvt. Ltd. Delhi

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The finance department of the Group performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer. Discussions of valuation processes and results are held between the Chief Financial Officer and the finance team at least once every year in line with the group's reporting periods.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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).

When measuring the fair value of an asset or a liability, the Group 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 categorised 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 Group recognises 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 is included in Note 44– financial instruments.

2 (b) Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(i) Foreign currency transactions:

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVTOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

(ii) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company.

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Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement and gain and losses

Financial assets

On initial recognition, a financial asset is classified as measured at
- Amortised cost
- FVTOCI – debt investment
- FVTOCI – equity investment or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Impairment of financial assets:

The Group applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
i Financial assets measured at amortized cost
ii. Financial assets measured at fair value through profit and loss (FVTPL)

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

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

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Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Compound financial instruments

Compound financial instruments issued by the Group comprise cumulative redeemable preference shares denominated in INR that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary.

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The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

(iii) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

(a) expected to be realised in, or is intended to be sold or consumed in Group's normal operating cycle;
(b) held primarily for the purpose of being traded;
(c) expected to be realised within 12 months after the reporting date; or
(d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A Liability is current when:

(a) it is expected to be settled in Group's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating cycle

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

(iv) Property, plant and equipment

Recognition and measurement

Property, plant and equipment is stated at cost net of accumulated depreciation and impairment loss, if any.
Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable of future economic benefits.
The cost of an item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Property, plant and equipment which are not ready for intended use as on date of reporting period, are disclosed as Capital work in progress.
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

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Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is provided on pro-rata basis on written down value method based on estimated useful life as prescribed under schedule-II of Companies Act, 2013. Freehold land is not depreciated.

The estimated useful life of assets is considered as under:-

Asset Category	Useful lives as per Schedule II of Companies Act, 2013
Buildings	30 years
Plant and machinery	15 years
Computers	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years
Electric installations	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

(v) Other intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. Intangible assets are amortised over the best estimate of the respective useful lives as under: -

(a) Trademarks: Amortised over the period of 10 years.
(b) Softwares: Amortised over the period of 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.
Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Internally generated intangibles. excluding capitalised development costs. are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred

(vi) 'Impairment

Impairment of non-financial assets

The Group's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.
The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated, if any to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(vii) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, if any) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(viii) Leases

The Group's lease asset classes primarily consist of leases for land and buildings taken for Warehouses, retail stores and factories. The Group 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 Group has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The right-of-use 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.
They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use 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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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 in the country of domicile of these leases.

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Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as operating cash flows.

(ix) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is computed on FIFO basis.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of fixed manufacturing overheads based on the normal operating capacity. Cost is determined on a FIFO basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable 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.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

(x) Revenue recognition

The Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.
Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
Revenue from related party is recognised based on transaction price which is at arm's length.
Use of significant judgments in revenue recognition: -

- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that the pertain to one or more distinct performance obligations.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

Management fees are recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

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Claims lodged with insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

(xi) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is netted off with the respective asset.

(xii) Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

(xiii) Operating segments:

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

a) the nature of products and services
b) the differing risks and returns
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed separately. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities

(xiv) Employee benefits

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus and compensated absence, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share- based payment transactions

The grant date fair value of equity settled share- based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of number of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

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Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employee's state insurance corporation which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Group's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits
Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Group recognises termination benefits at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; or

(b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.
Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Compensated absences

Compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(xv) Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted, or substantially enacted by the end of the reporting period.

Deferred tax assets are recognized only to the extent that is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefits will be realized.

(xvi) Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

(xvii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(xviii) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(xix) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

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(xx) New and amended standards

Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116 if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the consolidated financial statements of the Group.

(xxi) Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities',duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property help etc..

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.
Further on June 18, 2021, the MCA through a notification, issued Companies (Indian Accounting Standards) Amendment Rules 2021 which includes amendments in 21 standards. The amendments to IndASs are in terms of insertion of certain paragraphs, substituting definition of certain terms used in the standard along with aligning the bare text of Standards with Conceptual Framework of Financial reporting under Ind ASs. The amendments are effective from 18 June 2021. The Company does not expect any significant impact of these amendments on its financial statements.

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3. Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the year	Deletions	As at 31 March 2021	As at 31 March 2021
Freehold land	190.83	-	-	190.83	-	-	-	-	190.83
Buildings	429.84	450.50	-	880.34	69.72	49.48	-	119.20	761.14
Plant and machinery	754.98	526.02	4.94	1,276.06	187.64	151.86	0.01	339.49	936.57
Furniture and fixtures	66.92	16.82	0.00	83.74	25.97	11.75	-	37.72	46.02
Vehicles	39.50	-	0.54	38.96	20.82	5.64	-	26.46	12.50
Office equipment	44.61	7.62	-	52.23	23.42	10.45	-	33.87	18.36
Computers	28.01	6.19	-	34.20	19.98	5.79	0.01	25.76	8.44
Electric installations	48.97	42.07	-	91.04	18.84	12.27	-	31.11	59.93
Leasehold improvements	31.92	7.05	-	38.97	7.22	3.33	-	10.55	28.42
Total	**1,635.58**	**1,056.27**	**5.48**	**2,686.37**	**373.61**	**250.57**	**0.02**	**624.16**	**2,062.21**

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	For the year	Deletions	As at 31 March 2020	As at 31 March 2020
Freehold land	76.24	114.59	-	190.83	-	-	-	-	190.83
Leasehold land *	68.17	-	68.17	-	1.39	-	1.39	-	-
Buildings	243.97	185.87	-	429.84	36.55	33.17	-	69.72	360.12
Plant and machinery	391.51	365.47	2.00	754.98	97.65	90.13	0.14	187.64	567.34
Furniture and fixtures	47.38	19.56	0.02	66.92	14.58	11.39	-	25.97	40.96
Vehicles	38.42	1.08	-	39.50	12.64	8.18	-	20.82	18.68
Office equipment	29.12	15.57	0.08	44.61	11.68	11.77	0.03	23.42	21.19
Computers	19.48	8.53	-	28.01	13.89	6.09	-	19.98	8.03
Electric installatons	27.37	21.60	-	48.97	11.03	7.81	-	18.84	30.13
Leasehold improvements	20.83	11.09	-	31.92	2.27	4.95	-	7.22	24.70
Total	**962.49**	**743.36**	**70.27**	**1,635.58**	**201.68**	**173.49**	**1.56**	**373.61**	**1,261.97**

*Leasehold land is classified under ROU assets as at 1 April 2019 as per Ind AS 116.

4. Capital work-in-progress

Particulars	As at 1 April 2020	Additions	Deletions/ adjustment	As at 31 March 2021
Land and buildings	170.87	81.50	252.37	0.00
Plant and machinery	155.14	170.05	324.79	0.40
Furnitures and fixtures	4.03	6.66	9.57	1.12
Electrical installations	17.78	17.28	34.95	0.11
Office equipment	0.57	1.08	1.31	0.34
Computers	0.15	1.40	1.50	0.05
Vehicles	-	2.08	2.08	-
Leasehold improvement	-	0.46	-	0.46
Interest capitalised*	3.49	23.93	27.42	0.00
Total	**352.03**	**304.44**	**653.99**	**2.48**

Particulars	As at 01 April 2019	Additions	Deletions/ adjustment	As at 31 March 2020
Land and buildings	206.96	163.40	199.49	170.87
Plant and machinery	15.93	194.54	55.33	155.14
Furnitures and fixtures	2.58	14.33	12.88	4.03
Electrical installations	7.33	33.45	23.00	17.78
Office equipment	-	9.54	8.97	0.57
Computers	-	0.21	0.06	0.15
Interest capitalised*	12.89	9.79	19.19	3.49
Total	**245.69**	**425.26**	**318.92**	**352.03**

* As at 31 March 2021, capitalised borrowing costs related to the construction of the new factory amounted to to INR 23.93 million (31 March 2020: INR 9.79 million) with a capitalisation rate of 8.2% to 8.5% p.a. (31 March 2020: 8.5% p.a.).

Refer note 38A for capital commitments.

5. Intangible assets

Particulars	Gross block				Accumulated amortisation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the year	Deletions	As at 31 March 2021	As at 31 March 2021
Trademark	1.01	-	-	1.01	0.19	0.10	-	0.29	0.72
Software	21.39	1.71	-	23.10	7.88	7.15	-	15.03	8.07
Total	**22.40**	**1.71**	**-**	**24.11**	**8.07**	**7.25**	**-**	**15.32**	**8.79**

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Particulars	Gross block				Accumulated amortisation				Net block
	As at 01 April 2019	Additions	Deletions	As at 31 March 2020	As at 01 April 2019	For the year	Deletions	As at 31 March 2020	As at 31 March 2020
Trademark	0.78	0.23	-	1.01	0.10	0.09	-	0.19	0.82
Software	15.09	6.30	-	21.39	3.27	4.61	-	7.88	13.51
Total	**15.87**	**6.53**	-	**22.40**	**3.37**	**4.70**	-	**8.07**	**14.33**

6. Right-of-use assets and lease liabilities:

Information about leases for which the Group is a lessee is presented below:
Right-of-use assets (ROU assets)

Gross block	Leasehold land	Land and buildings	Total
Balance as on 1 April 2019 (Transition balance)	68.24	255.59	323.83
Addition for new leases	39.40	136.50	175.90
Deletions for terminated leases	-	(35.93)	(35.93)
Balance as on 31 March 2020	**107.64**	**356.16**	**463.80**
Addition for new leases	-	161.32	161.32
Deletions for terminated leases	-	(20.39)	(20.39)
Balance as on 31 March 2021	**107.64**	**497.09**	**604.73**
Accumulated depreciation			
Balance as on 1 April 2019 (Transition balance)	1.42	-	1.42
Depreciation charge for the year	1.05	51.42	52.47
Deletions for terminated leases	-	(6.19)	(6.19)
Balance as on 31 March 2020	**2.47**	**45.23**	**47.70**
Depreciation charge for the year	1.23	68.02	69.25
Deletions for terminated leases	-	(3.10)	(3.10)
Balance as on 31 March 2021	**3.70**	**110.15**	**113.85**
Net Block as on 31 March 2021	**103.94**	**386.94**	**490.88**
Net Block as on 31 March 2020	**105.17**	**310.93**	**416.10**

The following is the movement in lease liabilities during the year ended 31 March 2021:

Lease liabilities	
Balance as on 1 April 2019 (Transition balance)	248.16
Addition for new leases	136.50
Interest on lease liabilities	26.59
Payment of lease liabilities	(57.49)
Deletions for terminated leases	(30.74)
Balance as on 31 March 2020	**323.02**
Addition for new leases	158.30
Interest on lease liabilities	30.38
Payment of lease liabilities	(76.93)
Deletions for terminated leases	(18.32)
Balance as on 31 March 2021	**416.45**

Refer note 44 for details regarding the contractual maturities of lease liabilities as at 31 March 2021.

Lease liabilities included in the statement of financial position as at 31 March 2021 and 31 March 2020:-

	31 March 2021	31 March 2020
Current	64.51	45.58
Non-Current	351.94	277.44
	416.45	323.02

The Group does not face a significant liquidity risk with regard to lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes:

(i) For the transitional impact of Ind AS 116 and accounting policy, refer accounting policy section 2 (viii).
(ii) The Group incurred INR 12.49 million for the year ended 31 March 2021 (31 March 2020: 3.92 million) towards expenses relating to short-term leases and leases of low-value assets.
(iii) The Group's leases mainly comprise of land, retail stores and warehousing facilities
(iv) The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 on IND-AS 116 for rent concessions which are granted due to COVID-19 pandemic. According to the notification, the Company has accounted for total rent concessions of INR 10.91 million for the year ended 31st March 2021 and same is reported under head other income.

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	As at 31 March 2021	As at 31 March 2020
7 Non-current financial assets		
(i) Loans		
(unsecured, considered good unless otherwise stated)		
Security deposits at amortised cost	27.83	24.15
	27.83	**24.15**
Sub-classification of Loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	27.83	24.15
(ii) Other non-current financial assets		
(unsecured, considered good unless otherwise stated)		
Bank deposits with more than 12 months maturity (at amortised cost)*	15.24	14.59
	15.24	**14.59**

*Bank deposits pledged with Sales tax department INR 0.23 million (31 March 2020- INR 0.23 million) and remaining amount is lying with bank as margin money against non fund based limit issued by bank

Refer note 44 for information about credit risk and market risk of financial assets

8 Deferred tax assets

A. Movement in deferred tax balances

Deferred tax assets/ (liabilities)	As at 01 April 2020	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2021
Property, plant and equipment and Intangible assets	204.06	(261.72)	-	(57.66)
Tax losses carried forward	14.79	(14.79)	-	-
MAT Credit	178.05	(5.29)	-	172.76
Provision for employee benefits	31.84	(3.61)	(4.61)	23.62
Provision for doubtful debts and advances	31.09	22.44	-	53.53
Provision for inventory	9.97	5.23	-	15.20
Impact of right of use asset and lease liabilities	90.93	20.19	-	111.12
Deferred tax on intra group profit elimination	23.97	22.61	-	46.58
Other temporary differences	13.93	(5.75)	-	8.18
	598.63	**(220.69)**	**(4.61)**	**373.33**

Deferred tax assets/ (liabilities)	As at 01 April 2019	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2020
Property, plant and equipment and Intangible assets	432.83	(228.77)	-	204.06
Tax losses carried forward	63.38	(48.59)	-	14.79
MAT Credit	88.65	89.40	-	178.05
Provision for employee benefits	12.90	13.01	5.93	31.84
Provision for doubtful debts and advances	7.15	23.94	-	31.09
Provision for inventory	2.24	7.73	-	9.97
Impact of right of use asset and lease liabilities	-	90.93	-	90.93
Deferred tax on intra group profit elimination	6.16	17.81	-	23.97
Other temporary differences	16.61	(2.68)	-	13.93
	629.92	**(35.22)**	**5.93**	**598.63**

B. Amounts recognised in profit or loss

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expense		
Current year	(209.55)	(328.17)
Adjustment for prior years	(0.58)	(0.45)
	(210.13)	**(328.62)**
Deferred tax expense		
Origination and reversal of temporary differences	(220.68)	(35.22)
	(220.68)	**(35.22)**
Total tax expense	**(430.81)**	**(363.84)**

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C. Amounts recognised in other comprehensive income

Items that will not be reclassified subsequently to profit or loss

	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Before tax	**Tax (expense)/ income**	**Net of tax**	**Before tax**	**Tax (expense)/ income**	**Net of tax**
Remeasurements of defined benefit liability	14.61	(4.61)	10.00	(15.35)	3.93	(11.42)
	14.61	**(4.61)**	**10.00**	**(15.35)**	**3.93**	**(11.42)**

D. Reconciliation of effective tax rate

	Rate	For the year ended 31 March 2021 Amount	Rate	For the year ended 31 March 2020 Amount
Profit before tax from continuing operations	34.94%	699.44	34.94%	987.53
Tax using the Company's domestic tax rate		244.41		345.08
Tax effect of:				
Non-deductible expenses	1.28%	8.93	3.50%	34.59
Impact of tax on non- depreciable assets	0.16%	1.13	0.07%	0.67
Effect of change in tax rate	-3.47%	(24.24)	0.08%	0.83
Derecognition of deferred tax goodwill	35.34%	247.17	0.00%	-
Deferred tax on intra group profit elimination	-6.66%	(46.58)	-1.80%	(17.81)
Tax adjustment for earlier years	-0.08%	(0.58)	-0.05%	(0.45)
Other adjustments	0.08%	0.56	0.09%	0.94
	61.59%	**430.81**	**36.84%**	**363.84**
As per Statement of Profit and loss		(430.81)		(363.84)

* Pursuant to amendment by Finance Act, 2021, Goodwill has been held as non-tax deductible asset effective 1st April, 2020. Consequently, the Company has derecognised the deferred tax assets on goodwill amounting to INR 247.17 million, thereby impacting profit after tax for the year.

	As at 31 March 2021	As at 31 March 2020
9 Non-current tax assets (net)		
Advance tax [Net of provision for income tax - INR 47.92 million , 31 March 2020 - INR 91.37 million]	27.62	22.79
	27.62	**22.79**
10 Other non-current assets		
(unsecured, considered good unless otherwise stated)		
Capital advances	1.54	171.67
Balance with government authorities	6.05	-
	7.59	**171.67**
11 Inventories		
(valued at lower of cost and net realisable value)		
Raw materials *	732.72	704.32
Work in progress *	343.25	321.40
Finished goods *	938.92	661.03
Packing material	54.02	42.30
Less: Provision for inventory	(43.95)	(29.94)
	2,024.96	**1,699.11**
Carrying amount of inventories pledged as security for borrowings	2,024.96	1,699.11

* Includes Goods in transit raw material INR 25.80 million (31 March 2020 - INR 2.93 million)

The Group has recorded provision of INR 19.47 million on raw material (31 March 2020 - INR 21.20 million), INR 1.43 million on work in progress (31 March 2020 -INR 7.85 million) and INR 23.05 million on finished goods (31 March 2020 - INR 0.89 million) on account of slow moving and non-moving inventory.

* Finished goods include both Stock in trade and manufactured goods, as both are stocked together.

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	As at 31 March 2021	As at 31 March 2020
12 Trade receivables		
Trade receivables considered good- secured	-	-
Trade receivables- considered good unsecured	1,101.38	1,514.43
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	39.98	25.27
	1,141.36	1,539.70
Less Allowance for expected credit loss	(119.40)	(71.27)
Less Allowance for credit impaired trade receivables	(39.98)	(25.27)
	981.98	**1,443.16**
Refer note 44 for information about credit risk and market risk of trade receivables		
13 Cash and cash equivalents		
Cash in hand	0.94	0.80
Balance with banks		
- In current account	11.11	152.07
	12.05	**152.87**
Refer note 44 for information about credit risk and market risk of financial assets.		
14 Bank balances other than those included in cash and cash equivalents		
(unsecured, considered good unless otherwise stated)		
Fixed deposits	-	450.00
	-	**450.00**
Refer note 44 for information about credit risk and market risk of financial assets.		
15 Loans		
(unsecured, considered good unless otherwise stated)		
Loans to employees	4.88	14.25
	4.88	**14.25**
Sub-classification of loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	4.88	14.25
Refer note 44 for information about credit risk and market risk of financial assets		
16 Other current financial assets		
(unsecured, considered good unless otherwise stated)		
Other receivables	4.28	6.95
	4.28	**6.95**
Refer note 44 for information about credit risk and market risk of financial assets.		
17 Other current assets		
Advances to suppliers	10.74	11.77
Balance with government authorities	450.06	389.64
GST refund	332.01	137.66
Prepaid expenses	10.58	10.55
	803.39	**549.62**

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18 Share capital

	As at 31 March 2021	As at 31 March 2020
Authorised equity share capital		
453,500,000 (As at 31 March 2020: 300,500,000) equity shares of INR 10 each	4,535.00	3,005.00
Nil (As at 31 March 2020: 153,000,000) 0.0001% redeemable preference shares of INR 10 each	-	1,530.00
	4,535.00	4,535.00
Issued, subscribed and fully paid-up		
151,871,564 (31 March 2020: 151,871,564) equity shares of INR 10 each	1,518.71	1,518.71
	1,518.71	1,518.71

Rights, preferences and restrictions attached to equity shares

(a) The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share.

(b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Employee stock options

Terms attached to stock options granted to employees are prescribed in note 41 regrading share-based payments.

Reconciliation of equity shares outstanding at the beginning and end of the year :

	No. of Shares	Amount
Outstanding as at 1 April 2019	97,331	0.97
Shares issued as bonus shares	149,987,071	1,499.87
Shares issued on exercise of employee stock options (refer note 41)	1,787,162	17.87
Outstanding as at 31 March 2020	151,871,564	1,518.71
Shares issued during the year	-	-
Outstanding as at 31 March 2021	151,871,564	1,518.71

Details of shareholders holding more than 5% shares in the Company:

Equity shares of INR 10 each fully paid up held by-

-Hari Krishan Agarwal	**No. of shares**	98,688,000	98,688,000
	Percentage	64.98%	64.98%
-Nikhil Aggarwal	**No. of shares**	20,633,502	20,633,502
	Percentage	13.59%	13.59%
-TPG Growth III SF PTE. Limited	**No. of shares**	26,153,846	24,607,256
	Percentage	17.22%	16.20%

Shares reserved for issue under options:

	As at 31 March 2021		As at 31 March 2020	
	Numbers	Amount	Numbers	Amount
Under Employee stock option scheme, 2018 (342,324 equity shares of INR 10 each, at an exercise price of INR 109.27) (31 March 2020: 1,316,884 equity shares of INR 10 each, at an exercise price of INR 109.27) (refer note 41)	342,324	3.42	1,316,884	13.17

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

During the five-year period ended 31 March 2021 and 31 March 2020 -

Bonus issues:-

The shareholders of the Company at its general meeting held on 27th September, 2019 approved the allotment of bonus share in the ratio of 1:1541 as on the record date of 27th September, 2019 to each of the equity shareholders of the Company. Subsequently, 149,987,071 Bonus Shares of 10 each amounting to INR 1,499.87 million, were alloted on 26th October 2019 in the ratio of 1541:1 to the eligible equity shareholders.

Shares reserved for issue under options :-

Information relating to the Group's share based payment plans, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 41.

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19 Other equity

	As at 31 March 2021	As at 31 March 2020
Retained earnings	1,578.02	1,298.37
Securities premium	1,587.37	1,587.37
Other comprehensive income	-	-
Capital reserve	(1,567.87)	(1,567.87)
Share options outstanding account	10.12	10.87
	1,607.64	**1,328.74**

	As at 31 March 2021	As at 31 March 2020
(i) Retained earnings		
Balance at the beginning of the year	1,298.37	687.55
Add: Profit for the year	268.74	615.99
Add: Transfer from other comprehensive income	7.47	(5.17)
Add: Share options lapsed during the year	3.44	-
Balance at the end of the year	**1,578.02**	**1,298.37**
(ii) Securities premium		
Balance at the beginning of the year	1,587.37	2,873.58
Add: Premium on equity shares issued during the year	-	213.66
Less: Utilised on issue of bonus shares	-	(1,499.87)
Balance at the end of the year	**1,587.37**	**1,587.37**
(iii) Other comprehensive income		
Balance at the beginning of the year	-	1.78
Add: Addition during the year	7.47	(6.95)
Less: Transfer to retained earnings	(7.47)	5.17
Balance at the end of the year	-	-
(iv) Capital reserve		
Balance at the beginning of the year	(1,567.87)	(1,567.87)
Balance at the end of the year	**(1,567.87)**	**(1,567.87)**
(v) Share options outstanding account		
Balance at the beginning of the year	10.87	29.67
Add: Addition during the year	2.69	33.30
Less: Shares issued during the year	-	(52.10)
Less: Share options lapsed during the year	(3.44)	-
Balance at the end of the year	**10.12**	**10.87**

Nature and purpose of other reserves

Retained earnings is the profit/loss accumulated as on Balance Sheet date

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Items of Other comprehensive income
Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits.
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Capital reserve represents the difference between the consideration paid and net assets acquired on business combination under common control, which is netted off by deferred tax of INR 802.40 million at initial recognition

Share options outstanding account represents employee stock options granted to employee as per employee stock options scheme

20 Non-controlling interest

	As at 31 March 2021	As at 31 March 2020
Opening balance	1.19	(26.28)
Addition during the year	-	24.24
Share of Profit/ (Loss) for the year	2.42	3.23
Balance at the end of the year	**3.61**	**1.19**

The Group does not hold any ownership interests in M G Udyog Private Limited. However, it receives substantially all of the returns related to its operations. The Group has the power to control the operational powers of the Company. Accordingly, the Group has consolidated M G Udyog Private Limited as per Ind AS 110.

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21 Borrowings

	As at 31 March 2021	As at 31 March 2020
Non-current borrowings		
Secured		
Term loans		
From Banks		
HDFC Bank Limited (refer note -(i))	475.74	442.81
Axis Bank Limited (refer note -(ii))	445.64	363.15
Vehicle loans		
From Banks		
HDFC Bank Limited (refer note (iii))	-	1.68
Yes Bank Limited (refer note (iii))	-	8.34
Less: Current maturities of above non current borrowings(shown as a part of other current financial liabilities)	(257.01)	(172.50)
	664.37	**643.48**
Current borrowings		
Secured		
HDFC Bank Limited (refer note -(i))		
Cash credit	113.93	273.24
Working Capital Demand Loan	-	900.00
Axis Bank Limited (refer note -(i) and (ii))		
Cash credit	1.21	-
Working Capital Demand Loan	250.00	-
Axis Bank Limited (refer note -(iv) and (v))		
Channel financing	69.46	443.41
	434.60	**1,616.65**

The Group's exposure to currency and liquidity risk related to financial liabilities is disclosed in note 44.

Notes

(i) Term loans from HDFC bank and cash credit from banks were secured in 2019-20 by:-
1. Exclusive charge on all movable fixed assets (present and future, excluding specifically charged to lender)
2. Exclusive charge on all current assets (present and future)
3. Exclusive charge on properties:-
(i) Plot C-9, Dehradun
(ii) Plot C-10 Dehradun
(iii) Plot no 61, Baddi
(iv) H-6, Udyog Nagar, New Delhi (Owned by MG Udyog Private Limited)
(v) D-1, Udyog Nagar, New Delhi
4. Exclusive charge on factory land and building at plot no 39-40, sector-8A, IIE Bhel, Haridwar, Uttarakhand.

Term loans from HDFC bank and cash credit from banks are secured in 2020-21 by:-
1. Movable Fixed Assets- Exclusive charge on all movable fixed assets (present and future, excluding Ganaur, Sonipat Unit & other movable fixed assets as excluding specifically charged to any lender). Only for Ganaur, Sonipat unit, Axis bank will have exclusive charge on movable fixed assets.
2. Stock and book debt- First Paripassu charge on all current assets (present and future)
3. Factory land and building: Exclusive charge on properties:-
(i) Plot C-9, Dehradun
(ii) Plot C-10 Dehradun
(iii) Plot no 61, Baddi
4. Factory land and building: Exclusive charge on (1) Factory land and building at plot no 39-40, Sector-8A, IIE BHEL, Haridwar, Uttarakhand, (2) Property bearing No J-17, Udyog Nagar, Rohtak Road, New Delhi-110041.

Cash Credit/ Working capital demand loan from Axis Bank are secured in 2020-21 by:-
Primary- First Pari passu charge on the current assets of the Company, present and future

Collateral- Extension of charge over property including equitable mortgage on project land and building and moveable fixed assets of the Sonipat facility located at Village Panchi Gujran, Tehsil Ganaur, District Sonipat.

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(All amounts are in INR millions unless otherwise stated)

(ii) Term loan from Axis bank is secured by exclusive charge on the land and building, plant and machinery and other moveable fixed assets of the Ganaur, Sonipat property.

(iii) Loan for vehicles is secured against hypothecation of the respective vehicles.

(iv) The Company has entered into guarantee agreement with Axis Bank Limited wherein the CAPL has guaranteed the repayment of the amounts due by the authorised dealers to the bank under two schemes

Scheme 1: Post completion of six months of Scheme 2, the authorised dealer will be onboarded on Scheme 1, with the followings criteria:

Authorised dealers having a limit requirement of minimum of INR 2.5 million and maximum of INR 30 million.
Authorised dealers should have a vintage of more that 3 years with CAPL and 5 years in same line of business.
Authorised dealers with a minimum dependency of 50% on CAPL
Authorised dealers who have profitability (profit after tax) record for the last two years.
Authorised dealers not appearing in the Company's defaulter list and not having legal dispute with CAPL & CAIPL in the past since inception of dealership with CAPL/CAIPL in the past
Authorised dealers not appearing in the defaulters' lists checked by the bank.
CAPL will provide First Loss Deficiency Guarantee to the extent of 30% of scheme limit i.e. INR 150 million, to be replenished annually

Scheme 2: Scheme will be valid from date of first disbursement till a period of six months and will be utilised to take over existing program of CAPL from Yes Bank. The authorised dealers to satisfy the following criteria:

Authorised dealers having a limit requirement of minimum of INR 2.5 million and maximum of INR 30 million.
Authorised dealers should have a vintage of more that 3 years with CAPL and 5 years in same line of business.
Authorised dealers with a minimum dependency of 50% on CAPL
Authorised dealers who have profitability (profit after tax) record for the last two years.
Authorised dealers not appearing in the defaulters' lists checked by the bank.
CAPL will provide First Loss Deficiency Guarantee to the extent of 50% of scheme limit i.e. INR 250 million.

(v) As mentioned above, the Company has provided First Loss Deficiency Guarantee only to the extent 30% to 50% of the amount receivable from customers. The Company does not expect to have an exposure beyond the guaranteed amount i.e. INR 32.49 million.

(v) Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Particulars	Currency	No. of remaining instalments as on 31 March 2021	Nominal Interest Rate (p.a.)	Year of maturity	Carrying amount As at 31 March 2021	Carrying amount As at 31 March 2020
Secured bank loan- HDFC	INR	-	8.8-10%	2021	-	0.21
Secured bank loan- HDFC	INR	-	8.8-10%	2021	-	4.34
Secured bank loan- Yes Bank	INR	-	8.25%	2021	-	8.54
Secured bank loan- HDFC	INR	-	9.00%	2021	-	0.74
Secured bank loan- HDFC	INR	-	8.60%	2021	-	0.94
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	42.10	55.01
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	64.77	84.62
Secured bank loan- HDFC	INR	13	8.10-10%	2024	103.28	134.96
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	62.03	81.04
Secured bank loan- Axis Bank	INR	19	7.75-8.5%	2025	445.64	234.17
Secured bank loan- HDFC	INR	13	8.10-10%	2025	17.90	23.39
Secured bank loan- HDFC	INR	19	8.20%	2025	142.22	-
Secured bank loan- HDFC	INR	11	8.65-10%	Immediate	43.45	59.25

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(All amounts are in INR millions unless otherwise stated)

22 Provisions

	As at 31 March 2021		As at 31 March 2020	
	Non-current	**Current**	**Non-current**	**Current**
Provision for employee benefits (refer note 40)				
- Gratuity	57.29	4.73	60.59	16.59
- Compensated absences	-	-	3.11	0.14
	57.29	**4.73**	**63.70**	**16.73**

23 Trade payables

	As at 31 March 2021	As at 31 March 2020
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises*	86.68	40.30
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,621.94	1,188.12
	1,708.62	**1,228.42**

* The disclosure in respect of the amounts payable to enterprises covered by Micro, Small and Medium Enterprises Development Act, 2006 (Act) have been made in the financial statements based on information received and available with the Group. The Group has accrued an interest amount of INR 5.49 million (31 March 2020: 1.93 million) on delayed payment to micro and small enterprises (also refer note 47).

The Group's exposure to currency and liquidity risk related to trade payable is disclosed in note 44.

24 Other current financial liabilities

	As at 31 March 2021	As at 31 March 2020
Employee benefits payable	76.18	65.50
Current maturities of non current borrowings (refer note-21)	257.01	172.50
Payable for capital goods	3.46	20.80
Other payables	5.49	4.37
Interest accrued but not due on borrowings	3.39	5.47
	345.53	**268.64**

The Group's exposure to currency and liquidity risk related to trade payable is disclosed in note 44.

25 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Statutory dues		
TDS	12.90	13.16
Goods and services tax	0.72	1.59
PF payable	3.70	3.11
ESI payable	0.32	0.30
Others	1.07	0.00
Government grant	2.87	2.87
Deferred revenue	-	33.02
Advances from customers - contract liabilities	27.49	54.74
	49.07	**108.79**

26 Current tax liabilities

	As at 31 March 2021	As at 31 March 2020
Provision for Income tax [Net of advance tax of INR 206.94 million; 31 March 2020 - INR 286.56 million]	36.89	74.15
	36.89	**74.15**

(All amounts are in INR millions unless otherwise stated)

27 Revenue from operations	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Sale of goods	7,100.82	7,310.58
	7,100.82	**7,310.58**
Other operating revenue		
Scrap sales	12.02	9.85
	12.02	**9.85**
	7,112.84	**7,320.43**

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For details of revenue by geography refer Note 46

Performance obligation

Revenues are recognised at a point in time when control of the goods passes to the customer, upon delivery of the goods.

Revenue by time		
Revenue recognised at point in time	7,100.82	7,310.58
Revenue recognised over time	-	-
Total	**7,100.82**	**7,310.58**

(b) Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting year that was included in the contract liability balance at the beginning of the year' same has been disclosed as below:

Revenue recognised in the reporting year that was included in the contract liability balance at the beginning of the year	87.77	16.48

(c) Contract balances

Trade receivables	1,006.56	1,443.16
Contract liabilities	27.49	87.77

Contract liabilities primarily relate to advance consideration received from customers against supply of goods and services which is recognised as revenue at a point of time.

Trade receivables are net of expected credit loss and loss allowance on credit impaired assets. The detail is as given below:-

Provision for expected credit loss	119.40	71.27
Provision for credit impaired trade receivables	39.98	25.27

(d) Reconciliation of Revenue from sale of goods with the contracted price

Contracted price	7,826.53	8,045.49
Less: Trade discounts, volume rebates etc.	(725.71)	(734.91)
Sale of products	**7,100.82**	**7,310.58**

Movement of unearned revenue

Balance at the beginning of the year	33.02	-
Revenue recognised during the year	(33.02)	-
Accrual of unearned revenue	-	33.02
Balance at the end of the year	**-**	**33.02**

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28 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Liabilities / provisions no longer required written back	8.92	1.14
Gain on sale of property, plant and equipment (net)	1.31	2.72
Net gain on foreign currency transactions and translation	3.90	0.18
Interest income from financial assets measured at amortised cost		
- on bank deposits	10.63	1.07
Miscellaneous income	13.20	15.61
	37.96	**20.72**

29 Cost of materials consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Raw material purchases*	4,046.09	4,336.76
Add-Inventories at the beginning of the year	746.62	548.20
Less-Inventories at the end of the year	(786.74)	(746.62)
	4,005.97	**4,138.34**

*includes job work charges for manufacturing process INR 770.03 million (31 March 2020: INR 775.15 million)

30 Purchases of stock-in-trade

	For the year ended 31 March 2021	For the year ended 31 March 2020
Purchases of finished goods	36.87	3.74
Purchases of retail accessories	0.95	1.09
	37.82	**4.83**

31 Changes in inventory of finished goods, stock-in-trade and work in progress

	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventories at the beginning of the year		
-Finished goods*	661.03	435.05
-Work- in-progress	321.40	205.49
Inventories at the end of the year		
-Finished goods*	(938.92)	(661.03)
-Work- in-progress	(343.25)	(321.40)
Decrease/(increase) in inventories	**(299.74)**	**(341.89)**

* Finished goods include both Stock in trade and manufactured goods, as both are stocked together.

32 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	484.01	462.95
Contribution to provident and other funds (refer note 40)	21.56	21.24
Gratuity (refer note 40)	25.49	29.44
Share based payment expenses (equity settled) (refer note 41)	2.69	33.30
Compensated absences	-	3.29
Staff welfare	18.08	20.15
	551.83	**570.37**

33 Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on		
- Borrowings*	130.46	119.84
- Interest on delayed payment of income tax	6.94	10.04
- Interest on lease liabilities	30.38	26.59
- Interest expenses on micro, small and medium enterprises	2.89	1.82
Other borrowing costs		
Bank processing fees	0.92	6.77
	171.59	**165.06**

* As at 31 March 2021, capitalised borrowing costs related to the construction of the new factory amounted to to INR 23.93 million (31 March 2020: INR 9.79 million) with a capitalisation rate of 8.2% to 8.5% p.a. (31 March 2020: 8.5% p.a.).

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	For the year ended 31 March 2021	For the year ended 31 March 2020
34 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	250.57	173.49
Amortisation on intangible assets	7.25	4.70
Depreciation of Right-of-use assets	69.25	52.47
	327.07	**230.66**

	For the year ended 31 March 2021	For the year ended 31 March 2020
35 Other expenses		
Advertising and sales promotion	329.38	268.84
Contractor charges	478.79	511.31
Freight outwards	296.84	225.45
Legal and professional*	51.99	90.42
Power and fuel	100.49	88.35
Travelling and conveyance	29.46	38.52
Rent (refer Note 6)**	12.49	3.92
Trade receivables written off	1.10	0.30
Consumables	23.98	31.25
Advances written off	2.21	-
Repairs and maintenance		
Plant and machinery	19.06	24.39
Buildings	3.84	10.49
Others	14.40	17.16
Partners' capital waived off	-	27.44
Provision for inventory	14.01	22.76
Allowance for credit impaired trade receivables	14.71	2.37
Allowance for expected credit loss	48.13	71.27
Security expenses	32.39	34.62
Corporate social responsibility expenses (refer note 43)	11.34	4.95
Rates and taxes	5.28	2.64
Commission	87.47	29.12
Miscellaneous expenses	79.46	80.68
	1,656.82	**1,586.25**
***Payment to auditors** (included in Legal and professional expenses above)		
As auditor (net of taxes)		
For Statutory audit	4.70	4.50
For Tax audit	0.80	0.70
Other services	0.30	-
Reimbursement of expenses	0.19	0.54
	5.99	**5.74**

** includes amount of short term leases and low value lease assets.

	For the year ended 31 March 2021	For the year ended 31 March 2020
36 Other comprehensive income		
Re-measurement gains/(losses) on defined benefit plans	14.61	(15.35)
Tax effect on above	(4.61)	3.93
	10.00	**(11.42)**

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Notes to consolidated financial statements for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

37 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year

Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to owners of the Company	268 74	615 99
Weighted average number of equity shares of INR 10 each	15,18,71,564	15,05,83,828
EPS - Basic	1 77	4 09
Weighted average number of equity shares of INR 10 each	15,18,71,564	15,05,83,828
Add Share options outstanding account (refer note below)	-	-
Weighted average number of equity shares (to be considered for dilutive EPS)	**15,18,71,564**	**15,05,83,828**
EPS - Diluted (INR) *	1 77	4 09

* For the year ended 31 March 2021, 437,137 options (31 March 2020, 1,159,600) are not considered in calculation of weighted average number of equity shares for calculation of diluted earnings per share, as their impact is anti-dilutive

38 Contingent liabilities, contingent assets and commitments

A. Commitments

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for INR 26 68 million (31 March 2020 INR 56 65 million)

B. Contingent liabilities

a. The Company had imported plant and machinery in 2015-16 under EPCG scheme An export obligation ('EO') amounting to INR 23 87 million (31 March 2020 INR 23 87 million) was placed on the Company which was to be fulfilled in a period of 6 years from the date of Inspection of Licence Duty saved under EPCG Scheme amounting to INR 3 98 million (31 March 2020 INR 3 98 million) Further, the Company has made an application to the relevant authorities for seeking an extension in the period of fulfilment

b. Pursuant to judgement by the honourable supreme court dated 28 Feb 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies
Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company has not recognised any provision till 2018-19 Further, management also believes that the impact of the same on the Company will not be material

39 Additional information, as required under Schedule III to the Companies Act, 2013, "General Instructions for the preparation of consolidated financial statements" for the Financial Year 2020-21:

Name of Entity	Net assets i.e. Total assets minus Total liabilities		Share in Profit/ (Loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Profit/ (Loss)	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent								
Campus Activewear Private Limited	85.89%	2,688 17	-61 44%	(165.03)	62 40%	6 23	-57.00%	(158 80)
Subsidiary								
Campus AI Private Limited	16 86%	527.56	176 71%	474 66	12 37%	1.23	170.82%	475 91
MG Udyog Private Limited	0 12%	3 61	-0 04%	(0 11)	25 34%	2 53	0.87%	2 42
Eliminations	-2 86%	(88 39)	-15 23%	(40 91)	-0 10%	(0.01)	-14 69%	(40 92)
Total	100 00%	3,129 96	100.00%	268 63	100 00%	9 98	100.00%	278 61

Additional information, as required under Schedule III to the Companies Act, 2013, "General Instructions for the preparation of consolidated financial statements" for the Financial Year 2019-20:

Name of Entity	Net assets i.e. Total assets		Share in Profit/ (Loss)		Share in other comprehensive		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Net Profit/ (Loss)	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent								
Campus Activewear Private Limited	99 83%	2,644.28	96.72%	603.22	60 37%	-6.90	97.39%	596.33
Subsidiary								
Campus AI Private Limited (From 7 February 2020)	1 81%	51.65	7 96%	49 67	0 13%	(0 01)	8.11%	49.66
Ankit International (Partnership Firm till 7 February 2020)	0 00%	-	56 41%	351.84	22 41%	(2 56)	57.05%	349 28
MG Udyog Private Limited	0 04%	1.19	0 59%	3 69	28 96%	(3.31)	0 06%	0 38
Eliminations	-1 70%	(48.48)	-61 69%	(384.73)	-11 88%	1 36	-62 61%	(383 37)
Total	100 00%	2,848 64	100 00%	623 70	100 00%	(11.42)	100 00%	612.28

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Notes to consolidated financial statements for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

40 Employee benefits

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined contribution plans:

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance (ESI) which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	For the year ended	
	31 March 2021	**31 March 2020**
Contribution to provident fund and ESI	21.56	21.24

(ii) Defined benefit plan:

Gratuity

The Group operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive 15 day's salary for each year of completed service at the time of retirement/exit.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date.

Net defined benefit liability	**As at 31 March 2021**	**As at 31 March 2020**
Provision for gratuity	62.02	77.18
Total employee benefit liabilities	**62.02**	**77.18**
Non-current	57.29	60.59
Current	4.73	16.59

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	**As at 31 March 2021**
	Net defined benefit (asset)/ liability
(a) Balance as at 1 April 2020	63.62
(b) Included in profit or loss	
Current service cost	15.73
Past service cost	-
Interest cost (income)	4.35
Total (b)	**20.08**
(c) Included in OCI	
Remeasurements loss (gain)	
– Actuarial loss (gain) arising from:	
- financial assumptions	1.08
- demographic assumptions	(7.31)
- experience adjustment	(8.37)
– on plan assets	-
Total (c)	**(14.60)**
(d) Other	
Contributions paid by the employer	-
Benefits paid	(7.08)
Total (d)	(7.08)
Balance as at 31 March 2021 (a+b+c+d)*	**62.02**

*Does not include amount of INR 5.40 million to be paid to employees for which the Company has recorded actual liabilities in its books of accounts.

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Particulars	As at 31 March 2020 Net defined benefit (asset)/ liability
(a) Balance as at 01 April 2019	32.43
(b) Included in profit or loss	
Current service cost	13.27
Past service cost	-
Interest cost (income)	2.50
Total (b)	**15.77**
(c) Included in OCI	
Remeasurements loss (gain)	
- Actuarial loss (gain) arising from:	
- financial assumptions	7.35
- demographic assumptions	0.04
- experience adjustment	8.03
- on plan assets	-
Total (c)	**15.42**
(d) Other	
Contributions paid by the employer	-
Benefits paid	-
Total (d)	-
Balance as at 31 March 2020 (a+b+c+d)*	**63.62**

*Does not include amount of INR 13.55 million to be paid to employees for which the Group has recorded actual liabilities in its books of accounts.

C. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the Group.

	As at 31 March 2021	As at 31 March 2020
Discount rate (p.a.)	6.75%	6.85%
Expected rate of future salary increase (p.a.)	10.00%	10.00%

b) Demographic assumptions

	31 March 2021	31 March 2020
i) Retirement age (years)	58	58
ii) Mortality rates	100%	100%
iii) Withdrawal (rate of employee turnover)		
Up to 30 years	5.00%	3.00%
31-44 years	5.00%	2.00%
Above 44 years	5.00%	1.00%

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2021		31 March 2020	
	Liability due to Increase	Liability due to decrease	Liability due to Increase	Liability due to decrease
Discount rate (1% movement)	(6.68)	8.05	(8.72)	10.87
Expected rate of future salary increase (1% movement)	7.16	(6.18)	9.73	(8.01)

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

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

E. Expected maturity analysis of the defined benefit plans in future years

Particulars	31 March 2021	31 March 2020
Duration of defined benefit payments		
1 year	4.73	3.03
1 to 2 years	15.28	2.77
3 to 5 years	24.28	13.94
More than 5 years	125.14	213.44
Total	**169.43**	**233.18**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2020: 12 years).

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F. Characteristics of gratuity plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

A. Market volatility
B. Changes in inflation
C. Changes in interest rates
D. Rising longevity
E. Changing economic environment
F. Regulatory changes

(iii) Compensated absences

Movement of compensated absences

	31 March 2021	31 March 2020
Opening	3.25	0.00
Arising during the year	-	3.25
Utilised	(3.25)	-
Closing	-	3.25

41 Share-based payments

A. Description of share-base payment arrangements

At 31 March 2021, the Group has the following share based payment arrangements.

Share options plans (equity-settled)

On 9 November 2018, the Group established share option plans that entitle employees to purchase shares in the Company. Under this plan, holders of vested options are entitled to purchase shares at fair value price of shares at respective date of grant of options. The key terms and conditions related to the grants under this plan are as follows; all options are to be equity settled by the delivery of shares.

Grant date	Granted to	Number of instruments
9 November 2018	Employees	2,013

Vesting schedule and conditions

Dates of vesting	Continued employment as on date of Vesting	Achieving performance criteria on date of Vesting	Performance Vesting conditions
1st anniversary from the date of grant	25.0% of Options granted	25.0% of ESOPs granted	Continued employment as on relevant date of vesting, and
2nd anniversary from the date of grant	12.5% of Options granted	12.5% of ESOPs granted	Achievement of performance criteria communicated prior to vesting date
3rd anniversary from the date of grant	12.5% of Options granted	12.5% of ESOPs granted	

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of employee share options has been measured using "Black Scholes Model" of option valuation.

The fair value of options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows.

	31 March 2021	31 March 2020
Fair value at grant date	INR 169,613	INR 169,613
Exercise price at grant date	INR 168,500	INR 168,500
Expected volatility	29.00%	29.00%
Expected life	2.38 years	2.38 years
Expected dividends	0.00%	0.00%
Risk-free interest rate	7.98%	7.98%

The expected life of the share options is based on historical data and current expectations is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of options is indicative of future trends, which may not necessarily be the actual outcome.

C. Reconciliation of outstanding share options

The number and the weighted-average exercise prices of share options under the share options plan are as follows.

	31 March 2021		31 March 2020	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at beginning of the year	INR 1,68,500	11,59,600	INR 1,68,500	2,013
Impact of issuance of bonus shares on outstanding options*	INR 109.27	-	INR 109.27	31,02,033
Granted during the year	-	-	-	-
Lapsed/ cancelled during the year	INR 109.27	(8,68,162)	-	(1,57,284)
Exercised during the year	INR 109.27	-	INR 109.27	(17,87,162)
Outstanding at end of the year	INR 109.27	2,91,438	INR 109.27	11,59,600
Exercisable at end of the year	INR 109.27	1,45,719	INR 109.27	-

*The Company had issued bonus shares to the shareholders of the Company. Accordingly there is an increase in number of shares to be issued to the option holders.
Weighted average remaining contractual life of options as at 31 March, 2021 was 0.6 years (31 March [illegible]).

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Notes to consolidated financial statements for the year ended 31 March 2021
(All amounts are in INR millions unless otherwise stated)

42 Related parties

A. Related parties and their relationships

i. Related parties with whom transactions have taken place during the year:

Name	Relation
Havells India Limited	KMP's significant influence
Prema Aggarwal	KMP's relative

iii. Key Managerial Personnel (KMP)

Name	Relation
Nikhil Aggarwal	CEO and Director
Hari Krishan Agarwal	Managing Director and Chairman
Vinod Aggarwal	Director

B. Transactions with the above in the ordinary course of business

Particulars	Year ended	Key Managerial Personnel	Relatives of Key Managerial Personnel	Enterprises owned or significantly influenced by Key managerial Personnel or their relatives
Remuneration paid				
Hari Krishan Agarwal	31/Mar/21	48.50	-	-
	31/Mar/20	53.50	-	-
Nikhil Aggarwal	31/Mar/21	13.92	-	-
	31/Mar/20	13.92	-	-
Vinod Aggarwal	31/Mar/21	12.00	-	-
	31/Mar/20	7.00	-	-
Prema Aggarwal	31/Mar/21	-	2.40	-
	31/Mar/20	-	1.40	-
Purchase of property, plant and equipment				
Hari Krishan Agarwal	31/Mar/21	-	-	-
	31/Mar/20	126.18		
Havells India Limited	31/Mar/21	-	-	-
	31/Mar/20	-	-	3.52

Employee benefits*

		For the year ended 31 March 2021	For the year ended 31 March 2020
Key Managerial Personnel	Short term employee benefits	74.42	74.42
	Post employment benefits	-	-
	Other long term benefits	-	-
	Termination benefits	-	-
	Share-based payment	-	-

*Does not include post-employment benefit based on actuarial valuation as this is done for the Group as a whole.

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2019-20: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

During the previous year, Bonus shares had been issued to Hari Krishan Agarwal (98,624,000) (in nos.), Nikhil Aggarwal (20,620,121) (in nos.) by way of capitalisation of reserves.

C. Related party balances as at the year end:

Nature of the Balance	Related party	As at 31 March 2021	As at 31 March 2020
Other current financial liabilities	Hari Krishan Agarwal	7.99	8.00
	Nikhil Aggarwal	2.04	2.10
	Vinod Aggarwal	0.66	0.69
	Prema Aggarwal	0.15	0.17

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(All amounts are in INR millions unless otherwise stated)

43 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate social responsibility (CSR) activities. A CSR Committee has been formed by the Company as per act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy.

31 March 2021

a) Gross amount required to be spent by the Company during the year was INR 9.81 million.
b) Amount spent during the year on:

	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	11.34	-	11.34
Total	**11.34**	**-**	**11.34**

31 March 2020

a) Gross amount required to be spent by the Company during the year was INR 4.80 million.
b) Amount spent during the year on:

	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	4.95	-	4.95
Total	**4.95**	**-**	**4.95**

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(All amounts are in INR millions unless otherwise stated)

44 Financial instruments – Fair values and risk management

I. Fair value measurements

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Financial assets	Notes	Level of fair value	Carrying value As at 31 March 2021	Carrying value As at 31 March 2020	Fair value As at 31 March 2021	Fair value As at 31 March 2020
Financial assets not measured at fair value						
Loans (current and non-current)	(a)	3	32.71	38.40	32.71	38.40
Trade receivables	(a)	3	1,006.56	1,443.16	1,006.56	1,443.16
Cash and cash equivalents	(a)	3	12.05	152.87	12.05	152.87
Bank Balances other than those included in cash and cash equivalents	(a)	3	-	450.00	-	450.00
Other current financial assets	(a)	3	4.28	6.95	4.28	6.95
Other non current financial assets	(a)	3	15.24	14.59	15.24	14.59
			1,070.84	2,105.97	1,070.84	2,105.97
Financial liabilities not measured at fair value						
Non-current borrowings	(a)	3	921.39	815.98	921.39	815.98
Current borrowings	(a)	3	434.60	1,616.65	434.60	1,616.65
Trade payables	(a)	3	1,733.20	1,228.42	1,733.20	1,228.42
Lease liabilities	(a)	3	416.45	323.02	416.45	323.02
Other current financial liabilities	(a)	3	88.52	96.14	88.52	96.14
			3,594.16	4,080.22	3,594.16	4,080.22

(a) Fair valuation of non-current financial instruments has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value as the carrying value is based on effective interest rates.

Loans (security deposits) - Security deposits paid are evaluated by the Group based on parameters such as interest rates, non-performance risk of the customer. The fair values of the Group's security deposits paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowings taken by similar credit rated companies where the risk of non-performance risk is more than insignificant.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit

The fair values for financial instruments are approximately equal to their carrying values largely due to the short term maturities of those instruments.

There are no transfer between Level 1, Level 2 and Level 3 during the year ended 31 March 2021 and 31 March 2020.

II. Financial risk management

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework and also responsible for developing and monitoring the Company's risk management policy.

The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of directors with top management oversee the formulation and implementation of the risk management framework. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Group has exposure to the following risks arising from financial instruments:

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, derivative financial instruments, loans, advances, cash and cash equivalents and deposits with banks. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The management follows a credit policy under which customers are assigned a credit limit basis the standard credit period of 60 days and the same is then monitored rigorously for invoicing. For overdue accounts. the new billing is done with stricter norms e.g payments greater than fresh invoicing to ensure collection of overdue balances.
For new customers, in addition to informal feedback from retail traders, business gets started on advance payment terms and then basis the business reputation of individual customer / track record with company, these new customers are then converted to standard credit terms.

An impairment analysis is performed for all the customers at each reporting date on an individual basis. According to the analysis done, the Group establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

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(All amounts are in INR millions unless otherwise stated)

Interest rate risk

Currently the Group's borrowings are within acceptable risk levels, as determined by the management, hence the Group has not taken any swaps to hedge the interest rate risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk changes in market interest relates primarily to the Group's long term debt obligations with floating interest rates. The Group is carrying its borrowings primarily at variable rate

	31 March 2021	31 March 2020
Variable rate borrowings	1,036.52	1,079.19
Fixed rate borrowings	250.00	910.03

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loan and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	**Effect on profit before tax**	
	31 March 2021	**31 March 2020**
Increase in 50 basis point	5.18	5.40
Decrease in 50 basis point	(5.18)	(5.40)

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans (security deposits)

The Group has furnished security deposits to its lessors for obtaining the premises on lease and warehouses for storage of goods. The Group considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where Group feels that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses		
Trade receivables (refer note 12)	1,165.94	1,539.70

During the year, trade receivable with a contractual amount of INR 1.10 million were written off (31 March 2020: INR 0.48 million) and the Group does not expect to receive future cash flows or recoveries from collection of receivables previously written off. The Group's management also pursues all legal options for recovery of dues, wherever necessary, based on its internal assessment.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection. The Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

For trade receivables balance from related parties, there are no indications at the period end for default in payments. Accordingly, the Group does not anticipate risk of recovery and expected credit loss in respect thereof.

Additionaly, the Group has also considered risk on account of delays and defaults due to COVID-19 in arriving at expected credit loss

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(All amounts are in INR millions unless otherwise stated)

Reconciliation of loss allowance provision – Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	96.54	22.90
Changes in loss allowance	62.84	73.64
Closing balance	**159.38**	**96.54**

ii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Particulars	Carrying amounts as at 31 March 2021	Contractual cash flows			
		Total	0-1 years	Between 1 - 5 years	More than 5 year
Non-derivative financial liabilities					
Non current borrowings (including current maturities)	921.39	1,097.06	301.63	795.43	-
Current borrowings	434.60	397.62	397.62	-	-
Lease liabilities (Current and Non Current)	416.45	564.65	98.98	299.27	166.40
Other financial liabilities (Other than lease liabilities)	88.53	88.53	88.53	-	-
Trade payables	1,733.20	1,733.20	1,733.20	-	-
Total	**3,594.17**	**3,881.06**	**2,619.96**	**1,094.70**	**166.40**

Particulars	Carrying amounts as at 31 March 2020	Contractual cash flows			
		Total	0-1 years	Between 1 - 5 years	More than 5 year
Non-derivative financial liabilities					
Non current borrowings (including current maturities)	815.98	1,029.11	261.83	696.87	70.41
Current borrowings	1,616.65	1,616.65	1,616.65	-	-
Lease liabilities (Current and Non Current)	323.02	434.74	72.46	234.83	127.45
Other financial liabilities	96.14	96.14	96.14	-	-
Trade payables	1,228.42	1,228.42	1,228.42	-	-
Total	**4,080.22**	**4,405.07**	**3,275.50**	**931.70**	**197.86**

iii. Market risk

Market risk is the risk that changes in market prices – such as commodity risk, foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to foreign currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Group, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The functional currency of the Group is INR and the currency in which these transactions are primarily denominated is USD and RMB.

For assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Particulars of unhedged foreign currency exposure are as follows:

Particulars	Currency	Amount in Foreign currency		Amount in Indian currency	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Trade payables	USD	0.24	0.20	17.66	15.18
	RMB	-	0.72	-	7.45
	CNY	0.16	-	1.76	-
Trade receivables	USD	0.02	-	1.14	-

Currency sensitivity

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

For the year ended 31 March 2021	Profit or loss	
	Strengthening	Weakening
USD (1% movement)	0.18	(0.18)
CNY (1% movement)	0.02	(0.02)

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For the year ended 31 March 2020

USD (1% movement)	(0.15)	0.15
RMB (1% movement)	(0.08)	0.08

45 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor and creditor to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. The Group monitors capital using gearing ratio, which is adjusted net debts divided by total equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprise all components of equity. The Group's adjusted net debt to equity ratio at 31 March 2021 and 31 March 2020 was as follows

	As at 31 March 2021	As at 31 March 2020
Total liabilities	3,742.13	4,343.58
Less: Cash and cash equivalents	(12.05)	(152.87)
Adjusted net debt	**3,730.08**	**4,190.71**
Total equity	**3,129.96**	**2,848.64**
Gearing ratio	119%	147%

46 Segment reporting

Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group's management and internal reporting structure

Operating segments

The Group has identified the business as single operating segment i.e. Footwear & Accessories. Accordingly, there is only one reportable segment for the Group which is "Footwear and Accessories", hence no specific disclosures have been made

(a) Information about geographical areas

Major sales of the Group are made to customers which are domiciled in India. All the non-current assets of the Group are located in India

Revenue based on sales of products attributable to external customers	**For the year ended 31 March 2021**	**For the year ended 31 March 2020**
Within India	7,100.82	7,307.15
Outside India	-	3.43
Total	**7,100.82**	**7,310.58**

(b) The non-current assets of the Group are located in the country of domicile i.e. India. Hence no specific disclosures have been made

47 Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	**As at 31 March 2021**	**As at 31 March 2020**
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year reported in Current Trade Payables		
Principal amount unpaid	86.68	40.30
Interest due	5.49	3.93
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the		
Payment made beyond the Appointed Date	-	-
Interest Paid beyond the Appointed Date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

48 During the FY 2020-21, the Group's operations got impacted due to COVID-19 declared as pandemic by world health organization (WHO). The Group had suspended operations in all the units during lockdown period to comply with COVID 19 related restrictions imposed by the Central and State governments. These restrictions though imposed to fight against COVID-19 have also impacted the normal business by way of interruption in Store operations, disrupted supply chain, extended credit period etc

However, the Group worked on plans to step up the distribution, increase marketing spends and partly offset the business impact by increasing the online channel sales. The Group has maintained throughout lockdowns a good cash position and has been able to meet its financial liabilities without utilizing moratorium

Management believes that Group will continue its journey of profitable growth that will be driven by the strong fundamentals of operating model and continued focus on long term business plan

49 The Board of Directors of the Company has approved the scheme of merger of Campus AI Private Limited with Campus Activewear Private Limited and the application has been filed with National Company Law Tribunal (NCLT)

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50 On Feb 9, 2021, the Company has received approval from shareholders for re-classification of authorised share capital from redeemable preference shares amounting INR 1,530 million to equity share capital in Extra-ordinary General Meeting

51 Subsequent to the balance sheet date, the Board of directors of the Company has initiated the process of Initial Offering of Equity Shares of the Company. In relation to this, the Company has also appointed Bankers, consultants and various other agencies

52 The disclosure regarding details of specified bank notes held and transaction during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2021

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN: 00172467

Nikhil Aggarwal
CEO and Director
DIN: 01877186

Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No: A40060

Campus Activewear Pvt. Ltd. Delhi

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

B S R & Associates LLP

Chartered Accountants

Building No.10, 12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

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INDEPENDENT AUDITORS' REPORT

To the Members of Campus Activewear Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Campus Activewear Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone 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 Companies Act, 2013 ("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 31 March 2021, and loss and other comprehensive income, 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 on the Standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's board report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Registered Office

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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 the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position;

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

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

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 197(16) of the Act are not applicable to the Company.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm's Registration No. 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 21064440AAAADQ8246

Place: Gurugram
Date: 24 September 2021

Annexure A referred to in our Independent Auditors' Report of even date on the standalone financial statements of Campus Activewear Private Limited

The Annexure A referred to in our independent Auditor's report to the members of the Company on the Standalone financial statements for the year ended 31 March 2021, we report that

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment and other intangible assets).

(b) As explained to us, the Company has a regular programme of physical verification of its fixed assets (including assets lying with third parties) in a phased manner over a period of three years. In accordance with this programme, part of the fixed assets was physically verified by the Company during the current year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory, except goods-in-transit and stock lying with third parties has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not given any loans, or made any investments or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3(iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits covered under Section 73 to 76 or any other provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the activities carried out by the Company. Accordingly, the provisions of paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Goods and Services tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there have been slight delays in a few cases of Income-tax, Provident Fund and Employees' State Insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service tax, Goods and Services tax, duty of Customs, duty of excise, Value added tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Service tax, duty of Customs, duty of excise and Value added tax which have not been deposited by the Company with the appropriate authorities on account of disputes.

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any banks. The Company did not have any outstanding debentures or dues on account of loans or borrowings to any financial institution or government during the year.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit for the year.

(xi) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) The Company is a private limited Company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. According to the information and explanations given to us, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him covered by Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 116231W / W-100024

Sharma

Gajendra Sharma
Partner
ICAI Membership No.: 064440
UDIN: 21064440AAAADQ8246

Place: Gurugram
Date: 24 September 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of Campus Activewear Private Limited **for the year ended 31 March 2021.**

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Campus Activewear Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No.: 116231W/W-100024

Sharma

Place: Gurugram
Date: 24 September 2021

Gajendra Sharma
Partner
Membership No.: 064440
UDIN: 21064440AAAADQ8246

CAMPUS ACTIVEWEAR PRIVATE LIMITED
Standalone Balance Sheet as at 31 March 2021
(All amounts are in INR millions unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,876.66	1,066.28
Capital work-in-progress	4	2.48	352.03
Intangible assets	5	8.79	14.33
Right-of-use assets	6	457.01	381.85
Financial assets	7		
(i) Investment		1.99	1.99
(ii) Loans		26.50	22.82
(iii) Other non-current financial assets		15.24	14.59
Deferred tax assets (net)	8	313.86	561.02
Non-current tax assets (net)	9	25.97	19.40
Other non-current assets	10	1.08	171.04
Total non-current assets		**2,729.58**	**2,605.35**
Current assets			
Inventories	11	1,897.50	1,523.96
Financial assets			
(i) Trade receivables	12	957.52	1,358.82
(ii) Cash and cash equivalents	13	7.39	144.23
(iii) Bank balances other than those included in cash and cash equivalents	14	-	450.00
(iv) Loans	15	1.72	8.87
(v) Other current financial assets	16	4.23	5.85
Other current assets	17	506.86	421.56
Total current assets		**3,375.22**	**3,913.29**
Total assets		**6,104.80**	**6,518.64**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	1,518.71	1,518.71
Other equity	19	1,169.45	1,325.56
Total equity		**2,688.16**	**2,844.27**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	664.38	643.48
(ii) Lease liabilities	6	351.94	277.44
Provisions	21	42.97	47.98
Total non-current liabilities		**1,059.29**	**968.90**
Current liabilities			
Financial liabilities			
(i) Borrowings	20	434.60	1,373.62
(ii) Lease liabilities	6	64.51	45.58
(iii) Trade payables	22		
(a) Total outstanding dues of micro enterprises and small enterprises		57.18	40.30
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,460.60	933.34
(iv) Other current financial liabilities	23	289.90	196.22
Other current liabilities	24	46.68	100.06
Provisions	21	3.88	16.35
Total current liabilities		**2,357.35**	**2,705.47**
Total liabilities		**3,416.64**	**3,674.37**
Total equity and liabilities		**6,104.80**	**6,518.64**
	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Campus Activewear Pvt. Ltd.
Delhi

Hari Krishan Agarwal
Managing Director
DIN : 00172467

Nikhil Aggarwal
CEO and Director
DIN : 01877186

Raman Chawla
Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Standalone Statement of Profit and Loss for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
Revenue from operations	25	7,845.64	6,330.29
Other income	26	35.58	364.48
Total income (I)		**7,881.22**	**6,694.77**
Expenses			
Cost of materials consumed	27	3,419.50	3,484.87
Purchases of stock-in-trade	28	2,459.53	954.08
Changes in inventory of finished goods, stock-in-trade and work in progress	29	(344.66)	(397.68)
Employee benefits expenses	30	469.11	470.78
Finance costs	31	158.09	129.71
Depreciation and amortisation expenses	32	296.82	199.28
Other expenses	33	1,298.34	1,099.39
Total expenses (II)		**7,756.73**	**5,940.43**
Profit before tax		**124.49**	**754.34**
Tax expenses:			
Current tax	8	(45.71)	(88.77)
Deferred tax	8	(243.81)	(62.35)
Profit/ (loss) after tax (A)		**(165.03)**	**603.22**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plans	34	9.58	(10.60)
Income tax relating to remeasurement of defined benefit plans	34	(3.35)	3.70
Total other comprehensive income for the year, net of tax (B)		**6.23**	**(6.90)**
Total comprehensive income for the year (A + B)		**(158.80)**	**596.32**
Earnings per equity share (face value of INR 10 each)	35		
Basic (INR)		(1.09)	3.89
Diluted (INR)		(1.09)	3.89
	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Campus Activewear Pvt. Ltd. Delhi

Hari Krishan Agarwal
Managing Director
DIN : 00172467

Nikhil Aggarwal
CEO and Director
DIN : 01877186

RamanChawla

Raman Chawla
Chief Financial Officer

Dimple

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

CAMPUS ACTIVEWEAR PRIVATE LIMITED

Standalone Statement of Cash Flows for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flows from operating activities		
Profit for the year before tax	124.49	754.34
Adjustments for:		
Depreciation and amortization expense	296.82	199.28
Finance costs	158.09	129.71
Interest income	(11.68)	(3.14)
Trade receivables written off	0.62	0.48
Allowance for expected credit loss	55.23	52.05
Allowance for credit impaired trade receivables	12.56	2.38
Advances written off	0.93	-
Liabilities/ provisions no longer required written back	(3.06)	(0.51)
Advances to creditors written back	(3.21)	
Gain on sale of property, plant and equipment (net)	(1.26)	(2.72)
Advance from customers written back	(0.45)	-
Provision for gratuity	20.19	24.94
Amortisation of security deposits debited to COGS	-	1.58
Share based payment expenses	2.69	33.30
Provision for inventory	17.39	19.29
Provision for compensated absences	-	3.08
Share of profit from partnership firm	-	(352.78)
Operating profit before changes in assets and liabilities	**669.35**	**861.28**
Adjustments for changes in assets and liabilities		
(Increase) in inventories	(390.93)	(573.21)
Decrease/ (Increase) in trade receivables	333.34	(315.76)
(Increase) in other current assets	(85.30)	(190.94)
Decrease/ (Increase) in loans	0.38	(1.10)
Decrease/ (Increase) in other financial assets	1.62	(3.54)
Increase in trade payables	547.35	381.60
(Decrease) in provisions	(28.09)	(0.06)
Increase in other financial liabilities	8.85	30.07
(Decrease) in other current liabilities	(51.26)	(220.42)
Cash generated/ (used in) from operating activities	1,005.31	(32.08)
Less: Income tax paid (net of refunds)	(52.28)	(176.96)
Net cash generated/ (used in) from operating activities (A)	**953.03**	**(209.04)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment including capital-work-in-progress, intangible assets, capital advances and capital creditors	(536.13)	(1,070.93)
Proceeds from sale of property, plant and equipment	7.27	3.03
Repayments/(Investments) in bank deposits (having original maturity of more than three months)	449.35	(450.97)
Interest income	11.68	1.07
Acquisition of shares in Campus AI Private Limited	-	(0.04)
Withdrawal of Partners' capital from Ankit International	-	965.96
Net cash (used in) investing activities (B)	**(67.83)**	**(551.88)**

CAMPUS ACTIVEWEAR PRIVATE LIMITED
Standalone Statement of Cash Flows for the year ended 31 March 2021
(All amounts are in INR millions unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
C. Cash flows from financing activities		
Borrowings obtained/ (repaid) - non current borrowings (net)	121.19	531.02
Borrowings obtained/ (repaid) - current borrowings (net)	(939.02)	332.62
Proceeds from share allotment under employee stock options	-	195.28
Share issue expenses	-	(15.86)
Principal payment of lease liabilities	(46.55)	(30.90)
Interest paid on lease liabilities	(30.38)	(26.59)
Interest paid other than on lease liabilities	(127.28)	(96.65)
Net cash (used in)/ generated in financing activities (C)	**(1,022.04)**	**888.92**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(136.84)**	**128.00**
Cash and cash equivalents at the beginning of the year	144.23	16.23
Cash and cash equivalents at the end of the year	**7.39**	**144.23**

Notes to statement of cash flows :

	As at 31 March 2021	As at 31 March 2020
(i) Components of cash and cash equivalents:		
Cash on hand	0.53	0.28
Balance with banks:		
- In current account	6.86	143.95
- In term deposits (with original maturity of 3 months or less)	-	-
	7.39	**144.23**

(ii) Change in liabilities arising from financing activities

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance		
Term loans (including current maturities)	756.73	225.71
Current borrowings	1,373.62	1,041.01
Cash flows		
Repayment of term loans	(135.14)	(87.39)
Proceeds from term loans	256.35	618.41
Increase/ (decrease) in current borrowings	(939.02)	332.61
Net cash flow changes	**(817.81)**	**863.63**
Closing Balance		
Term loans (including current maturities)	877.94	756.73
Current borrowings	434.60	1,373.62

(iii) The statement of cash flows has been prepared in accordance with the 'Indirect method' as set out in the Ind AS 7 on "Statement of Cash flows"

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number. 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN : 00172467

Raman Chawla
Chief Financial Officer

Place: New Delhi
Date: 24 September 2021

Campus Activewear Pvt. Ltd. Delhi

Nikhil Aggarwal
CEO and Director
DIN : 01877186

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

CAMPUS ACTIVEWEAR PRIVATE LIMITED
Standalone Statement of Changes in Equity for the year ended 31 March 2021
(All amounts are in INR millions unless otherwise stated)

(a) Equity share capital (refer note 18)

	Amount
Balance as at 1 April 2019	0.97
Changes in equity share capital during the year 2019-20	1,517.74
Balance as at 31 March 2020	**1,518.71**
Changes in equity share capital during the year 2020-21	-
Balance as at 31 March 2021	**1,518.71**

(b) Other equity (refer note 19)

	Reserves and surplus				Other comprehensive income	Total
	Retained earnings	**Securities premium**	**Capital reserve**	**Share options outstanding account**		
Balance as at 1 April 2019	697.52	2,873.58	(1,567.87)	29.67	1.35	**2,034.25**
Profit for the year	603.22	-	-	-	-	**603.22**
Other comprehensive income for the year	-	-	-	-	(6.90)	**(6.90)**
Total comprehensive income for the year	**603.22**	-	-	-	**(6.90)**	**596.32**
Transfer to retained earnings	(5.55)	-	-	-	5.55	-
Options granted during the year	-	-	-	33.30	-	**33.30**
Issue of equity shares for cash (under employee stock options scheme)	-	213.66	-	(52.10)	-	**161.56**
Issue of bonus shares	-	(1,499.87)	-	-	-	**(1,499.87)**
Balance as at 31 March 2020	**1,295.19**	**1,587.37**	**(1,567.87)**	**10.87**	-	**1,325.56**
Profit/ (loss) for the year	(165.03)	-	-	-	-	**(165.03)**
Other comprehensive income for the year	-	-	-	-	6.23	**6.23**
Total comprehensive income for the year	**(165.03)**	-	-	-	**6.23**	**(158.80)**
Transfer to retained earnings	6.23	-	-	-	(6.23)	-
Options granted during the year	-	-	-	2.69	-	**2.69**
Share options lapsed during the year	3.44	-	-	(3.44)	-	-
Issue of equity shares for cash (under employee stock options scheme)	-	-	-	-	-	-
Issue of bonus shares	-	-	-	-	-	-
Balance as at 31 March 2021	**1,139.83**	**1,587.37**	**(1,567.87)**	**10.12**	-	**1,169.45**

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Sharma

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN: 00172467

Nikhil Aggarwal
CEO and Director
DIN: 01877186

Raman Chawla

Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No.: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

Campus Activewear Pvt. Ltd. Delhi

Campus Activewear Private Limited
Notes to standalone financial statements for the year ended 31 March 2021
(All amounts are in INR Millions unless otherwise stated)

1. Corporate information

Campus Activewear Private Limited is a private limited company domiciled in India with its registered office situated at D-1, Udyog Nagar, main Rohtak road New Delhi- 110041. It was incorporated on 24 September 2008 under the Companies Act, 1956 vide Corporate Identification Number (CIN) U74120DL2008PTC183629.

The Company is primarily engaged in the business of manufacturing and trading of footwear and accessories through its retail and wholesale network.

2 (a) Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements of the Company for the year ended 31 March 2021 were approved for issue in accordance with the resolution of the Board of Directors on 24th September 2021.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

B. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

(a) Certain financial assets and liabilities (including derivatives instruments)	Fair value
(b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

C. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes: -

- Leases; whether an arrangement contains a lease.
- Lease classification - Note 6

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes:

- Impairment test of non-financial assets: Key assumptions underlying recoverable amounts
- Measurement of defined benefit obligations: key actuarial assumptions
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Impairment of financial assets
- Estimation of current tax expense and recognition of deferred tax assets

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D. Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market is accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer. Discussions of valuation processes and results are held between the Chief Financial Officer and the finance team at least once every year in line with the Company's reporting periods.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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).

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 categorised 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 recognises 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 is included in Note 41– financial instruments.

2 (b) Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(i) Foreign currency transactions:

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVTOCI);
- qualifying cash flow hedges to the extent that the hedges are effective.

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(ii) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one Company and a financial liability or equity instrument of another Company.

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement and gain and losses

Financial assets

On initial recognition, a financial asset is classified as measured at
- Amortised cost
- FVTOCI - debt investment
- FVTOCI - equity investment or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Impairment of financial assets:

The Company applies expected credit loss (ECL) model for measurement and recognition of loss allowance on the following:
(i) Financial assets measured at amortized cost
(ii) Financial assets measured at fair value through profit and loss (FVTPL)
(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

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In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss

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Offsetting

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

Compound financial instruments

Compound financial instruments issued by the Company comprise cumulative redeemable preference shares denominated in INR that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

(iii) Current versus non-current classification

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

An asset is treated as current when it is:

(a) expected to be realised in, or is intended to be sold or consumed in Company's normal operating cycle;
(b) held primarily for the purpose of being traded;
(c) expected to be realised within 12 months after the reporting date; or
(d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is current when:

(a) it is expected to be settled in Company's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within 12 months after the reporting date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Operating cycle

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

(iv) Property, plant and equipment

Recognition and measurement

Property, plant and equipment is stated at cost net of accumulated depreciation and impairment loss, if any. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable of future economic benefits.

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The cost of an item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.
Property, plant and equipment which are not ready for intended use as on date of reporting period, are disclosed as Capital work in progress.
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is provided on pro-rata basis on written down value method based on estimated useful life as prescribed under schedule-II of Companies Act, 2013. Freehold land is not depreciated.

The estimated useful life of assets is considered as under:-

Asset Category	Useful lives as per Schedule II of Companies Act, 2013
Buildings	30 years
Plant and machinery	15 years
Computers	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years
Electric installations	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

(v) Other intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Intangible assets are amortised in the Statement of Profit or Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortised on straight line basis. Intangible assets are amortised over the best estimate of the respective useful lives as under: -

(a) Trademarks: Amortised over the period of 10 years.
(b) Softwares: Amortised over the period of 5 years.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.
An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred

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(vi) Impairment

Impairment of non-financial assets

The Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated, if any to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(vii) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, if any) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(viii) Leases

The Company's lease asset classes primarily consist of leases for land and buildings taken for Warehouses, retail stores and factories. 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 asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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 include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability

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adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs.
They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use 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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

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 in the country of domicile of these leases.

Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as operating cash flows.

(ix) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is computed on FIFO.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of fixed manufacturing overheads based on the normal operating capacity. Cost is determined on a FIFO basis.

Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Net realisable 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.

Inventories in transit are valued at cost.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

(x) Revenue recognition

The Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue from related party is recognised based on transaction price which is at arm's length.

Use of significant judgments in revenue recognition: -

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- Judgment is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that the pertain to one or more distinct performance obligations.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income".

Management fees are recognized on an accrual basis as and when the services are rendered in accordance with the terms of the underlying contract.

Claims lodged with insurance companies are accounted for on an accrual basis, to the extent these are measurable and the ultimate collection is reasonably certain.

Share of profit from partnership firms is recognized on accrual basis.

(xi) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is netted off with the respective asset.

(xii) Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingencies
Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

(xiii) Operating segments:

The Operating Segment is the level at which discrete financial information is available. Business segments are identified considering:

a) the nature of products and services
b) the differing risks and returns
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Exceptional items and other expenses which are not attributable or allocable to segments are disclosed separately. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable assets and liabilities.

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(xiv) Employee benefits

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus and compensated absence, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Share- based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of number of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund and employee's state insurance corporation which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. The calculation of the Company's obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits, in the nature of voluntary retirement benefits or termination benefits arising from restructuring, are recognised in the Statement of Profit and Loss. The Company recognises termination benefits at the earlier of the following dates:

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(a) when the Company can no longer withdraw the offer of those benefits; or

(b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.

Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Compensated absences

Compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an actuary, at each year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(xv) Investments in Subsidiaries

Investments in Subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

(xvi) Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is recognized based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted, or substantially enacted by the end of the reporting period. Deferred tax assets are recognized only to the extent that is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefits will be realized.

(xvii) Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects

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of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date.

(xviii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(xix) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(xx) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xxi) New and amended standards

Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116 if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the consolidated financial statements of the Group.

(xxii) Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

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- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property help etc..

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

Further on June 18, 2021, the MCA through a notification, issued Companies (Indian Accounting Standards) Amendment Rules 2021 which includes amendments in 21 standards. The amendments to IndASs are in terms of insertion of certain paragraphs, substituting definition of certain terms used in the standard along with aligning the bare text of Standards with Conceptual Framework of Financial reporting under Ind ASs. The amendments are effective from 18 June 2021. The Company does not expect any significant impact of these amendments on its financial statements.

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Notes to standalone financial statements for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

3. Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the year	Deletions	As at 31 March 2021	As at 31 March 2021
Freehold land	190.83	-	-	190.83	-	-	-	-	190.83
Buildings	299.15	450.50	-	749.65	45.40	39.12	-	84.52	665.13
Plant and machinery	641.85	508.26	6.50	1,143.61	148.61	137.03	0.01	285.63	857.98
Furniture and fixtures	58.07	16.57	0.00	74.64	22.92	10.14	-	33.06	41.58
Vehicles	39.50	-	0.54	38.96	20.83	5.64	-	26.47	12.49
Office equipment	37.57	7.62	-	45.19	19.26	9.07	-	28.33	16.86
Computers	26.76	6.09	0.01	32.84	18.98	5.61	0.01	24.58	8.26
Electric installations	35.68	41.95	-	77.63	11.83	10.69	-	22.52	55.11
Leasehold improvements	31.92	7.05	-	38.97	7.22	3.33	-	10.55	28.42
Total	**1,361.33**	**1,038.04**	**7.05**	**2,392.32**	**295.05**	**220.63**	**0.02**	**515.66**	**1,876.66**

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	For the year	Deletions	As at 31 March 2020	As at 31 March 2020
Freehold land	76.24	114.59	-	190.83	-	-	-	-	190.83
Leasehold land*	32.85	-	32.85	-	0.66	-	0.66	-	-
Buildings	115.74	183.41	-	299.15	23.34	22.06	-	45.40	253.75
Plant and machinery	296.01	347.84	2.00	641.85	72.78	75.97	0.14	148.61	493.24
Furniture and fixtures	40.72	17.37	0.02	58.07	13.10	9.83	-	22.92	35.15
Vehicles	38.42	1.08	-	39.50	12.64	8.18	-	20.83	18.67
Office equipment	23.06	14.59	0.08	37.57	9.32	9.97	0.03	19.26	18.31
Computers	18.41	8.35	-	26.76	13.19	5.79	-	18.98	7.78
Electric installations	14.12	21.56	-	35.68	6.09	5.74	-	11.83	23.85
Leasehold improvements	20.83	11.09	-	31.92	2.27	4.95	-	7.22	24.70
Total	**676.40**	**719.88**	**34.95**	**1,361.33**	**153.39**	**142.49**	**0.83**	**295.05**	**1,066.28**

*Leasehold land was classified under ROU assets as at 1 April 2019 as per Ind AS 116

4. Capital work-in-progress

Particulars	As at 1 April 2020	Additions	Deletions/ adjustment	As at 31 March 2021
Land and buildings	170.87	81.50	252.37	0.00
Plant and machinery	155.14	170.05	324.79	0.40
Furnitures and fixtures	4.03	6.66	9.57	1.12
Electrical installations	17.78	17.28	34.95	0.11
Office equipment	0.57	1.08	1.31	0.34
Computers	0.15	1.40	1.50	0.05
Vehicles		2.08	2.08	-
Leasehold improvement		0.46	-	0.46
Interest capitalised*	3.49	23.93	27.42	0.00
Total	**352.03**	**304.44**	**653.99**	**2.48**

Particulars	As at 1 April 2019	Additions	Deletions/ adjustment	As at 31 March 2020
Land and buildings	206.96	163.40	199.49	170.87
Plant and machinery	15.93	194.54	55.33	155.14
Furnitures and fixtures	2.58	14.33	12.88	4.03
Electrical installations	7.33	33.45	23.00	17.78
Office equipment	-	9.54	8.97	0.57
Computers	-	0.21	0.06	0.15
Interest capitalised*	12.89	9.79	19.19	3.49
Total	**245.69**	**425.26**	**318.92**	**352.03**

* As at 31 March 2021, capitalised borrowing costs related to the construction of the new factory amounted to INR 23.93 million (31 March 2020: INR 9.79 million) with a capitalisation rate of 8.2% to 8.5% p.a. (31 March 2020: 8.5% p.a.)

Refer note 36A for capital commitments.

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Notes to standalone financial statements for the year ended 31 March 2021

(All amounts are in INR millions unless otherwise stated)

5. Intangible assets

Particulars	Gross block				Accumulated amortisation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	For the year	Deletions	As at 31 March 2021	As at 31 March 2021
Trademark	1.01	-	-	1.01	0.19	0.10	-	0.29	0.72
Software	21.39	1.71	-	23.10	7.88	7.15	-	15.03	8.06
Total	**22.40**	**1.71**	-	**24.11**	**8.07**	**7.25**	-	**15.32**	**8.79**

Particulars	Gross block				Accumulated amortisation				Net block
	As at 01 April 2019	Additions	Deletions	As at 31 March 2020	As at 01 April 2019	For the year	Deletions	As at 31 March 2020	As at 31 March 2020
Trademark	0.78	0.23	-	1.01	0.10	0.09	-	0.19	0.82
Software	15.09	6.30	-	21.39	3.27	4.61	-	7.88	13.51
Total	**15.87**	**6.53**	-	**22.40**	**3.37**	**4.70**	-	**8.07**	**14.33**

6. Right-of-use assets and Lease liabilities:

Information about leases for which the Company is a lessee is presented below

Right-of-use assets (ROU assets)

Gross block	**Leasehold land**	**Land and building**	**Total**
Balance as on 1 April 2019 (Transition balance)	32.85	255.59	288.44
Addition for new leases	39.40	136.50	175.90
Deletions for terminated leases	-	(35.93)	(35.93)
Balance as on 31 March 2020	**72.25**	**356.16**	**428.41**
Addition for new leases	-	161.39	161.39
Deletions for terminated leases	-	(20.39)	(20.39)
Balance as on 31 March 2021	**72.25**	**497.16**	**569.41**
Accumulated depreciation			
Balance as on 1 April 2019 (Transition balance)	0.66	-	0.66
Depreciation charge for the year	0.68	51.42	52.09
Deletions for terminated leases	-	(6.19)	(6.19)
Balance as on 31 March 2020	**1.34**	**45.23**	**46.56**
Depreciation charge for the year	0.85	68.09	68.94
Deletions for terminated leases	-	(3.10)	(3.10)
Balance as on 31 March 2021	**2.19**	**110.22**	**112.40**
Net Block as on 31 March 2021	**70.06**	**386.94**	**457.01**
Net Block as on 31 March 2020	**70.91**	**310.94**	**381.85**

The following is the movement in lease liabilities during the year ended 31 March 2021 :

Lease liabilities	
Balance as on 1 April 2019 (Transition balance)	248.16
Addition for new leases	136.50
Interest on lease liabilities	26.59
Payment of lease liabilities	(57.49)
Deletions for terminated leases	(30.74)
Balance as on 31 March 2020	**323.02**
Addition for new leases	158.30
Interest on lease liabilities	30.38
Payment of lease liabilities	(76.93)
Deletions for terminated leases	(18.32)
Balance as on 31 March 2021	**416.45**

Refer note 41 for details regarding the contractual maturities of lease liabilities as at 31 March 2021

Lease liabilities included in the statement of financial position as at 31 March 2021 and 31 March 2020:-	**31 March 2021**	**31 March 2020**
Current	64.51	45.58
Non-Current	351.94	277.44
	416.45	**323.02**

The following are the amounts recognised in profit or loss:	**31 March 2021**	**31 March 2020**
Depreciation expense of right-of-use assets	68.94	52.09
Interest expense on lease liabilities	30.38	26.59

The Company does not face a significant liquidity risk with regard to lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes:

(i) For the transitional impact of Ind AS 116 and accounting policy, refer accounting policy section 2 (viii)

(ii) The Company incurred INR 12.36 million for the year ended 31 March 2021 (31 March 2020: 3.92 million) towards expenses relating to short-term leases and leases of low-value assets

(iii) The Company's leases mainly comprise of land , retail stores and warehousing facilities

(iv) The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 on IND-AS 116 for rent concessions which are granted due to COVID-19 pandemic. According to the notification, the Company has accounted for total rent concessions of INR 10.91 million for the year ended 31st March 2021 and same is reported under head 'other income'.

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7 Non-current financial assets

	As at 31 March 2021	As at 31 March 2020
(i) Investment in Subsidiary		
Unquoted:		
198,583 equity shares (31 March 2020: 198,583) of INR 10 each in held in Campus AI Private Limited	1.99	1.99
	1.99	**1.99**
Aggregated amount of unquoted investments	1.99	1.99
Aggregated amount of impairment in value of investments	-	-

Information about Subsidiaries

Name of the Company	Country of Incorporation	Principal activities	As at 31 March 2021	As at 31 March 2020
Campus AI Private Limited	India	Manufacturing and trading of footwear and accessories	100%	100%

	As at 31 March 2021	As at 31 March 2020
(ii) Loans		
(unsecured, considered good unless otherwise stated)		
Security deposits at amortised cost	26.50	22.82
	26.50	**22.82**
Sub-classification of Loans:		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	26.50	22.82
(iii) Other non-current financial assets		
(unsecured, considered good unless otherwise stated)		
Bank deposits with more than 12 months maturity (at amortised cost)*	15.24	14.59
	15.24	**14.59**

*Bank deposits pledged with Sales tax department INR 0.23 million (31 March 2020- INR 0.23 million) and remaining amount is lying with bank as margin money against non fund based limit issued by bank.

Refer note 41 for information about credit risk and market risk of financial assets

8 Deferred tax assets

A. Movement in deferred tax balances

Net deferred tax assets/ (liabilities)	As at 01 April 2020	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2021
Property, plant and equipment and Intangible assets	202.91	(262.32)	-	(59.41)
Tax losses carried forward	14.79	(14.79)	-	-
MAT Credit	178.05	(5.29)	-	172.76
Provision for employee benefits	27.56	(5.76)	(3.35)	18.45
Provision for doubtful debts and advances	24.28	23.69	-	47.97
Provision for inventory	8.71	6.08		14.79
Impact of right of use asset and lease liabilities	90.93	20.19	-	111.12
Other temporary differences	13.79	(5.61)	-	8.18
	561.02	**(243.81)**	**(3.35)**	**313.86**

Net deferred tax assets/ (liabilities)	As at 01 April 2019	Recognized in statement of profit and loss	Recognized in other comprehensive income	As at 31 March 2020
Property, plant and equipment and Intangible assets	433.64	(230.93)	-	202.91
Tax losses carried forward	63.38	(48.59)	-	14.79
MAT Credit	88.65	89.40	-	178.05
Provision for employee benefits	10.20	13.66	3.70	27.56
Provision for doubtful debts and advances	4.69	19.58	-	24.28
Provision for inventory	1.76	6.95	-	8.71
Impact of right of use asset and lease liabilities	-	90.93	-	90.93
Other temporary differences	17.14	(3.35)	-	13.79
	619.66	**(62.35)**	**3.70**	**561.02**

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(All amounts are in INR millions unless otherwise stated)

B. Amounts recognised in profit or loss

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expenses		
Current year	(45.74)	(89.40)
Adjustment for prior years	0.03	0.63
	(45.71)	**(88.77)**
Deferred tax expenses		
Origination and reversal of temporary differences	(243.81)	(62.35)
	(243.81)	**(62.35)**
Total tax expenses	**(289.52)**	**(151.12)**

C. Amounts recognised in other comprehensive income
Items that will not be reclassified subsequently to profit or loss

	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Before tax	**Tax (expense)/ income**	**Net of tax**	**Before tax**	**Tax (expense)/ income**	**Net of tax**
Remeasurements of defined benefit liability	9.58	(3.35)	6.23	(10.60)	3.70	(6.90)
	9.58	**(3.35)**	**6.23**	**(10.60)**	**3.70**	**(6.90)**

D. Reconciliation of effective tax rate

	Rate	For the year ended 31 March 2021 Amount	Rate	For the year ended 31 March 2020 Amount
Profit before tax from continuing operations	34.94%	124.49	34.94%	754.34
Tax using the Company's domestic tax rate		43.50		263.59
Tax effect of:				
Non-deductible expenses	5.34%	6.65	0.60%	4.50
Tax-exempt income	0.00%	-	-16.34%	(123.28)
Impact of tax on non-depreciable assets	0.91%	1.13	0.09%	0.67
Effect of change in tax rate	-6.83%	(8.50)	0.73%	5.52
Derecognition of deferred tax on goodwill*	198.55%	247.17	0.00%	-
Tax adjustment for earlier years	0.02%	0.03	0.08%	0.63
Other adjustments	-0.37%	(0.46)	-0.07%	(0.56)
	232.57%	**289.52**	**20.03%**	**151.12**
As per Statement of Profit and loss		(289.52)		(151.12)

* Pursuant to amendment by Finance Act, 2021, Goodwill has been held as non-tax deductible asset effective 1st April, 2020. Consequently, the Company has derecognised the deferred tax assets on goodwill amounting to INR 247.17 million, thereby impacting profit after tax for the year

9 Non-current tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Advance tax [Net of provision for income tax - INR 46.37 million, 31 March 2020 - INR 89.14 million]	25.97	19.40
	25.97	**19.40**

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(All amounts are in INR millions unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020
10	**Other non-current assets**		
	(unsecured, considered good unless otherwise stated)		
	Capital advances	1.08	171.04
		1.08	**171.04**
11	**Inventories**		
	(valued at lower of cost and net realisable value)		
	Raw materials *	655.18	615.65
	Work in progress *	245.86	215.73
	Finished goods *	1,000.27	685.74
	Packing material	38.50	31.76
	Less: Provision for inventory	(42.31)	(24.92)
		1,897.50	**1,523.96**
	Carrying amount of inventories pledged as security for borrowings	1,897.50	1,523.96

* Includes goods in transit raw material INR 25.80 million (31 March 2020 INR 3.08 million) and finished goods INR 0.02 million (31 March 2020 INR 3.57 million)

The Company has recorded provision of INR 18.40 million on raw material (31 March 2020 - INR 18.81 million), INR 1.05 million on work in progress (31 March 2020 - INR 5.27 million) and INR 22.86 million on finished goods (31 March 2020 - INR 0.84 million) on account of slow moving and non-moving inventory.

* Finished goods include both Stock in trade and manufactured goods, as both are stocked together.

		As at 31 March 2021	As at 31 March 2020
12	**Trade receivables**		
	Trade receivables considered good- secured	-	-
	Trade receivables- considered good unsecured	1,064.80	1,410.87
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables- credit impaired	29.98	17.42
		1,094.78	1,428.29
	Less: Allowance for expected credit loss	(107.28)	(52.05)
	Less: Allowance for credit impaired trade receivables	(29.98)	(17.42)
		957.52	**1,358.82**

Refer note 41 for information about credit risk and market risk of trade receivables.
Refer note 39 for related party balances.

		As at 31 March 2021	As at 31 March 2020
13	**Cash and cash equivalents**		
	Cash in hand	0.53	0.28
	Balance with banks:		
	- In current account	6.86	143.95
		7.39	**144.23**

Refer note 41 for information about credit risk and market risk of financial assets.

		As at 31 March 2021	As at 31 March 2020
14	**Bank balances other than those included in cash and cash equivalents**		
	(unsecured, considered good unless otherwise stated)		
	Fixed deposits	-	450.00
		-	**450.00**

Refer note 41 for information about credit risk and market risk of financial assets.

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(All amounts are in INR millions unless otherwise stated)

		As at 31 March 2021	As at 31 March 2020
15	**Loans**		
	(unsecured, considered good unless otherwise stated)		
	Loans to employees	1.72	8.87
		1.72	**8.87**
	Sub-classification of loans:		
	Loan receivables considered good- Secured	-	-
	Loan receivables considered good- Unsecured	1.72	8.87
	Refer note 41 for information about credit risk and market risk of financial assets.		
16	**Other current financial assets**		
	(unsecured, considered good unless otherwise stated)		
	Other receivables	4.23	5.85
		4.23	**5.85**
	Refer note 41 for information about credit risk and market risk of financial assets.		
17	**Other current assets**		
	Advances to suppliers	26.24	38.54
	Balance with government authorities	349.43	235.52
	GST refund	120.90	137.66
	Prepaid expenses	10.29	9.84
		506.86	**421.56**

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Notes to standalone financial statements for the year ended 31 March 2021
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	As at 31 March 2021	As at 31 March 2020
18 Share capital		
Authorised equity share capital		
453,500,000 (As at 31 March 2020: 300,500,000) equity shares of INR 10 each	4,535.00	3,005.00
Nil (As at 31 March 2020: 153,000,000) 0.0001% redeemable preference shares of INR 10 each	-	1,530.00
	4,535.00	4,535.00
Issued, subscribed and fully paid-up		
151,871,564 (31 March 2020: 151,871,564) equity shares of INR 10 each	1,518.71	1,518.71
	1,518.71	1,518.71

Rights, preferences and restrictions attached to equity shares

(a) The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share

(b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

Employee stock options

Terms attached to stock options granted to employees are prescribed in note 38 regrading share-based payments.

Reconciliation of equity shares outstanding at the beginning and end of the year:

	No. of Shares	Amount
Outstanding as at 1 April 2019	97,331	0.97
Shares issued as bonus shares	149,987,071	1,499.87
Shares issued on exercise of employee stock options (refer note 38)	1,787,162	17.87
Outstanding as at 31 March 2020	151,871,564	1,518.71
Shares issued during the year	-	-
Outstanding as at 31 March 2021	151,871,564	1,518.71

Details of shareholders holding more than 5% shares in the Company:

Equity shares of INR 10 each fully paid up held by-

		As at 31 March 2021	As at 31 March 2020
-Hari Krishan Agarwal	**No. of shares**	98,688,000	98,688,000
	Percentage	64.98%	64.98%
-Nikhil Aggarwal	**No. of shares**	20,633,502	20,633,502
	Percentage	13.59%	13.59%
-TPG Growth III SF PTE. Limited	**No. of shares**	26,153,846	24,607,236
	Percentage	17.22%	16.20%

Shares reserved for issue under options:

	As at 31 March 2021		As at 31 March 2020	
	Numbers	**Amount**	**Numbers**	**Amount**
Under Employee stock option scheme, 2018 (342,324 equity shares of INR 10 each, at an exercise price of INR 109.27) (31 March 2020: 1,316,884 equity shares of INR 10 each, at an exercise price of INR 109.27) (refer note 38)	342,324	3.42	1,316,884	13.17

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

During the five-year period ended 31 March 2021 and 31 March 2020.-

Bonus issues:-

The shareholders of the Company at its general meeting held on 27th September, 2019 approved the allotment of bonus share in the ratio of 1:1541 as on the record date of 27th September, 2019 to each of the equity shareholders of the Company Subsequently, 149,987,071 Bonus Shares of 10 each amounting to INR 1,499.87 million, were allotted on 26th October 2019 in the ratio of 1541:1 to the eligible equity shareholders

Shares reserved for issue under options :-

Information relating to the Company's share based payment plans, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period, is set out in note 38.

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(All amounts are in INR millions unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
19 Other equity		
Capital reserve	(1,567.87)	(1,567.87)
Securities premium	1,587.37	1,587.37
Retained earnings	1,139.83	1,295.19
Share options outstanding account	10.12	10.87
Other comprehensive income	-	-
	1,169.45	1,325.56

	As at 31 March 2021	As at 31 March 2020
(i) Retained earnings		
Balance at the beginning of the year	1,295.19	697.52
Add: (Loss)/ Profit for the year	(165.03)	603.22
Add: Transfer from other comprehensive income	6.23	(5.55)
Add: Share options lapsed during the year	3.44	-
Balance at the end of the year	1,139.83	1,295.19
(ii) Securities premium		
Balance at the beginning of the year	1,587.37	2,873.58
Add: Premium on equity shares issued during the year	-	213.66
Less: Utilised on issue of bonus shares	-	(1,499.87)
Balance at the end of the year	1,587.37	1,587.37
(iii) Other comprehensive income		
Balance at the beginning of the year	(0.00)	1.35
Add: Addition during the year	6.23	(6.90)
Less: Transfer to retained earnings	(6.23)	5.55
Balance at the end of the year	(0.00)	(0.00)
(iv) Capital reserve		
Balance at the beginning of the year	(1,567.87)	(1,567.87)
Balance at the end of the year	(1,567.87)	(1,567.87)
(v) Share options outstanding account		
Balance at the beginning of the year	10.87	29.67
Add: Addition during the year	2.69	33.30
Less: Shares issued during the year	-	(52.10)
Less: Share options lapsed during the year	(3.44)	-
Balance at the end of the year	10.12	10.87

Nature and purpose of other reserves

Retained earnings is the profit/loss accumulated as on Balance Sheet date.

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Items of Other comprehensive income

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

Capital reserve represents the difference between the consideration paid and net assets acquired on business combination under common control, which is netted off by deferred tax of INR 802.40 million at initial recognition.

Share options outstanding account represents employee stock options granted to employee as per employee stock options scheme.

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20 Borrowings

	As at 31 March 2021	As at 31 March 2020
Non-current borrowings		
Secured		
Term loans		
From Banks		
HDFC Bank Limited (refer note -(i))	432.30	383.56
Axis Bank Limited (refer note -(ii))	445.64	363.15
Vehicle loans		
From Banks		
HDFC Bank Limited (refer note (iii))	-	1.68
Yes Bank Limited (refer note (iii))	-	8.34
Less: Current maturities of above non current borrowings (shown as a part of other current financial liabilities)	(213.56)	(113.25)
	664.38	**643.48**
Current borrowings		
Secured		
HDFC Bank Limited (refer note -(i))		
Cash credit	113.93	147.18
Working capital demand loan	-	900.00
Axis Bank Limited (refer note -(i) and (ii))		
Cash credit	1.21	-
Working capital demand loan	250.00	-
Axis Bank Limited (refer note -(iv) and (v))		
Channel financing	69.46	326.44
	434.60	**1,373.62**

The Company's exposure to currency and liquidity risk related to financial liabilities is disclosed in note 41.

Notes

(i) Term loans from HDFC bank and cash credit from banks are secured in 2019-20 by:-
1. Exclusive charge on all movable fixed assets (present and future, excluding specifically charged to lender)
2. Exclusive charge on all current assets (present and future)
3. Exclusive charge on properties:-
   (i) Plot C-9, Dehradun
   (ii) Plot C-10 Dehradun
   (iii) Plot no 61, Baddi
   (iv) H-6, Udyog Nagar, New Delhi (Owned by MG Udyog Private Limited)
   (v) D-1, Udyog Nagar, New Delhi
4. Exclusive charge on factory land and building at plot no 39-40, sector-8A, IIE BHEL, Haridwar, Uttarakhand.

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Term loans from HDFC bank and cash credit from banks are secured in 2020-21 by:-

1. Movable Fixed Assets- Exclusive charge on all movable fixed assets (present and future, excluding Ganuar, Sonipat Unit & other movable fixed assets as excluding specifically charged to any lender). Only for Ganaur, Sonipat unit, Axis bank will have exclusive charge on movable fixed assets.

2. Stock and book debt- First Paripassu charge on all current assets (present and future)

3. Factory land and building: Exclusive charge on properties:-

(i) Plot C-9, Dehradun

(ii) Plot C-10 Dehradun

(iii) Plot no 61, Baddi

4. Factory land and building: Exclusive charge on (1) Factory land and building at plot no 39-40, Sector-8A, IIE BHEL, Haridwar, Uttarakhand, (2) Property bearing No J-17, Udyog Nagar, Rohtak Road, New Delhi-110041.

Cash Credit/ Working capital demand loan from Axis Bank are secured in 2020-21 by:-

Primary- First Pari passu charge on the current assets of the Company, present and future

Collateral- Extension of charge over property including equitable mortgage on project land and building and moveable fixed assets of the Sonipat facility located at Village Panchi Gujran, Tehsil Ganaur, District Sonipat.

(ii) Term loan from Axis bank is secured by exclusive charge on the land and building, plant and machinery and other moveable fixed assets of the Ganaur, Sonipat property.

(iii) Loan for vehicles is secured against hypothecation of the respective vehicles.

(iv) The Company has entered into guarantee agreements with Axis Bank Limited wherein the CAPL has guaranteed the repayment of the amounts due by the authorised dealers to the bank under two schemes.

Scheme 1: Post completion of six months of Scheme 2, the authorised dealer will be onboarded on Scheme 1, with the followings criteria:

Authorised dealers having a limit requirement of minimum of INR 2.5 million and maximum of INR 30 million

Authorised dealers should have a vintage of more that 3 years with CAPL and 5 years in same line of business.

Authorised dealers with a minimum dependency of 50% on CAPL.

Authorised dealers who have profitability (profit after tax) record for the last two years.

Authorised dealers not appearing in the Company's defaulter list and not having legal dispute with CAPL & CAIPL in the past since inception of dealership with CAPL/CAIPL in the past.

Authorised dealers not appearing in the defaulters' lists checked by the bank.

CAPL will provide First Loss Deficiency Guarantee to the extent of 30% of scheme limit i.e. INR 150 million, to be replenished annually.

Scheme 2: Scheme will be valid from date of first disbursement till a period of six months and will be utilised to take over existing program of CAPL from Yes Bank. The authorised dealers to satisfy the following criteria:

Authorised dealers having a limit requirement of minimum of INR 2.5 million and maximum of INR 30 million

Authorised dealers should have a vintage of more that 3 years with CAPL and 5 years in same line of business.

Authorised dealers with a minimum dependency of 50% on CAPL.

Authorised dealers who have profitability (profit after tax) record for the last two years.

Authorised dealers not appearing in the defaulters' lists checked by the bank.

CAPL will provide First Loss Deficiency Guarantee to the extent of 50% of scheme limit i.e. INR 250 million

(v) As mentioned above, the Company has provided First Loss Deficiency Guarantee only to the extent 30% to 50% of the amount receivable from customers. The Company does not expect to have an exposure beyond the guaranteed amount i.e. INR 32.49 million.

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(All amounts are in INR millions unless otherwise stated)

(v) Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows

Particulars	Currency	No. of remaining instalments as on 31 March 2021	Nominal Interest Rate (p.a.)	Year of maturity	Carrying amount As at 31 March 2021	Carrying amount As at 31 March 2020
Secured bank loan- HDFC	INR	-	8.8-10%	2021	-	0.21
Secured bank loan- HDFC	INR	-	8.8-10%	2021	-	4.34
Secured bank loan- Yes Bank	INR	-	8.25%	2021	-	8.34
Secured bank loan- HDFC	INR	-	9.00%	2021	-	0.74
Secured bank loan- HDFC	INR	-	8.60%	2021	-	0.94
Secured bank loan- HDFC	INR	13	8.10-10%	2024	103.28	134.96
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	42.10	55.01
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	64.77	84.62
Secured bank loan- HDFC	INR	13	8.05-9.1%	2024	62.03	81.04
Secured bank loan- HDFC	INR	13	8.10-10%	2025	17.90	23.39
Secured bank loan- Axis Bank	INR	19	7.75-8.5%	2025	445.64	234.17
Secured bank loan- HDFC	INR	19	8.20%	2025	142.22	-

21 Provisions

	As at 31 March 2021 Non-current	As at 31 March 2021 Current	As at 31 March 2020 Non-current	As at 31 March 2020 Current
Provision for employee benefits (refer note 37)				
- Gratuity	42.97	3.88	45.06	16.21
- Compensated absences	-	-	2.92	0.14
	42.97	**3.88**	**47.98**	**16.35**

22 Trade payables

	As at 31 March 2021	As at 31 March 2020
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises*	57.18	40.30
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,460.60	933.34
	1,517.78	**973.64**

* The disclosure in respect of the amounts payable to enterprises covered by Micro, Small and Medium Enterprises Development Act, 2006 (Act) has been made in the financial statements based on information received and available with the Company. The Company has accrued an interest amount of INR 3.95 million (31 March 2020: INR 1.61 million) on delayed payment to micro and small enterprises (also refer note 44).

The Company's exposure to currency and liquidity risk related to trade payable is disclosed in note 41
*Refer note 39 for related party balances.

23 Other current financial liabilities

	As at 31 March 2021	As at 31 March 2020
Employee benefits payable	65.91	55.30
Current maturities of non current borrowings (refer note-20)	213.56	113.25
Payable for capital goods	3.41	19.32
Other payables	3.95	3.37
Interest accrued but not due on borrowings	3.07	4.98
	289.90	**196.22**

The Company's exposure to currency and liquidity risk related to financial liabilities is disclosed in note 41.

24 Other current liabilities

Statutory dues		
TDS	12.13	12.22
Goods and services tax	0.38	0.41
PF payable	2.98	2.38
ESI payable	0.19	0.18
Others	0.75	0.00
Government grant	2.87	2.87
Deferred revenue	-	33.02
Advances from customers - contract liabilities	27.38	48.98
	46.68	**100.06**

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(All amounts are in INR millions unless otherwise stated)

		For the year ended 31 March 2021	For the year ended 31 March 2020
29	**Changes in inventory of finished goods, stock-in-trade and work in progress**		
	Inventories at the beginning of the year		
	-Finished goods*	685.74	352.09
	-Work- in-progress	215.73	151.70
	Inventories at the end of the year		
	-Finished goods*	(1,000.27)	(685.74)
	-Work- in-progress	(245.86)	(215.73)
	Decrease/(increase) in inventories	**(344.66)**	**(397.68)**

* Finished goods include both Stock in trade and manufactured goods, as both are stocked together.

30	**Employee benefits expense**		
	Salaries, wages and bonus	414.55	378.96
	Contribution to provident and other funds (refer note 37)	16.18	14.35
	Gratuity (refer note 37)	20.19	24.94
	Share based payment expenses (equity settled) (refer note 38)	2.69	33.30
	Compensated absences	-	3.08
	Staff welfare	15.50	16.15
		469.11	**470.78**
31	**Finance costs**		
	Interest on		
	- Borrowings*	123.77	96.32
	- Interest on delayed payment of income tax	0.88	0.22
	- Interest on lease liabilities	30.38	26.59
	- Interest expenses on micro, small and medium enterprises	2.34	1.50
	Other borrowing costs		
	Bank processing fees	0.72	5.08
		158.09	**129.71**

* As at 31 March 2021, capitalised borrowing costs related to the construction of the new factory amounted to INR 23.93 million (31 March 2020: INR 9.79 million) with a capitalisation rate of 8.2% to 8.5% p.a. (31 March 2020: 8.5% p.a.).

32	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	220.63	142.49
	Amortisation of intangible assets	7.25	4.70
	Depreciation of Right-of-use assets	68.94	52.09
		296.82	**199.28**
33	**Other expenses**		
	Advertising and sales promotion	239.51	181.28
	Contractor charges	292.77	316.96
	Freight outwards	286.56	174.46
	Legal and professional*	36.11	60.83
	Power and fuel	78.27	61.76
	Travelling and conveyance	28.18	35.55
	Rent (refer Note 6)**	12.36	3.92
	Trade receivables written off	0.62	0.48
	Consumables	22.09	22.45
	Advances written off	0.93	-
	Repairs and maintenance		
	Plant and machinery	12.34	14.73
	Buildings	2.25	7.61
	Others	11.63	14.11
	Provision for inventory	17.39	19.29
	Allowance for credit impaired trade receivables	12.56	2.38
	Allowance for expected credit loss	55.23	52.05
	Security expenses	23.18	24.51
	Corporate social responsibility expenses (refer note 40)	11.06	4.95
	Rates and taxes	4.60	2.47
	Commission expenses	80.56	31.33
	Miscellaneous expenses	70.14	68.27
		1,298.34	**1,099.39**

***Payment to auditors** (included in Legal and professional expenses above)		
As auditor (net of taxes)		
For Statutory audit	3.80	3.50
For Tax audit	0.50	0.50
Other services	0.15	-
Reimbursement of expenses	0.17	0.54
	4.62	**4.54**

** includes amount of short term leases and low value lease assets.

34	**Other comprehensive income**		
	Re-measurement gains/(losses) on defined benefit plans	9.58	(10.60)
	Tax effect on above	(3.35)	3.70
		6.23	**(6.90)**

(All amounts are in INR millions unless otherwise stated)

35 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to owners of he Company	(165.03)	603.22
Weighted average number of equity shares of INR 10 each	15,18,71,564	15,50,98,518
EPS - Basic	(1.09)	3.89
Profit attributable to equity shareholders	(165.03)	603.22
Weighted average number of equity shares of INR 10 each	15,18,71,564	15,50,98,518
Add: Share options outstanding account (refer note below)	-	-
Weighted average number of equity shares (to be considered for dilutive EPS)	**15,18,71,564**	**15,50,98,518**
EPS - Diluted (INR) *	(1.09)	3.89

Note

For the year ended 31 March 2021, 437,157 options (31 March 2020: 1,159,600) are not considered in calculation of weighted average number of equity shares for calculation of diluted earnings per share, as their impact is anti- dilutive.

36 Contingent liabilities, contingent assets and commitments

A. Commitments

a. Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for INR 26.68 million (31 March 2020 INR 56.65 million)

B. Contingent liabilities

a. The Company had imported plant and machinery in 2015-16 under EPCG scheme. An export obligation ('EO') amounting to INR 23.87 million (31 March 2020 INR 23.87 million) was placed on the Company which was to be fulfilled in a period of 6 years from the date of Inspection of Licence. Duty saved under EPCG Scheme amounting to INR 3.98 million (31 March 2020 INR 3.98 million). Further, the Company has made an application to the relevant authorities for seeking an extension in the period of fulfilment.

b. Pursuant to judgement by the honourable supreme court dated 28 Feb 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies.

Owing to the aforesaid uncertainty and pending clarification from the authorities in this regard, the Company has not recognised any provision till 2018-19. Further, management also believes that the impact of the same on the Company will not be material.

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37 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India

(i) Defined contribution plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and employee state insurance (ESI) which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	For the year ended 31 March 2021	For the year ended 31 March 2020
Contribution to provident fund and ESI	16.18	14.35

(ii) Defined benefit plan:

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive 15 days salary for each year of completed service at the time of retirement/exit.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

The most recent actuarial valuation of the present value of the defined benefit obligation for gratuity was carried out as at 31 March 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at 31 March 2021	As at 31 March 2020
Net defined benefit liability		
Provision for gratuity	46.84	47.71
Total employee benefit liabilities	**46.84**	**47.71**
Non-current	42.97	45.06
Current	3.88	2.65

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

Particulars	As at 31 March 2021 Net defined benefit (asset)/ liability
(a) Balance as at 1 April 2020	47.71
(b) Included in profit or loss	
Current service cost	11.97
Past service cost	-
Interest cost (income)	3.27
Total (b)	**15.24**
(c) Included in OCI	
Remeasurements loss (gain)	
– Actuarial loss (gain) arising from	
- financial assumptions	0.80
- demographic assumptions	(5.17)
- experience adjustment	(5.22)
– on plan assets	-
Total (c)	**(9.59)**
(d) Other	
Contributions paid by the employer	-
Benefits paid	(6.52)
Total (d)	**(6.52)**
Balance as at 31 March 2021 (a+b+c+d)*	**46.84**

*Does not include amount of INR 4.95 million to be paid to employees for which the Company has recorded actual liabilities in its books of accounts.

Particulars	As at 31 March 2020 Net defined benefit (asset)/ liability
(a) Balance as at 01 April 2019	25.77
(b) Included in profit or loss	
Current service cost	9.36
Past service cost	-
Interest cost (income)	1.99
Total (b)	**11.34**

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(c) Included in OCI	
Remeasurements loss (gain)	
- Actuarial loss (gain) arising from:	
- financial assumptions	5.29
- demographic assumptions	0.03
- experience adjustment	5.28
- on plan assets	-
Total (c)	**10.60**
(d) Other	
Contributions paid by the employer	-
Benefits paid	-
Total (d)	-
Balance as at 31 March 2020 (a+b+c+d)*	47.71

*Does not include amount of INR 13.55 million to be paid to employees for which the Company has recorded actual liabilities in its books of accounts.

C. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

	As at 31 March 2021	As at 31 March 2020
Discount rate (p.a.)	6.75%	6.85%
Expected rate of future salary increase (p.a.)	10.00%	10.00%

b) Demographic assumptions

	31 March 2021	31 March 2020
i) Retirement age (years)	58	58
ii) Mortality rates	100%	100%
iii) Withdrawal (rate of employee turnover)		
Up to 30 years	5.00%	3.00%
31-44 years	5.00%	2.00%
Above 44 years	5.00%	1.00%

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2021		31 March 2020	
	Liability due to Increase	**Liability due to decrease**	**Liability due to Increase**	**Liability due to decrease**
Discount rate (1% movement)	(5.00)	6.02	(6.32)	7.85
Expected rate of future salary increase (1% movement)	5.22	(4.53)	6.85	(5.66)

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

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

E. Expected maturity analysis of the defined benefit plans in future years

Particulars	31 March 2021	31 March 2020
Duration of defined benefit payments		
1 year	3.88	2.66
2 to 5 years	11.58	1.68
6 to 10 years	18.20	8.88
More than 10 years	93.40	155.29
Total	**127.06**	**168.51**

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (31 March 2020: 12 years).

F. Characteristics of gratuity plan

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow -

A. Market volatility
B. Changes in inflation
C. Changes in interest rates
D. Rising longevity
E. Changing economic environment
F. Regulatory changes

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(iii) Compensated absences
Movement of compensated absences

	31 March 2021	31 March 2020
Opening	3.06	0.00
Arising during the year	-	3.06
Utilised	(3.06)	-
Closing	0.00	3.06

35 Share-based payments

A. Description of share-base payment arrangements

At 31 March 2021, the Company has the following share based payment arrangements

Share options plans (equity-settled)

On 9 November 2018, the Company established share option plans that entitle employees to purchase shares in the Company. Under this plan, holders of vested options are entitled to purchase shares at fair value price of shares at respective date of grant of options. The key terms and conditions related to the grants under this plan are as follows; all options are to be equity settled by the delivery of shares.

Grant date	Granted to	Number of instruments
9 November 2018	Employees	2,013

Vesting schedule and conditions

Dates of vesting	Continued employment as on date of Vesting	Achieving performance criteria on date of Vesting	Performance Vesting conditions
1st anniversary from the date of grant	25.0% of Options granted	25.0% of ESOPs granted	Continued employment as on relevant date of vesting, and
2nd anniversary from the date of grant	12.5% of Options granted	12.5% of ESOPs granted	Achievement of performance criteria communicated prior vesting date
3rd anniversary from the date of grant	12.5% of Options granted	12.5% of ESOPs granted	

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of employee share options has been measured using Black Scholes Model of option valuation.

The fair value of options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows.

	31 March 2021	31 March 2020
Fair value at grant date	INR 169,613	INR 169,613
Exercise price at grant date	INR 168,500	INR 168,500
Expected volatility	29.00%	29.00%
Expected life	2.38 years	2.38 years
Expected dividends	0.00%	0.00%
Risk-free interest rate	7.98%	7.98%

The expected life of the share options is based on historical data and current expectations is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of options is indicative of future trends, which may not necessarily be the actual outcome.

C. Reconciliation of outstanding share options

The number and the weighted-average exercise prices of share options under the share options plan are as follows.

	31 March 2021		31 March 2020	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at beginning of the year	INR 1,68,500	11,59,600	INR 1,68,500	2,013
Impact of issuance of bonus shares on outstanding options*	INR 109.27	-	INR 109.27	31,02,633
Granted during the year	-	-	-	-
Lapsed during the year	INR 109.27	(8,68,162)		(1,57,284)
Exercised during the year	INR 109.27	-	INR 109.27	(17,87,162)
Outstanding at end of the year	INR 109.27	2,91,438	INR 109.27	11,59,600
Exercisable at end of the year	INR 109.27	1,45,719	INR 109.27	-

*The Company had issued bonus shares to the shareholders of the Company. Accordingly there was an increase in number of shares to be issued to the option holders.

Weighted average remaining contractual life of options as at 31 March, 2021 was 0.6 years (31 March, 2020: 1.6 years)

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39 Related parties

A. Related parties and their relationships

i. Related parties where control exists

Subsidiary Partnership Firm	Ankit International (till 7 Feb 2020)
Wholly owned subsidiary Company	Campus AI Private Limited (w.e.f. 7 Feb 2020)
Subsidiary Company (through control as defined under IND AS 110 'Consolidated Financial Statements')	M G Udyog Private Limited

ii. Related parties with whom transactions have taken place during the year:

Name	Relation
Ankit Enterprises	KMP's significant influence
Havells India Limited	KMP's significant influence
Prerna Aggarwal	KMP's relative

iii. Key Managerial Personnel (KMP)

Name	Relation
Nikhil Aggarwal	CEO and Director
Hari Krishan Agarwal	Managing Director and Chairman
Vinod Aggarwal	Director

B. Transactions with the above in the ordinary course of business

Particulars	Year ended	Controlled entities	Key Managerial Personnel	Relatives of Key Managerial Personnel	Enterprises owned or significantly influenced by Key managerial Personnel or their relatives
Sale of goods					
Ankit International	31/Mar/21	-	-	-	-
	31/Mar/20	730.56	-	-	-
Campus AI Private Limited	31/Mar/21	841.35	-	-	-
	31/Mar/20	94.19	-	-	-
Sales of property, plant and equipment					
Ankit International	31/Mar/21	-	-	-	-
	31/Mar/20	0.07	-	-	-
Campus AI Private Limited	31/Mar/21	1.57	-	-	-
	31/Mar/20	-	-	-	-
Purchases					
Ankit International	31/Mar/21	-	-	-	-
	31/Mar/20	573.85	-	-	-
Campus AI Private Limited	31/Mar/21	2,409.47	-	-	-
	31/Mar/20	300.04	-	-	-
Job work					
M G Udyog Private Limited	31/Mar/21	121.01	-	-	-
	31/Mar/20	162.90	-	-	-
Remuneration paid					
Hari Krishan Agarwal	31/Mar/21	-	48.50	-	-
	31/Mar/20	-	53.50	-	-
Nikhil Aggarwal	31/Mar/21	-	13.92	-	-
	31/Mar/20	-	13.92	-	-
Vinod Aggarwal	31/Mar/21	-	12.00	-	-
	31/Mar/20	-	7.00	-	-
Prerna Aggarwal	31/Mar/21	-	-	2.40	-
	31/Mar/20	-	-	1.40	-
Re-imbursement of expenses incurred on behalf of other party					
Ankit International	31/Mar/21	-	-	-	-
	31/Mar/20	112.49	-	-	-
Campus AI Private Limited	31/Mar/21	87.61	-	-	-
	31/Mar/20	50.22	-	-	-
Purchase of property, plant and equipment					
Hari Krishan Agarwal	31/Mar/21	-	-	-	-
	31/Mar/20	-	126.18	-	-
Havells India Limited	31/Mar/21	-	-	-	-
	31/Mar/20	3.52	-	-	-
Campus AI Private Limited	31/Mar/21	1.20	-	-	-
	31/Mar/20	-	-	-	-
Guarantees given					
Ankit International	31/Mar/21	-	-	-	-
	31/Mar/20	-	-	-	-
Campus AI Private Limited	31/Mar/21	43.45	-	-	-
	31/Mar/20	185.31	-	-	-

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Employee benefits*		For the year ended 31 March 2021	For the year ended 31 March 2020
Key Managerial Personnel	Short term employee benefits	74.42	74.42
	Post employment benefits	-	-
	Other long term benefits	-	-
	Termination benefits	-	-
	Share-based payment	-	-

*Does not include post-employment benefit based on actuarial valuation as this is done for the Company as a whole.

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (2019-20: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

During the previous year, Bonus shares had been issued to Hari Krishan Agarwal (98,624,000) (in nos.), Nikhil Aggarwal (20,620,121) (in nos.) by way of capitalisation of reserves.

During the previous year, Ankit International which was a partnership firm with 99% capital invested by the Company, got converted into Campus AI Private Limited, virtue of which 198,583 shares were issued to the Company

C. Related party balances as at the year end:

Nature of the Balance	Related party	As at 31 March 2021	As at 31 March 2020
Trade receivables	Campus AI Private Limited	-	204.90
Trade Payables	Campus AI Private Limited	165.75	-
Other current assets	M G Udyog Private Limited	15.72	27.68
Other current financial liabilities	Hari Krishan Agarwal	7.99	8.00
	Nikhil Aggarwal	2.04	2.10
	Vinod Aggarwal	0.66	0.69
	Prerna Aggarwal	0.15	0.17

40 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The CSR Committee and Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the act, in pursuant of the CSR policy.

31 March 2021

a) Gross amount required to be spent by the Company during the year was INR 9.81 million.
b) Amount approved by the Board to be spent during the year was INR 10 million approximately.
c) Amount spent during the year on

	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	11.06	-	11.06
Total	**11.06**	-	**11.06**

31 March 2020

a) Gross amount required to be spent by the Company during the year was INR 4.80 million
b) Amount approved by the Board to be spent during the year was INR 5 million approximately.
c) Amount spent during the year on

	In cash	Yet to be paid in cash	Total
(i) Construction / Acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	4.95	-	4.95
Total	**4.95**	-	**4.95**

(All amounts are in INR millions unless otherwise stated)

41 Financial instruments – Fair values and risk management

I. Fair value measurements

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

Financial assets	Notes	Level of fair value	Carrying value As at 31 March 2021	Carrying value As at 31 March 2020	Fair value As at 31 March 2021	Fair value As at 31 March 2020
Financial assets not measured at fair value						
Loans (current and non-current)	(a)	3	28.22	31.69	28.22	31.69
Trade receivables	(a)	3	957.52	1,358.82	957.52	1,358.82
Cash and cash equivalents	(a)	3	7.39	144.23	7.39	144.23
Bank Balances other than those included in cash and cash equivalents	(a)	3	-	450.00	-	450.00
Other current financial assets	(a)	3	4.23	5.85	4.23	5.85
Other non current financial assets	(a)	3	15.24	14.59	15.24	14.59
			1,012.60	**2,005.18**	**1,012.60**	**2,005.18**
Financial liabilities not measured at fair value						
Non-current borrowings	(a)	3	664.38	643.48	664.38	643.48
Current borrowings	(a)	3	434.60	1,373.62	434.60	1,373.62
Trade payables	(a)	3	1,517.78	973.64	1,517.78	973.64
Lease liabilities	(a)	3	416.45	323.02	416.45	323.02
Other current financial liabilities	(a)	3	289.90	196.22	289.90	196.22
			3,323.11	**3,509.98**	**3,323.11**	**3,509.98**

(a) Fair valuation of non-current financial instruments has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value as the carrying value is based on effective interest rates.

Loans (security deposits) - Security deposits paid are evaluated by the Company based on parameters such as interest rates, non-performance risk of the customer. The fair values of the Company's security deposits paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowings taken by similar credit rated companies where the risk of non-performance risk is more than insignificant.

The fair values for loans were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

The fair values for financial instruments are approximately equal to their carrying values largely due to the short term maturities of these instruments.

There are no transfer between Level 1, Level 2 and Level 3 during the year ended 31 March 2021 and 31 March 2020

II. Financial risk management

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework and also responsible for developing and monitoring the Company's risk management policy

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of directors with top management oversee the formulation and implementation of the risk management framework. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, derivative financial instruments, loans, advances, cash and cash equivalents and deposits with banks. The carrying amounts of financial assets represent the maximum credit risk exposure.

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(All amounts are in INR millions unless otherwise stated)

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The management follows a credit policy under which customers are assigned a credit limit basis the standard credit period of 60 days and the same is then monitored rigorously for invoicing. For overdue accounts, the new billing is done with stricter norms e.g. payments greater than fresh invoicing to ensure collection of overdue balances.
For new customers, in addition to informal feedback from retail traders, business gets started on advance payment terms and then basis the business reputation of individual customer / track record with company, these new customers are then converted to standard credit terms.

An impairment analysis is performed for all the customers at each reporting date on an individual basis. According to the analysis done, the Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. An impairment analysis is performed at each reporting date.

Interest rate risk

Currently the Company's borrowings are within acceptable risk levels, as determined by the management, hence the Company has not taken any swaps to hedge the interest rate risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk changes in market interest relates primarily to the company's long term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rate.

	31 March 2021	31 March 2020
Variable rate borrowings	993.07	893.89
Fixed rate borrowings	250.00	910.03

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loan and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Effect on profit before tax	
Particulars	**31 March 2021**	**31 March 2020**
Increase in 50 basis point	4.97	4.47
Decrease in 50 basis point	(4.97)	(4.47)

Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Loans (security deposits)

The Company has furnished security deposits to its lessors for obtaining the premises on lease and warehouses for storage of goods. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where Company feels that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

Particulars	As at 31 March 2021	As at 31 March 2020
Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses		
Trade receivable (refer note 12)	1,094.78	1,428.29

During the year, trade receivable with a contractual amount of INR 0.62 million were written off (31 March 2020: INR 0.48 million) and the Company does not expect to receive future cash flows or recoveries from collection of receivables previously written off. The Company's management also pursues all legal options for recovery of dues, wherever necessary, based on its internal assessment.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection. The Company has used a practical expedient by computing the expected credit loss allowance based on a provision matrix. Management makes specific provision in cases where there are known specific risks of customer default in making the repayments. The provision matrix takes into account historical credit loss experience and adjusted for forward- looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

For trade receivables balance from related parties, there are no indications at the period end for default in payments. Accordingly, the Company does not anticipate risk of recovery and expected credit loss in respect thereof.

Additionally, the Company has also considered risk on account of delays and defaults due to COVID-19 in arriving at expected credit loss.

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(All amounts are in INR millions unless otherwise stated)

Reconciliation of loss allowance provision – Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	69.47	15.03
Changes in loss allowance	67.79	54.44
Closing balance	**137.26**	**69.47**

ii. 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.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the cash flow generated from operations to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Particulars	Carrying amounts as at 31 March 2021	Contractual cash flows			
		Total	0-1 years	Between 1 - 5 years	More than 5 year
Non-derivative financial liabilities					
Non current borrowings (including current maturities)	877.94	1,052.41	282.65	769.76	-
Current borrowings	434.60	434.60	434.60	-	-
Lease liabilities (Current and Non Current)	416.45	557.04	98.98	299.27	158.79
Other financial liabilities (Other than lease liabilities)	76.34	76.34	76.34	-	-
Trade payables	1,517.78	1,517.78	1,517.78	-	-
Total	**3,323.11**	**3,638.17**	**2,410.35**	**1,069.03**	**158.79**

Particulars	Carrying amounts as at 31 March 2020	Contractual cash flows			
		Total	0-1 years	Between 1 - 5 years	More than 5 year
Non-derivative financial liabilities					
Non current borrowings (including current maturities)	756.73	959.82	192.54	696.87	70.41
Current borrowings	1,373.62	1,373.62	1,373.62	-	-
Lease liabilities (Current and Non Current)	323.02	434.74	72.46	234.83	127.45
Other financial liabilities (Other than lease liabilities)	82.97	82.97	82.97	-	-
Trade payables	973.64	973.64	973.64	-	-
Total	**3,509.98**	**3,824.79**	**2,695.23**	**931.70**	**197.86**

iii. Market risk

Market risk is the risk that changes in market prices – such as commodity risk, foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is exposed to foreign currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of the Company, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The functional currency of the Company is INR and the currency in which these transactions are primarily denominated is USD and RMB.

Particulars of unhedged foreign currency exposure are as follows-

Particulars	Currency	Amount in Foreign currency		Amount in Indian currency	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Trade payables	USD	0.24	0.20	17.66	15.18
	RMB	-	0.72	-	7.45
	CNY	0.16	-	1.76	-
Trade receivables	USD	0.02	-	1.14	-

Currency sensitivity

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss	
For the year ended 31 March 2021	**Strengthening**	**Weakening**
USD (1% movement)	(0.17)	0.17
CNY (1% movement)	(0.02)	0.02
For the year ended 31 March 2020		
USD (1% movement)	(0.15)	0.15
RMB (1% movement)	(0.08)	0.08

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42 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor to sustain future development of the business. Management monitors the return on capital on a yearly basis as well as the level of dividends to ordinary shareholders which is given based on approved dividend policy.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. The Company monitors capital using gearing ratio, which is adjusted net debts divided by total equity. For this purpose, adjusted net debt is defined as total liabilities, comprising interest bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprise all components of equity. The Company's adjusted net debt to equity ratio at 31 March 2021 and 31 March 2020 was as follows

	As at 31 March 2021	As at 31 March 2020
Total liabilities	3,416.64	3,674.37
Less: Cash and cash equivalents	(7.39)	(144.23)
Adjusted net debt	**3,409.25**	**3,530.14**
Total equity	**2,688.16**	**2,844.27**
Gearing ratio	127%	124%

43 Segment reporting

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure.

Operating segments

The Company has identified the business as single operating segment i.e. Footwear & Accessories. Accordingly, there is only one reportable segment for the Company which is "Footwear and Accessories", hence no specific disclosures have been made.

(a) Information about geographical areas

Major sales of the Company are made to customers which are domiciled in India. All the non-current assets of the Company are located in India.

Revenue based on sales of products attributable to external customers	For the year ended 31 March 2021	For the year ended 31 March 2020
Within India	7,834.96	6,319.09
Outside India	-	3.43
Total	**7,834.96**	**6,322.52**

(b) The non-current assets of the Company are located in the country of domicile i.e. India. Hence no specific disclosures have been made.

(c) Information about major customers (from external customers)

Revenue from one customer is INR 841.18 million (2019-20: INR 731.79 million) which is more than 10 percent of the Company's total revenue.

44 Details of dues to micro and small enterprises as defined under MSMED Act, 2006

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year reported in Current Trade Payables		
Principal amount unpaid	57.18	40.30
Interest due	3.95	1.61
The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier		
Payment made beyond the Appointed Date	-	-
Interest Paid beyond the Appointed Date	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but	-	-
The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

45 During the FY 2020-21, the Company's operations got impacted due to COVID-19 declared as pandemic by world health organization (WHO). The Company had suspended operations in all the units during Lockdown period to comply with COVID 19 related restrictions imposed by the Central and State governments. These restrictions though imposed to fight against COVID-19 have also impacted the normal business by way of interruption in Store operations, disrupted supply chain, extended credit period etc.

However, the Company worked on plans to step up the distribution, increase marketing spends and partly offset the business impact by increasing the online channel sales. The Company has maintained throughout lockdowns a good cash position and has been able to meet its financial liabilities without utilizing moratorium.

Management believes that Company will continue its journey of profitable growth that will be driven by the strong fundamentals of operating model and continued focus on long term business plan.

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46 Ankit International (partnership firm) converted into a private limited company, Campus AI Private Limited at end of closing business hours on 7 February 2020

47 The Board of Directors of the Company has approved the scheme of merger of Campus AI Private Limited with Campus Activewear Private Limited and the application has been filed with National Company Law Tribunal (NCLT)

48 On Feb 9, 2021, the Company has received approval from shareholders for re-classification of authorised share capital from redeemable preference shares amounting INR 1,530 million to equity share capital in Extra-ordinary General Meeting

49 Subsequent to the balance sheet date, the Board of Directors of the Company has initiated the process of initial offering of equity shares of the Company. In relation to this, the Company has also appointed bankers, consultants and various other agencies

50 The disclosure regarding details of specified bank notes held and transaction during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2021

As per our report of even date attached

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Gajendra Sharma
Partner
Membership Number: 064440

Place: Gurugram
Date: 24 September 2021

For and on behalf of the Board of Directors of
Campus Activewear Private Limited

Hari Krishan Agarwal
Managing Director
DIN: 00172467

Nikhil Aggarwal
CEO and Director
DIN: 01877186

Raman Chawla
Chief Financial Officer

Dimple Mirchandani
Company Secretary
Membership No: A46060

Place: New Delhi
Date: 24 September 2021

Place: New Delhi
Date: 24 September 2021

Campus Activewear Pvt. Ltd.
Delhi