

# DOOGAR & ASSOCIATES

Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To The Members of  
JSL Lifestyle Limited

### Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **JSL Lifestyle Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit, 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 Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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.

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

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

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

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



## **Responsibility of Management for the Financial Statements**

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

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

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

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

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

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

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



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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. As required by Section 143(3) of the Act, we report that:

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.

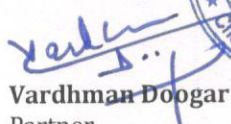
a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- b. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account.
- c. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 35 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

For Doogar & Associates  
Chartered Accountants  
Firm Registration No. 000561A



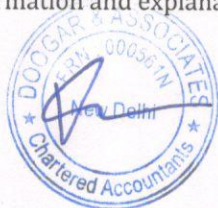
  
Vardhman Doogar  
Partner  
Membership No. 517347

Place: Gurugram  
Date: April 22, 2019

**Annexure "A" to the Independent Auditor's Report**

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

- i. In respect of the Company's property, plant & equipment: -
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - b. The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, 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 inventories were physically verified during the year by the management at reasonable intervals, except for inventories lying with third parties where confirmations have been received by the management, and discrepancies noticed, if any during the physical verification were accounted for in the books of account.
- 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.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:



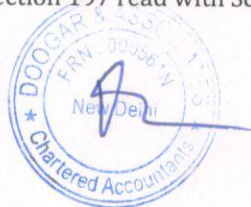
(a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2019.

(b) According to the records and information & explanation given to us, there are no dues in respect of service tax that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of income tax, duty of custom, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending are given below -

Nature of Statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates	Amount* in (₹)
Excise Duty - Central Excise Act, 1944	Excise duty	CESTAT, New Delhi	FY 2005-06 To FY 2016-17	1,65,52,001
		Central Excise Commissionerate, Rohtak	FY 2011-12 to FY 2016-17	21,15,758
		High Court of Punjab and Haryana	FY 2005-06	56,00,000
		Settlement Commission	FY 2005-06	31,93,569
Sales tax - UP trade tax Act	Sales Tax	Additional Commissioner (Appeals) Commercial Tax, Noida	FY 2006-07	23,17,695
Sales tax - UP trade tax Act	Sales Tax	Additional Commissioner (Appeals) Commercial Tax, Noida	FY 2007-08	3,87,477
Sales Tax - Karnataka VAT (KVAT) Act, 2003	Sales Tax	Deputy Commissioner of Commercial Tax, Bangalore	FY 2008-09	2,08,716

\*represents amount net of amount deposited in protest

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised or as per purposes revised with appropriate approvals. The Company has neither raised any moneys by way of initial public offer / further public offer (including debt instruments) nor were such proceeds pending to be applied, during the current year.
- x. According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



- xii. In our opinion and according to the information and explanations given to us the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation give to us, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

**For Doogar & Associates**

Chartered Accountants

Firm Registration No. 000561N



Vardhman Doogar  
Partner  
Membership No. 517347

**Place:** Gurugram

**Date:** April 22, 2019

## **Annexure "B" to the Independent Auditor's Report**

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

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

We have audited the internal financial controls over financial reporting of JSL Lifestyle Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 ("the Act").

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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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





### **Meaning of Internal Financial Controls Over Financial Reporting**

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

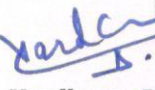
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

For **Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

  
**Vardhman Doogar**  
Partner  
Membership No. 517347



**Place:** Gurugram  
**Date:** April 22, 2019

JSL Lifestyle Limited  
Balance Sheet as at 31st March 2019

		(Amount in ₹)	
	Note No.	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, plant and equipment	3	59,81,80,102	45,02,12,263
(b) Capital work-in-progress		61,43,076	2,58,30,992
(c) Intangible assets	4	61,67,926	57,89,867
(d) Financial assets			
(i) Investments	5	2,30,000	2,30,000
(ii) Other financial assets	6	2,49,72,523	1,93,62,200
(e) Deferred tax assets (net)	7	2,01,88,767	8,70,94,355
(f) Other non-current assets	8	1,22,676	8,00,877
<b>Total Non-current assets</b>		<b>65,60,05,070</b>	<b>58,93,20,554</b>
<b>Current Assets</b>			
(a) Inventories	9	51,64,94,283	64,67,77,918
(b) Financial Assets			
(i) Trade receivables	10	65,66,34,974	76,78,51,233
(ii) Cash and cash equivalents	11	7,05,128	16,00,839
(iii) Bank balances other than (ii) above	12	1,85,21,373	1,14,98,643
(iv) Other financial assets	13	33,42,001	21,23,959
(c) Other current assets	14	36,44,45,543	26,42,75,522
<b>Total Current assets</b>		<b>1,56,01,43,302</b>	<b>1,69,41,36,114</b>
<b>Total Assets</b>		<b>2,21,61,48,372</b>	<b>2,28,34,56,668</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	28,50,17,390	28,50,17,390
(b) Other equity	16	71,76,83,516	23,79,68,739
<b>Total Equity</b>		<b>1,00,27,00,906</b>	<b>52,29,86,129</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	16,18,27,660	19,11,59,497
(ii) Other financial liabilities	18	8,73,86,042	23,73,86,042
(b) Provisions	19	2,54,04,716	1,98,70,472
<b>Total Non-current liabilities</b>		<b>27,46,18,418</b>	<b>44,84,16,011</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	24,67,96,375	10,94,19,361
(ii) Trade payables	21		6,19,316
- Due to micro enterprises and small enterprises			6,19,316
- Due to creditors other than micro enterprises and small enterprises		45,04,96,102	97,97,29,914
(iii) Other financial liabilities	22	12,20,60,861	10,84,93,775
(b) Provisions	23	19,94,370	12,06,086
(c) Other current liabilities	24	6,02,45,343	7,90,38,846
(d) Current tax liabilities	25	5,72,35,997	3,35,47,230
<b>Total Current liabilities</b>		<b>93,88,29,048</b>	<b>1,31,20,54,528</b>
<b>Total Liabilities</b>		<b>1,21,34,47,466</b>	<b>1,76,04,70,539</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,21,61,48,372</b>	<b>2,28,34,56,668</b>

See accompanying notes to the financial statements

1-49

As per our report of even date

For Doogar & Associates  
Chartered Accountants  
Firm's registration No. 000561

Vardhman Doogar  
Partner  
M. No S17347



For and on behalf of the Board of Directors

Deepika Jindal  
Managing Director  
DIN : 00015188

Mandeep Singh  
Executive Director & CEO  
DIN : 03382667

Rajinder Kumar  
Chief Financial Officer

Bhartendu Harit  
Company Secretary  
M. No. A15123

Place : Delhi  
Dated: April 22, 2019

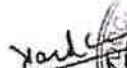

JSL Lifestyle Limited  
Statement of Profit and Loss for the year ended March 31, 2019

		(Amount in ₹)	
Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I. Revenue from operations	26	4,53,15,11,118	3,59,49,17,523
II. Other income	27	45,68,687	75,99,165
III. Total Income (I+II)		<u>4,53,60,79,805</u>	<u>3,60,25,16,688</u>
IV. Expenses :			
Cost of materials consumed	28	2,20,86,17,114	1,81,25,41,672
Purchases of stock-in-trade		6,37,39,485	4,86,37,875
		4,76,30,662	12,66,06,856
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	-	3,82,23,276
Excise Duty		-	22,09,18,009
Employee benefits expense	30	26,77,73,288	2,84,30,826
Finance costs	31	2,80,17,796	5,98,01,656
Depreciation and amortisation expense	32	6,07,52,815	1,18,49,68,071
Other expenses	33	1,18,49,68,071	3,86,14,99,231
Total expenses (IV)		<u>3,86,14,99,231</u>	<u>3,32,30,94,862</u>
V. Profit before exceptional items and tax (III-IV)		67,45,80,574	27,94,21,826
VI. Exceptional Items -(Gain)/Loss		(1,90,22,102)	(1,14,70,551)
VII. Profit before tax (V-VI)		<u>69,36,02,676</u>	<u>29,09,00,377</u>
VIII. Tax Expense:			
Current Tax		19,59,88,913	6,17,80,290
Mat Credit Entitlement		-	(6,17,80,290)
Deferred Tax		1,34,69,225	7,24,61,961
Income tax earlier years		38,06,310	-
Total tax expense (VIII)		<u>21,32,64,448</u>	<u>7,24,61,961</u>
IX. Profit for the year (VII-VIII)		<u>48,03,38,228</u>	<u>21,84,38,416</u>
X. Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement losses/(Gain) on defined benefit plans		8,79,586	14,17,456
Income tax relating to items that will not be reclassified to profit or loss		(2,56,135)	(4,08,794)
Total Other comprehensive income (X)		<u>6,23,451</u>	<u>10,08,662</u>
XI. Total Comprehensive Income for the year (IX+X)		<u>47,97,14,777</u>	<u>21,74,29,755</u>
XII. Earnings per equity share of ₹ 10 each			
- Basic	34	16.85	7.66
- Diluted		16.85	7.66

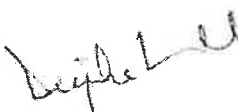
See accompanying notes to the financial statements

1-49

As per our report of even date

For Doogar & Associates  
Chartered Accountants  
Firm's registration No. 000561N  
  
Vardhman Doogar  
Partner  
M. No 517347  



For and on behalf of the Board of Directors




Deepika Jindal  
Managing Director  
DIN: 00015188

  
Mandeep Singh  
Executive Director & CEO  
DIN: 03382667

Place : Delhi  
Dated: April 22, 2019

  
Rajinder Kumar  
Chief Financial Officer

  
Bhartendu Harit  
Company Secretary  
M. No. A15123

JSL Lifestyle Limited  
Statement of Cash flows for the year ended March 31, 2019

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. Cash flow from operating activities</b>		
Net profit before tax	69,36,02,676	29,09,00,378
Adjustments: -		
Depreciation and amortisation	6,07,52,815	5,98,01,656
Unrealised Foreign Exchange Fluctuation(Gain)/Loss	5,12,974	(55,81,702)
Bad Debts	1,91,14,477	7,40,07,590
Interest Expense	1,92,51,484	2,17,59,424
Loss/(Profit) on sale of property, plant & equipment	1,22,27,576	(3,98,581)
Interest Income	(14,01,878)	(21,00,371)
<b>Operating profit before working capital changes</b>	<b>80,40,60,124</b>	<b>43,83,88,394</b>
Changes in working capital		
Inventories	13,02,83,635	16,28,639
Trade receivables	9,03,54,311	(13,92,30,999)
Other financial assets	(1,32,80,093)	87,39,199
Other current assets	(10,02,43,848)	(20,65,21,553)
Trade payables and other financial liabilities	(66,62,86,042)	(12,21,23,379)
Other current liabilities	(1,33,50,562)	16,74,27,788
<b>Cash generated from operations</b>	<b>23,15,37,525</b>	<b>16,83,08,089</b>
Income tax paid	(12,24,13,958)	(1,02,52,584)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>10,91,23,567</b>	<b>15,80,55,505</b>
<b>B. Cash flow from investing activities</b>		
Acquisition of Property, Plant and Equipments	(21,80,49,331)	(10,41,22,340)
Sale proceeds of Property, Plant and Equipments	1,64,10,959	6,36,749
Interest Received	8,30,876	23,54,062
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(20,08,07,496)</b>	<b>(10,11,31,529)</b>
<b>C. Cash inflow/(outflow) from financing activities</b>		
Increase /(Decrease) in Long-Term Borrowings	(2,93,31,837)	36,83,796
Increase /(Decrease) in Short-Term Borrowings	13,93,63,539	(3,83,40,066)
Interest paid	(1,92,51,484)	(2,19,02,021)
<b>Net cash inflow / (outflow) used in financing activities</b>	<b>9,07,80,218</b>	<b>(5,65,58,291)</b>
Net changes in cash and cash equivalents	(9,03,711)	3,65,684
Opening Cash and cash equivalents	16,08,839	12,43,155
<b>Closing Cash and cash equivalents</b>	<b>7,05,128</b>	<b>16,08,839</b>

Note:

- (i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7  
(ii) Refer note no. 11 for components of cash and cash equivalents

See accompanying notes to the financial statements

1-49

As per our report of even date attached

For Doogar & Associates

Chartered Accountants

Firm's registration No. 00056111

Vardhman Doogar

Partner

M. No 517347

New Delhi

Chartered Accountants

Place : Delhi

Dated : April 20, 2018

For and on behalf of the Board of Directors

*Deepika Jindal*

Deepika Jindal  
Managing Director  
DIN : 00015188

*Rajinder Kumar*

Rajinder Kumar  
Chief Financial Officer

*Mandeep Singh*

Mandeep Singh  
Executive Director & CEO  
DIN: 05382667

*Bhartendu Harit*  
Bhartendu Harit  
Company Secretary  
M. No. A15123

JSL Lifestyle Limited  
Statement of Profit and Loss for the year ended March 31, 2019

A. Equity Share Capital

(Amount in ₹)

Balance as at April 1, 2017	Movement during the year 2017-18	Balance as at March 31, 2018	Movement during the year 2018-19	Balance as at March 31, 2019
28,50,17,390	-	28,50,17,390	-	28,50,17,390

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Securities Premium	Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at 1st April, 2017	1,00,00,000	4,38,68,540	4,83,39,345	(7,95,40,310)	(21,28,591)	2,05,38,984
Profit for the year	-	-	-	21,84,38,417	-	21,84,38,417
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	(10,08,662)	(10,08,662)
<b>Balance as at March 31, 2018</b>	<b>1,00,00,000</b>	<b>4,38,68,540</b>	<b>4,83,39,345</b>	<b>13,88,98,107</b>	<b>(31,37,253)</b>	<b>23,79,68,740</b>
Profit for the year	-	-	-	48,03,38,228	-	48,03,38,228
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	(6,23,451)	(6,23,451)
<b>Balance as at March 31, 2019</b>	<b>1,00,00,000</b>	<b>4,38,68,540</b>	<b>4,83,39,345</b>	<b>61,92,36,335</b>	<b>(37,60,704)</b>	<b>71,76,83,517</b>



JSL Lifestyle Limited  
Statement of Profit and Loss for the year ended March 31, 2019

3. Property, plant and equipments

Particulars	(Amount in ₹)										
	Freehold Land	Leasehold Improvement	Factory Shed and Building	Office Equipments	Electric Installations	Plant and Machinery	Dies & Tools	Computers	Furniture and Fixtures	Vehicles	Total
<b>Gross carrying amount</b>											
As at March 31, 2017	2,15,84,430	4,30,69,536	18,47,82,928	1,19,11,437	2,07,99,024	36,31,86,743	2,76,60,153	2,21,76,313	6,70,19,291	63,02,125	76,84,91,980
Additions	-	-	-	28,56,163	-	7,33,09,439	2,42,727	40,16,387	6,01,000	59,48,144	8,69,73,860
Disposal/Adjustments	-	-	-	-	-	10,41,502	-	-	-	6,35,000	16,76,502
As at March 31, 2018	2,15,84,430	4,30,69,536	18,47,82,928	1,47,67,600	2,07,99,024	43,54,54,680	2,79,02,880	2,61,92,700	6,76,20,291	1,16,15,269	85,37,89,338
Additions	-	1,03,16,866	1,84,28,447	28,47,847	1,13,13,220	18,15,53,179	8,14,130	62,17,623	26,77,514	11,54,011	23,53,22,837
Disposal/Adjustments	-	-	-	4,93,652	28,15,463	2,01,23,110	-	12,944	2,23,48,102	-	4,57,83,271
As at March 31, 2019	2,15,84,430	5,33,86,402	20,32,11,375	1,71,21,795	2,92,96,781	59,68,84,749	2,87,17,010	3,23,97,379	4,79,49,703	1,27,69,280	1,04,33,18,904
<b>Accumulated Depreciation</b>											
As at March 31, 2017	-	59,70,052	5,45,92,623	93,05,095	1,54,07,525	18,26,13,770	2,03,75,022	1,85,47,870	3,65,46,684	38,32,163	34,71,90,804
Additions	-	40,92,284	50,67,415	9,37,671	9,75,029	3,87,88,291	8,49,595	8,04,660	55,37,487	7,72,173	5,78,24,605
Disposal/Adjustments	-	-	-	-	-	8,35,084	-	-	-	6,09,250	14,38,334
As at March 31, 2018	-	1,00,62,336	5,96,60,038	1,02,42,766	1,63,82,554	22,05,66,977	2,12,24,617	1,93,52,530	4,20,84,171	40,01,086	40,35,77,075
Additions	-	50,43,780	54,02,363	7,87,059	8,86,779	3,75,23,723	9,90,649	20,72,685	49,95,490	10,13,936	5,87,16,464
Disposal/Adjustments	-	-	-	4,69,626	14,96,321	32,17,563	-	12,945	1,19,58,281	-	1,71,54,736
As at March 31, 2019	-	1,51,06,116	6,50,62,401	1,05,60,199	1,57,73,012	25,48,73,137	2,22,15,266	2,14,12,270	3,51,21,380	50,15,022	44,51,38,803
<b>Net Carrying amount</b>											
As at March 31, 2018	2,15,84,430	3,30,07,200	12,51,22,890	45,24,834	44,16,470	21,48,87,703	66,78,263	68,40,170	2,55,36,120	76,14,183	45,02,12,263
As at March 31, 2019	2,15,84,430	3,82,80,286	13,81,48,974	65,64,596	1,35,23,769	34,20,11,613	65,04,744	1,09,85,109	1,28,28,323	77,54,258	59,81,80,102



**JSL Lifestyle Limited**  
**Statement of Profit and Loss for the year ended March 31, 2019**

**4. Intangible assets**

(Amount in ₹)

Particulars	Trade Marks	Patents	Computer Softwares	Total
<b>Gross carrying amount</b>				
As at March 31, 2017	4,11,054	1,38,000	2,24,75,974	2,30,25,028
Additions	-	-	-	-
Disposal/Adjustments	-	-	-	-
As at March 31, 2018	4,11,054	1,38,000	2,24,75,974	2,30,25,028
Additions	-	-	24,14,410	24,14,410
Disposal/Adjustments	-	-	-	-
As at March 31, 2019	4,11,054	1,38,000	2,48,90,384	2,54,39,438
<b>Accumulated amortisation</b>				
As at March 31, 2017	4,08,554	94,458	1,47,55,098	1,52,58,110
Additions	-	29,723	19,47,328	19,77,051
Disposal/Adjustments	-	-	-	-
As at March 31, 2018	4,08,554	1,24,181	1,67,02,426	1,72,35,161
Additions	-	6,918	20,29,433	20,36,351
Disposal/Adjustments	-	-	-	-
As at March 31, 2019	4,08,554	1,31,099	1,87,31,859	1,92,71,512
<b>Net Carrying amount</b>				
As at March 31, 2018	2,500	13,819	57,73,548	57,89,867
As at March 31, 2019	2,500	6,901	61,58,525	61,67,926



5 Non-current investments

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Investments in Equity instruments (Unquoted)</b>		
Equity Shares fully paid up of associate company - at cost		
- Green Delhi BQS Limited*	2,30,000	2,30,000
(23,000 as at March 31, 2019 (23,000, March 31, 2018) equity shares fully paid up of ₹ 10 each )		
<b>Total</b>	<b>2,30,000</b>	<b>2,30,000</b>

\* refer Note No-39

6 Other non-current financial assets

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Security deposits	2,49,72,523	1,93,62,200
<b>Total</b>	<b>2,49,72,523</b>	<b>1,93,62,200</b>

7 Deferred tax assets (net)

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	96,49,458	1,89,84,272
Deferred tax liabilities	(3,92,69,398)	(3,53,91,123)
<b>Net deferred tax assets/(liabilities)</b>	<b>(2,96,19,940)</b>	<b>(1,64,06,850)</b>
MAT credit entitlement	4,98,08,707	10,35,01,205
<b>Total</b>	<b>2,01,88,767</b>	<b>8,70,94,355</b>

8 Other non-current assets

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Prepaid expenses	1,22,676	8,00,877
<b>Total</b>	<b>1,22,676</b>	<b>8,00,877</b>

9 Inventories  
(lower of cost and net realisable value)

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Raw Materials	28,30,32,588	36,80,31,584
{Including material-in-transit Rs.96,32,932/- (As at 31st March, 2018: Rs. 80,56,362/-)}		
Work-in-progress	8,89,55,855	9,45,75,891
Finished goods	7,55,51,119	12,36,50,892
Stores and spares	5,87,00,149	5,63,54,126
Scrap and assets material	1,02,54,572	41,65,425
<b>Total</b>	<b>51,64,94,283</b>	<b>64,67,77,918</b>





10 Trade Receivables

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Trade receivables Considered good - secured	-	-
Trade receivables Considered good - unsecured #	65,66,34,974	76,78,51,233
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	-	3,90,11,840
	<b>65,66,34,974</b>	<b>80,68,63,073</b>
Less: Allowance for impairment loss	-	(3,90,11,840)
<b>Total</b>	<b>65,66,34,974</b>	<b>76,78,51,233</b>

11 Cash and cash equivalents

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Cash on hand	99,519	2,09,044
Balances with banks - in current accounts	6,05,609	13,99,794
<b>Total</b>	<b>7,05,128</b>	<b>16,08,839</b>

12 Bank balances other than cash and cash equivalents

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Term deposits held as margin money*	1,85,21,373	1,14,98,643
<b>Total</b>	<b>1,85,21,373</b>	<b>1,14,98,643</b>

\* Margin money for security against the guarantees

13 Other current financial assets

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Interest accrued but not due on term deposits	9,05,208	3,34,206
Advance to employees	24,36,793	17,89,753
<b>Total</b>	<b>33,42,001</b>	<b>21,23,959</b>

14 Other current assets

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, considered good</b>		
Advance to suppliers	3,58,96,631	3,04,96,292
Balance with revenue authorities	31,73,44,068	22,09,79,960
Export Incentive receivables	78,28,688	93,49,287
Prepaid expenses	33,76,156	34,49,983
<b>Total</b>	<b>36,44,45,543</b>	<b>26,42,75,522</b>



15 Equity share capital

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
<b>Authorised</b>				
Equity shares of ₹ 10 each	3,00,00,000	30,00,00,000	3,00,00,000	30,00,00,000
<b>Total</b>	<b>3,00,00,000</b>	<b>30,00,00,000</b>	<b>3,00,00,000</b>	<b>30,00,00,000</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each	2,85,01,739	28,50,17,390	2,85,01,739	28,50,17,390
<b>Total</b>	<b>2,85,01,739</b>	<b>28,50,17,390</b>	<b>2,85,01,739</b>	<b>28,50,17,390</b>

(a) Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Number of shares	Number of shares
Shares at the beginning of the year	2,85,01,739	2,85,01,739
Add: Shares issued during the year		
<b>Shares outstanding at the end of the year</b>	<b>2,85,01,739</b>	<b>2,85,01,739</b>

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

(c) Shares held by holding company

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Jindal Stainless (Hisar) Limited	2,09,11,676	20,91,16,760	2,09,11,676	20,91,16,760
<b>Total</b>	<b>2,09,11,676</b>	<b>20,91,16,760</b>	<b>2,09,11,676</b>	<b>20,91,16,760</b>

(d) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Jindal Stainless (Hisar) Limited*	2,09,11,676	73.37	2,09,11,676	73.37
Mrs. Deepika Jindal	29,49,022	10.35	29,32,800	10.29
Pankaj Continental Limited	19,69,524	6.91	19,69,524	6.91
Jindal Stainless Steelway Limited	15,20,000	5.33	15,20,000	5.33
<b>Total</b>	<b>2,73,50,222</b>	<b>95.96</b>	<b>2,73,34,000</b>	<b>95.90</b>

\* Jindal Stainless (Hisar) Limited has been demerged from Jindal Stainless limited w.e.f. appointed date 1st April, 2014, pursuant to Composite Scheme of Amalgamation.

As per the records of the company, the above shareholding represent both legal and beneficial ownership of shares.



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

16 Other equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	General Reserve	Capital Reserve	Securities Premium	Retained Earnings		
Balance as at April 1, 2017	1,00,00,000	4,38,68,540	4,83,39,345	(7,95,40,310)	(21,28,591)	2,05,38,984
Profit for the year	-	-	-	21,84,38,416	-	21,84,38,416
<b>Other Comprehensive Income</b>						
Re-measurement gains (losses) on defined benefits plans (Net of tax)	-	-	-	-	(10,08,662)	(10,08,662)
Balance as at March 31, 2018	1,00,00,000	4,38,68,540	4,83,39,345	13,88,98,107	(31,37,253)	23,79,68,739
Profit for the year	-	-	-	48,03,38,228	-	48,03,38,228
<b>Other Comprehensive Income</b>						
Re-measurement gains (losses) on defined benefits plans (Net of tax)	-	-	-	-	(6,23,451)	(6,23,451)
Balance as at March 31, 2019	1,00,00,000	4,38,68,540	4,83,39,345	61,92,36,335	(37,60,704)	71,76,83,516

Note:

(i) General reserve

General Reserve represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

(ii) Capital reserve

Capital Reserve represents excess of net assets acquired over consideration paid pursuant to Composite Scheme of Amalgamation.

(iii) Security premium

Securities premium represents the amount received in excess of par value of securities. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

(iv) Retained earnings

Retained earnings represents the undistributed profits of the company.

(v) Other comprehensive income

Other comprehensive income represents the items for items to be accounted in other comprehensive income.



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

17 Non-current borrowings

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured</b>		
Inter-corporate loans		
- from related parties#	15,89,62,121	18,84,15,458
- from others##	28,65,539	27,44,039
<b>Total</b>	<b>16,18,27,660</b>	<b>19,11,59,497</b>

# ICD carries rate of interest 10.50% p.a.

## ICD carries rate of interest 7.50% p.a.

18 Other non current financial liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due		
- To related party	8,73,86,042	8,73,86,042
Other financial liabilities		
- To related party	-	15,00,00,000
<b>Total</b>	<b>8,73,86,042</b>	<b>23,73,86,042</b>

19 Non-current provisions

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits**		
- Leave encashment	1,20,60,918	88,68,748
- Gratuity	1,33,43,798	1,10,01,725
<b>Total</b>	<b>2,54,04,716</b>	<b>1,98,70,472</b>

\*\*refer note no. 40

20 Current borrowings

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>		
Working Capital loans from banks	24,67,96,375	10,94,19,361
<b>Total</b>	<b>24,67,96,375</b>	<b>10,94,19,361</b>

Working Capital loans are secured by way of hypothecation of company's current assets (present and future) including / inter-alia stock of raw materials, stores, spares, stock in process, finished goods etc. lying in the factory, shop, godowns, elsewhere and including goods in transit, book debts, bill receivable and second charge by way of collateral in respect of PPE of the company.

Cash credit facility carries interest rate of approx. 10.25% to 11.90% and foreign currency loans carries interest rate of 5.8% (Previous year : 5% p.a.)



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

21 Trade payables

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
(a) Due to micro and small enterprises *		6,19,316
(b) Due to others		
(i) Payable to related parties	19,74,12,900	66,21,82,231
(ii) Payable to others	25,30,83,202	31,75,47,684
<b>Total</b>	<b>45,04,96,102</b>	<b>98,03,49,230</b>

\* Refer Note -36

22 Other current financial liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Others		
- Due to employees	1,71,23,771	1,02,13,616
- Other liabilities	10,49,37,090	9,82,80,158
<b>Total</b>	<b>12,20,60,861</b>	<b>10,84,93,775</b>

23 Current provisions

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits **		
- Leave encashment	9,98,097	5,30,939
- Gratuity	9,96,273	6,75,147
<b>Total</b>	<b>19,94,370</b>	<b>12,06,086</b>

\*\* refer note no. 40

24 Other current liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Advances from customers	3,15,34,297	3,33,29,378
Statutory dues payable	1,26,91,601	78,85,084
Other liabilities	1,60,19,445	3,78,24,384
<b>Total</b>	<b>6,02,45,343</b>	<b>7,90,38,846</b>

25 Current tax liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2019	As at March 31, 2018
Provision for income tax (net of advance tax and TDS receivable)	5,72,35,997	3,35,47,230
<b>Total</b>	<b>5,72,35,997</b>	<b>3,35,47,230</b>



26 Revenue from operations

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Sale of goods</b>		
- Finished goods	4,12,81,26,775	3,22,14,69,439
- Trading goods	6,85,98,636	4,40,78,371
<b>(b) Sale of services</b>		
- Job work charges	11,85,20,007	13,03,38,422
<b>(c) Other operating revenue</b>		
- Export incentives	3,84,88,211	3,65,17,552
- Sale of scrap	17,77,77,489	16,25,13,737
<b>Total</b>	<b>4,53,15,11,118</b>	<b>3,59,49,17,523</b>

27 Other income

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest income from financial assets carried at amortised cost</b>		
Bank Deposits	14,01,878	21,00,371
Interest on income tax refund	-	40,01,757
Interest on fair value of security deposit given	8,89,858	5,07,169
Gain on disposal of property, plant and equipment (net)	-	3,98,581
Miscellaneous income	22,76,951	5,91,287
<b>Total</b>	<b>45,68,687</b>	<b>75,99,165</b>

28 Cost of materials consumed

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Raw material consumed	2,20,86,17,114	1,81,25,41,672
<b>Total</b>	<b>2,20,86,17,114</b>	<b>1,81,25,41,672</b>

29 Changes in inventories of finished goods, work-in-progress and

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Opening balance</b>		
Work in progress	9,45,75,891	20,81,09,442
Finished goods-Manufactured	10,41,32,703	12,80,33,534
Traded goods	1,95,18,189	1,02,09,542
Scrap	41,65,425	25,46,546
<b>Total Opening balance</b>	<b>22,23,92,208</b>	<b>34,88,99,064</b>
<b>Closing balance</b>		
Work in progress	8,89,55,855	9,45,75,891
Finished goods - Manufactured	4,92,84,203	10,41,32,703
Traded goods	2,62,66,916	1,95,18,189
Scrap	1,02,54,572	41,65,425
<b>Total Closing balance</b>	<b>17,47,61,546</b>	<b>22,23,92,208</b>
<b>Total changes in inventories of work in progress, stock in trade and finished goods</b>	<b>4,76,30,662</b>	<b>12,65,06,856</b>
<b>Total</b>	<b>4,76,30,662</b>	<b>12,65,06,856</b>

30 Employee Benefit Expense

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries & wages including bonus	24,87,25,005	20,27,01,157
Contribution to provident and other funds	1,10,49,273	93,79,845
Staff welfare expenses	79,99,010	88,37,007
<b>Total</b>	<b>26,77,73,288</b>	<b>22,09,18,009</b>



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

31 Finance costs

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on inter corporate deposits	1,30,05,006	1,30,50,496
Interest on term loan	-	4,83,290
Interest on working capital loans	62,46,478	82,25,638
Bank and finance charges	87,66,312	66,71,402
<b>Total</b>	<b>2,80,17,796</b>	<b>2,84,30,826</b>

32 Depreciation and amortisation expense

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment	5,87,16,463	5,78,24,604
Amortisation of intangible assets	20,36,352	19,77,052
<b>Total</b>	<b>6,07,52,815</b>	<b>5,98,01,656</b>

33 Other Expenses

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Office and Administration Expenses</b>		
Rent	5,94,23,838	4,24,49,948
Rates and Taxes	17,46,860	91,136
Other Repair and Maintenance	1,07,27,374	92,43,822
Insurance	49,05,264	43,88,934
Printing and Stationery	8,90,320	8,03,585
Postage, Telegrams and Telephones	40,76,200	49,25,510
Security Services	40,74,090	35,88,237
Vehicle Upkeep and Maintenance	20,71,632	23,87,671
Travelling and Conveyance	4,51,66,351	3,93,76,984
Legal and Professional	4,74,48,672	3,45,38,181
Auditors' Remuneration	10,76,765	7,82,000
Donation	93,901	4,805
Directors' Sitting Fees	4,35,000	1,02,222
Loss on disposal of property, plant and equipment (Net)	1,22,27,576	-
Corporate Social Responsibility	33,24,052	18,81,184
Miscellaneous Expenses	1,42,34,230	1,24,29,097
	<b>21,19,22,125</b>	<b>15,69,93,316</b>
<b>Selling and distribution expenses</b>		
Freight and Forwarding Expenses	4,83,69,901	3,47,42,048
Commission on Sales	4,69,38,556	4,86,47,401
Business Promotion Expenses	82,29,313	53,44,849
Bad Debts/ Liquidated Damage	4,09,21,688	8,90,80,071
Advertisement and Publicity	4,84,34,683	2,06,14,217
Other Selling Expenses	1,12,919	5,14,308
	<b>19,30,07,060</b>	<b>19,89,42,895</b>
<b>Manufacturing Expenses</b>		
Stores and Spares Consumed	16,25,24,143	11,34,84,338
Power and Fuel	3,33,47,733	3,32,43,969
<b>Other Manufacturing Expenses:-</b>		
Processing Charges	36,84,96,733	31,86,56,217
Job Work Charges	9,11,77,947	9,62,51,220
Installation & Site Expenses	11,10,15,333	6,10,91,046
<b>Repair and Maintenance:</b>		
Plant and Machinery	81,93,160	61,08,034
Factory Shed and Building	52,83,837	32,63,657
	<b>78,00,38,886</b>	<b>63,20,98,481</b>
<b>Total</b>	<b>1,18,49,68,071</b>	<b>98,80,34,691</b>

\* Details of payment to auditors

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>1. As auditor</b>		
Statutory audit fee	5,80,000	5,80,000
Certification fee	42,500	-
Other services	2,25,000	-
Reimbursement of expenses	79,265	52,000
<b>2. Cost audit fee</b>	<b>1,50,000</b>	<b>1,50,000</b>
<b>Total</b>	<b>10,76,765</b>	<b>7,82,000</b>



JSL Lifestyle Limited

Notes forming part of the financial statements for the year ended March 31, 2019

**34 Earning Per Share (EPS)**

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(Loss) attributable to equity shareholders (₹) (A)	48,03,38,228	21,84,38,416
Weighted average number of outstanding equity shares (B)	2,85,01,739	2,85,01,739
Nominal value per equity share (₹)	10	10
Basic EPS (Amount in ₹) (A/B)	16.85	7.66
Diluted EPS (Amount in ₹) (A/B)	16.85	7.66

**35 Contingent liabilities and commitments**

(i) Contingent liabilities

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Guarantee issued by bank on behalf of the Company	3,06,25,637	1,22,87,695
(b) Disputed liability in respect of: -		
- Excise duty	2,74,61,328	1,94,93,238
- Sales tax #	29,13,888	29,13,888

# Figures represents liability net of amount deposited in protest

(ii) Commitments

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,14,60,131	4,71,71,495

**36 Disclosure relating to relating to micro, small and medium enterprises**

Based on the intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the required disclosure to the extent information available is given below:-

S.N.	Particulars	(Amount in ₹)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
1	Principal amount due outstanding	-	6,19,316
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-





JSL Lifestyle Limited

Notes forming part of the financial statements for the year ended March 31, 2019

37 a) Income tax expense

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax	19,59,88,913	6,17,80,290
MAT credit entitlement	-	(6,17,80,290)
Deferred tax	1,34,69,225	7,24,61,961
Income tax earlier years	38,06,310	-
<b>Total</b>	<b>21,32,64,448</b>	<b>7,24,61,961</b>

b) Income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax (A)	69,36,02,676	29,09,00,377
Enacted tax rate in India (B)	29.12%	28.84%
Expected income tax expense at statutory tax rate (A*B)	20,19,77,099	8,38,95,669
<b>Increase/(reduction) in taxes on account of:</b>		
Expenses not deductible in determining taxable profits	1,55,41,963	30,34,593
Utilization/credit of unrecognised tax losses and unabsorbed depreciation	-	(1,44,68,301)
Additional allowances/ deduction under Income tax	(42,54,614)	-
<b>Tax expense</b>	<b>21,32,64,448</b>	<b>7,24,61,960</b>

c) Deferred tax

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

Particulars	(Amount in ₹)			
	Deferred tax Liability/(Asset) as at March 31, 2018	Recognised/ (reversed) in statement of profit & loss	Recognised/ (reversed) in OCI	Deferred tax Liability/(Asset) as at March 31, 2019
Property, plant and equipment	3,53,91,123	38,78,276	-	3,92,69,398
Carried forward business loss	-	-	-	-
Carried forward capital loss	(16,54,778.3)	(16,066)	-	(16,70,844)
Disallowances under Income tax	(60,78,479.5)	(16,43,999)	(2,56,135)	(79,78,614)
Provision for doubtful debts	(1,12,51,014.7)	1,12,51,015	-	-
<b>Total</b>	<b>1,64,06,850</b>	<b>1,34,69,226</b>	<b>(2,56,135)</b>	<b>2,96,19,940</b>

38 Investment in associate

Although the book value of unquoted investments in associate company Green Delhi BQS Limited amounting to ₹ 2,30,000 (Previous Year : ₹ 2,30,000), as reflected in Note no 5, is lower than its fair value, considering the strategic and long term nature of the investment, future prospectus and assets base of the investee company, such decline, in the opinion of the management, has been considered to be of temporary in nature and hence no provision for the same at this stage is considered necessary.

39 Disclosure relating to Research and Development expenses

The Company has in-house R&D centre at 48 K.M. Stone, Rohad, Haryana. Ministry of Science & Technology (Department of Scientific and Industrial Research) has accorded recognition to this centre, which is valid upto 31.03.2021. The expenditure incurred towards in-house Research and Development activities is as follows: -

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue expenditure	4,77,46,735	4,08,92,264
<b>Total</b>	<b>4,77,46,735</b>	<b>4,08,92,264</b>



40 Employee benefits

a) Defined contribution plans: -

The Company has recognized following expense in respect of the defined contribution plans: -

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Contribution to provident fund	1,06,61,131	87,99,181
Contribution to ESI	3,88,142	5,80,664
<b>Total</b>	<b>1,10,49,273</b>	<b>93,79,845</b>

b) Defined benefit plans: -

Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2019 and March 31, 2018, being the respective measurement dates

(i) Movement in defined benefit obligation

Particulars	(Amount in ₹)	
	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation as at April 1, 2017	79,75,518	62,85,111
Current service cost	18,41,680	23,31,433
Past service cost	10,37,618	-
Interest cost	6,18,103	4,87,096
Benefits paid	(12,13,503)	(23,57,986)
Remeasurement- Actuarial loss/(gains) on obligation	14,17,456	26,53,993
<b>Present value of obligation as at March 31, 2018</b>	<b>1,16,76,872</b>	<b>93,99,647</b>
Current service cost	24,11,546	34,57,505
Past service cost	-	-
Interest cost	9,04,958	7,28,473
Benefits paid	(15,32,891)	(28,78,769)
Remeasurement- Actuarial loss/(gains) on obligation	8,79,586	23,52,159
<b>Present value of obligation as at March 31, 2019</b>	<b>1,43,40,071</b>	<b>1,30,59,015</b>

(ii) Expenses recognised in the Statement of profit & loss

Particulars	(Amount in ₹)	
	Gratuity (unfunded)	Leave encashment (unfunded)
Current service cost	18,41,680	23,31,433
Past service cost	10,37,618	-
Interest cost	6,18,103	4,87,096
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	26,53,993
<b>For the year ended March 31, 2018</b>	<b>34,97,401</b>	<b>54,72,522</b>
Current service cost	24,11,546	34,57,505
Past service cost	-	-
Interest cost	9,04,958	7,28,473
Expected return on plan assets	-	-
Remeasurement - Actuarial loss/(gain)	-	23,52,159
<b>For the year ended March 31, 2019</b>	<b>33,16,504</b>	<b>65,38,137</b>

(iii) Expenses recognised in the Other Comprehensive Income

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Remeasurement - Actuarial Gain/(loss) on gratuity	8,79,586	14,17,456



(iv) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below: -

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount rate	7.75%	7.75%
Expected rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	NA	NA
Mortality Rate	IALM(2006-08) Ultimate	IALM(2006-08) Ultimate
Withdrawal Rate		
18 to 30 years	5% p.a.	5% p.a.
30 to 44 years	5% p.a.	3% p.a.
44 to 58 years	5% p.a.	2% p.a.

(v) Experience Adjustments

Particulars	(Amount in ₹)	
	Gratuity (unfunded)	Leave encashment (unfunded)
<b>For the financial year 2017-18</b>		
Experience adjustments (Gain)/Loss for plan liabilities	26,11,092	27,50,259
Experience adjustments (Gain)/Loss for plan assets	-	-
<b>For the financial year 2018-19</b>		
Experience adjustments (Gain)/Loss for plan liabilities	3,67,978	18,98,289
Experience adjustments (Gain)/Loss for plan assets	-	-

(vi) The Company' best estimate of contribution during the next year

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Expected contribution during next annual reporting period	32,82,921	24,44,239

(vii) Sensitivity Analysis

Particulars	Change in assumption	(Amount in ₹)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
Discount Rate	+ 1%	1,32,07,311	1,20,07,439
	- 1%	1,56,37,935	1,42,69,530
Salary growth rate	+ 1%	1,56,04,570	1,42,91,013
	- 1%	1,32,24,621	1,19,72,384
Withdrawal rate	+ 1%	1,45,17,507	1,33,01,578
	- 1%	1,41,32,184	1,27,87,963

(viii) Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
1 April 2018 to 31 March 2019	-	6,85,055
1 April 2019 to 31 March 2020	9,96,273	4,16,681
1 April 2020 to 31 March 2021	8,55,592	4,37,196
1 April 2021 to 31 March 2022	9,91,394	5,25,381
1 April 2022 to 31 March 2023	28,60,203	24,20,931
1 April 2023 to 31 March 2024	8,84,776	1,20,39,030
1 April 2024 onwards	1,26,76,243	-



JSL Lifestyle Limited

Notes forming part of the financial statements for the year ended March 31, 2019

41 Leases

The Company has leased facilities under cancellable operating lease arrangements with a lease term ranging from one to five years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognised during the year amounts to ₹ 5,94,23,838 (March 31, 2018: ₹ 4,24,49,948)

42 Segment Information as required by Ind AS - 108 'Operating Segments'

The Company is in the business of manufacturing stainless steel products having similar economic characteristics which is regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Hence, the Company has only one reportable segment under Ind-AS 108 'Operating Segments' i.e. 'STAINLESS STEEL'. The entity wide disclosures required by Ind-AS 108 are made as follows: -

Particulars	(Amount in ₹)			
	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Within India	Outside India	Within India	Outside India
Revenue	3,34,54,37,941	1,18,60,73,177	2,67,94,40,365	91,54,77,159
Non-current assets	61,04,91,104	-	48,18,33,122	-

(ii) Details about the major customers

Revenue from two major customers represented 83.78% approx. (previous years 87%) of the total revenue from operations of the Company.

43 Disclosures of related parties as required by Ind AS-24

(i) List of related parties

(a) Parent Entity

Jindal Stainless (Hisar) Limited

(b) Key Management Personnel

Mrs. Deepika Jindal	Managing Director
Mr. Tomy Sebastian	Whole Time Director (resigned wef 4th April 2019)
Mr. Mandeep Singh	Executive Director & CEO (appointed wef 1st April 2019)
Mr. Bhartendu Harit	Company Secretary
Mr. Tarun Jain	Chief Financial Officer (resigned wef 30th November 2019)
Mr. Rajinder Kumar Garg	Chief Financial Officer (appointed wef 22nd January 2019)

(c) Subsidiaries, associates and joint ventures of parties listed in (a) & (b) above with whom transactions have taken place during the current and previous year

Jindal Stainless Steelway Limited  
Green Delhi BQS Limited  
JSL Media Limited  
Jindal Stainless Limited  
Jindal Stainless Corporate Management Services Pvt. Ltd.  
Cinennamon Boutique Private Limited

(b) The following transactions were carried out with related parties in the ordinary course of business:

Particulars	(Amount in ₹)			
	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Holding Company	Associates & Other Parties (a & c)	Holding Company	Associates & Other Parties (a & c)
<b>1 Sales of finished goods/scrap</b>				
Jindal Stainless (Hisar) Limited	18,86,52,125	-	19,25,83,182	-
Jindal Stainless Limited	-	90,39,914	-	90,41,680
Jindal Stainless Corporate Management Services Private Limited	-	69,18,783	-	19,33,427
Jindal Stainless Steelway Limited	-	7,93,761	-	2,78,486



JSL Lifestyle Limited

Notes forming part of the financial statements for the year ended March 31, 2019

<b>2 Job work charges (Income)</b>				
Jindal Stainless (Hisar) Limited	3,51,177	-	11,19,119	-
Jindal Stainless Steelway Limited	-	-	-	2,85,189
<b>3 Purchase of raw material</b>				
Jindal Stainless (Hisar) Limited	1,49,70,68,087	-	1,71,01,32,608	-
Jindal Stainless Limited	-	6,46,78,651	-	-
Jindal Stainless Steelway Limited	-	84,51,730	-	19,91,674
<b>4 Reimbursement of expenses paid on our behalf</b>				
Jindal Stainless Limited	-	81,73,274	-	30,32,435
Jindal Stainless Steelway Limited	-	4,36,000	-	94,467
<b>5 Expenses recovered</b>				
Jindal Stainless (Hisar) Limited	-	-	7,21,379	-
Jindal Stainless Steelway Limited	-	4,20,000	-	4,92,450
Green Delhi BQS Limited	-	4,41,763	-	4,60,400
JSL Media Limited	-	26,42,140	-	33,91,358
<b>6 Interest paid on loan</b>				
Jindal Stainless (Hisar) Limited	1,28,70,006	-	1,28,70,006	-
<b>7 Job work charges (expenses)</b>				
Jindal Stainless Steelway Limited	-	12,89,821	-	9,81,260
<b>8 Rent &amp; maintenance charges paid</b>				
Jindal Stainless (Hisar) Limited	80,03,475	-	79,18,996	-
Cinnamon Boutique Private Limited	-	41,63,989	-	47,55,047
<b>9 Sale of Property, Plant and Equipment</b>				
Jindal Stainless (Hisar) Limited	1,62,52,401	-	-	-

(c) The following table represents the outstanding balances of related parties: -

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Holding Company	Associates & Other Parties (a & c)	Holding Company	Associates & Other Parties (a & c)
<b>1. ICD Loan</b>				
Jindal Stainless (Hisar) Limited	15,89,62,121	-	18,84,15,458	-
<b>2. Interest and other payables</b>				
Jindal Stainless (Hisar) Limited	8,73,86,042	-	23,73,86,042	-
<b>3. Amount receivables</b>				
Green Delhi BQS Limited	-	-	-	3,98,93,266
JSL Media Limited	-	1,02,05,578	-	75,63,438
Jindal Stainless Corporate Management Services Pvt. Ltd.	-	11,87,807	-	13,79,695
Jindal Stainless Limited	-	1,11,43,164	-	70,13,006
Cinnamon Boutique Private Limited	-	19,46,846	-	-
Jindal Stainless Steelway Limited	-	-	-	45,449
<b>4. Amount payable</b>				
Jindal Stainless (Hisar) Limited	19,74,12,900	-	66,21,82,231	-
Jindal Stainless Steelway Limited	-	5,72,273	-	-



JSL Lifestyle Limited

Notes forming part of the financial statements for the year ended March 31, 2019

Compensation to Key Managerial Personnel

Particulars	(Amount in ₹)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	3,70,70,911	3,22,68,637
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Employee share based payment	-	-
<b>Total Compensation</b>	<b>3,70,70,911</b>	<b>3,22,68,637</b>

Notes:-

1. As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.



#### 4.4 Financial risk management

##### Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

##### I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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.

##### II. Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

##### III. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. As a risk management exercise, working capital borrowing in foreign currency is used as a natural hedge to certain extent against foreign currency receivables.

##### I. Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss Item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts and interest rate swaps of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

##### (a) Foreign exchange risk sensitivity

The functional currency of the Company is Indian Rupee (INR). The Company is exposed to foreign exchange risk through its sales in international markets. The Company has obtained foreign currency working capital loans and has foreign currency receivables and is therefore, exposed to foreign exchange risk. The following table analyses foreign currency risk from financial instruments as of March 31, 2019 and March 31, 2018: -

Particulars	Currency	As at March 31, 2019	As at March 31, 2018
<b>Financial assets</b>			
Trade receivables	USD	37,21,169	41,41,791
<b>Financial liabilities</b>			
Working capital loans	USD	14,00,000	24,74,841
<b>Net assets/ (liabilities)</b>		<b>23,21,169</b>	<b>16,66,950</b>

The following table demonstrates the sensitivity in the USD to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities are given below:

Particulars	Change in currency exchange rate	(Amount in ₹)	
		Effect on profit before tax for the year ended March 31, 2019	Effect on profit before tax for the year ended March 31, 2018
USD	5%	80,26,601	54,31,756
	-5%	(80,26,601)	(54,31,756)

##### (b) Interest rate risk and sensitivity

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 is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings are linked to MCLR/LIBOR rate which is fixed for the borrowing period, hence the company is not exposed to interest rate sensitivity.



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

Particulars	(Amount in ₹)			
	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Weighted Average Rate (%)
<b>For the year ended March 31, 2019</b>				
INR	31,18,00,035	-	31,18,00,035	10.68%
USD ( Equivalent INR)	9,68,24,000	9,68,24,000	-	5.68%
<b>Total</b>	<b>40,86,24,035</b>	<b>9,68,24,000</b>	<b>31,18,00,035</b>	
<b>For the year ended March 31, 2018</b>				
INR	19,11,59,497	-	19,11,59,497	10.44%
USD ( Equivalent INR)	10,94,19,361	10,94,19,361	-	5.00%
<b>Total</b>	<b>30,05,78,858</b>	<b>10,94,19,361</b>	<b>19,11,59,497</b>	

(c) Commodity price risk and sensitivity

The Company is exposed to the movement in price of key raw materials in domestic markets. The Company enters into contracts for procurement of material, most of the transactions are short term fixed price contract.

II. Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in overseas/domestic jurisdictions and industries and operate in largely independent markets. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

The ageing of trade receivable is as below:

	Neither due nor impaired	Past due		Total
		Up to 6 Months	Above 6 Months	
<b>As at March 31, 2019</b>				
Secured	-	-	-	-
Unsecured	44,57,78,686	20,28,99,014	79,57,274	65,66,34,974
<b>Total trade receivables</b>	<b>44,57,78,686</b>	<b>20,28,99,014</b>	<b>79,57,274</b>	<b>65,66,34,974</b>
Provision for doubtful receivables	-	-	-	-
<b>Net Total</b>	<b>44,57,78,686</b>	<b>20,28,99,014</b>	<b>79,57,274</b>	<b>65,66,34,974</b>
<b>As at March 31, 2018</b>				
Secured	-	-	-	-
Unsecured	71,66,31,029	50,92,366	8,51,39,678	80,68,63,073
<b>Total trade receivables</b>	<b>71,66,31,029</b>	<b>50,92,366</b>	<b>8,51,39,678</b>	<b>80,68,63,073</b>
Provision for doubtful receivables	-	-	(3,90,11,840)	(3,90,11,840)
<b>Net Total</b>	<b>71,66,31,029</b>	<b>50,92,366</b>	<b>4,61,27,838</b>	<b>76,78,51,233</b>

Financial Instruments and Cash Deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The bank balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

III. Liquidity Risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet date to the contractual maturity date.

Particulars	(Amount in ₹)				
	Carrying Amount	< 1 Years	1 - 3 Years	> 3 Years	Total
<b>As at March 31, 2019</b>					
Interest rate borrowings	40,86,24,035	24,67,96,375	-	16,18,27,660	40,86,24,035
Other liabilities	20,94,46,903	12,20,60,861	8,73,86,042	-	20,94,46,903
Trade and other payables	45,04,96,102	45,04,96,102	-	-	45,04,96,102
<b>Total</b>	<b>1,06,85,67,040</b>	<b>81,93,53,338</b>	<b>8,73,86,042</b>	<b>16,18,27,660</b>	<b>1,06,85,67,040</b>
<b>As at March 31, 2018</b>					
Interest rate borrowings	30,05,78,858	10,94,19,361	-	19,11,59,497	30,05,78,858
Other liabilities	34,58,79,817	-	34,58,79,817	-	34,58,79,817
Trade and other payables	98,03,49,230	98,03,49,230	-	-	98,03,49,230
<b>Total</b>	<b>1,62,68,07,905</b>	<b>1,08,97,68,591</b>	<b>34,58,79,817</b>	<b>19,11,59,497</b>	<b>1,62,68,07,905</b>

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.





**JSL Lifestyle Limited**  
**Notes forming part of the financial statements for the year ended March 31, 2019**

**45 Capital risk management**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium reserve and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	[Amount in ₹]	
	As at March 31, 2019	As at March 31, 2018
Loans and borrowings	40,86,24,035	30,05,78,858
Less : cash and cash equivalents	7,05,128	16,08,839
<b>Net debt</b>	<b>40,79,18,907</b>	<b>29,89,70,019</b>
<b>Total capital</b>	<b>1,00,27,00,906</b>	<b>52,29,86,129</b>
<b>Capital and net debt</b>	<b>1,41,06,19,813</b>	<b>82,19,56,148</b>
<b>Gearing ratio</b>	<b>28.92%</b>	<b>36.37%</b>

x

**46 Fair value of financial assets and liabilities and hierarchy**

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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: -

The following methods and assumptions were used to estimate the fair values: -

(i) The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values due to their short term nature.

(ii) The fair value of security deposit given was calculated based on cash flows discounted using the discount rate that reflects the issuer's borrowings rate. They are classified as Level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

(iii) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Fair Value Hierarchy**

The following table provides the fair value measurement hierarchy of Company's financial asset and financial liabilities, grouped into Level 1 to Level 1- Quoted price/ NAV for identical instruments in an active market  
 Level 2- Directly or indirectly observable market inputs, other than Level 1 inputs; and  
 Level 3- Inputs which are not based observable market data



JSL Lifestyle Limited  
Notes forming part of the financial statements for the year ended March 31, 2019

(Amount in ₹)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Measured at amortised cost</b>				
<b>(a) Financial assets</b>				
Other financial assets	2,83,14,524	2,83,14,524	2,14,86,159	2,14,86,159
Trade receivables	65,66,34,974	65,66,34,974	76,78,51,233	76,78,51,233
Cash & cash equivalents	7,05,128	7,05,128	16,08,839	16,08,839
Bank balances other than cash and cash equivalents	1,85,21,373	1,85,21,373	1,14,98,643	1,14,98,643
<b>Total financial assets</b>	<b>70,41,75,999</b>	<b>70,41,75,999</b>	<b>80,24,44,874</b>	<b>80,24,44,874</b>
<b>(b) Financial Liabilities</b>				
Borrowings	40,86,24,035	40,86,24,035	30,05,78,858	30,05,78,858
Trade payables	45,04,96,102	45,04,96,102	98,03,49,230	98,03,49,230
Other financial liabilities	20,94,46,903	20,94,46,903	34,58,79,817	34,58,79,817
<b>Total financial assets</b>	<b>1,06,85,67,040</b>	<b>1,06,85,67,040</b>	<b>1,62,68,07,905</b>	<b>1,62,68,07,905</b>

47 Amount spent towards Corporate Social Responsibility (CSR) as per the provisions of section 135 of Companies Act, 2013 for the year amounting to ₹ 33,24,052 (March 31, 2018: ₹ 18,81,184 )

48 Exceptional items represents gain (net) of ₹ 1,90,22,102 (March 31, 2018: ₹ 1,14,78,551) on translation of currency monetary items i.e. working capital loans and trade receivables at the date of Balance sheet.

49 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

See accompanying notes to the financial statements

1-49

As per our report of even date

For Doojar & Associates

Chartered Accountants

Firm's registration No. 000511

New Delhi

Partner

M. No 517347

For and on behalf of the Board of Directors

*Deepika Jindal*

Deepika Jindal  
Managing Director  
DIN No. 00015108

*Rajinder Kumar*

Rajinder Kumar  
Chief Financial Officer

*Mandeep Singh*

Mandeep Singh  
Executive Director & CEO  
DIN: 03382667

*Bhartendu Harit*

Bhartendu Harit  
Company Secretary  
M. No. A15123

Place : New Delhi  
Dated : April 22, 2019

