A Puri & Associates
Chartered Accountants
2H, Vandhna Building
11, Tolstoy Marg,
New Delhi

MSKA & Associates
Chartered Accountants
The Palm Springs Plaza
Office No. 1501-B, 15th Floor
Sector-54, Golf Course Road
Gurugram, Haryana

INDEPENDENT AUDITORS' REPORT

To the Members of Fabindia Overseas Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Fabindia Overseas Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and loss including 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 Standards are further described in the Auditors' 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 (ICAI) 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.

Emphasis of Matter

We draw attention to note no. 49(f) to the Standalone Financial Statements which states that Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and accordingly made a provision of ₹ 3,088 lakhs and ₹ 18 lakhs towards 'Provision for slow and non-moving stock' and 'allowance for credit losses' respectively.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the Standalone 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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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.

Auditors' 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 auditors' 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.

We give in "Annexure A" a detailed description of Auditors' responsibilities for Audit of the Standalone Financial Statements.

Other Matter

1. The Standalone Financial Statements of the Company for the year ended March 31, 2020, were audited by one of the joint auditors whose report dated August 28, 2020 expressed an unmodified opinion on those statements.

2. We did not audit the financial statements of FOPL Employees Benefit Trust ("the Trust") included in the Standalone Financial Statements of the Company whose special purpose financial statements reflect total assets of ₹ 0.10 lakh as at March 31, 2021 and the total revenue of ₹ Nil for the year ended on that date, as considered in the Standalone Financial Statements. The Special Purpose Financial Statements of the Trust have been audited by another auditor whose report has been furnished to us vide report dated July 28, 2021, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such auditors.

Our opinion is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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 "Annexure B" 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:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (g) 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note no. 42A to the Standalone 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

3. In our opinion, according to information, explanations given to us, the provisions of section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For **A Puri & Associates**
Chartered Accountants
ICAI Firm Registration No.: 009203N

Jyoti Subarwal
Partner
Membership No.: 080654
UDIN: 21080654AAAAIF9853

Place: New Delhi
Date: August 27, 2021

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAACE7934

Place: Gurugram
Date: August 27, 2021

A Puri & Associates
Chartered Accountants
2H, Vandhna Building
11, Tolstoy Marg,
New Delhi

MSKA & Associates
Chartered Accountants
The Palm Springs Plaza
Office No. 1501-B, 15th Floor
Sector-54, Golf Course Road
Gurugram, Haryana

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FABINDIA OVERSEAS PRIVATE LIMITED

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

As part of an audit in accordance with Standards on Auditing (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 internal financial controls with reference to fin Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 auditors' 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 auditors' 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.

MSKA & ASSOCIATES * Gurugram * Chartered Accountants *

A PURI & ASSOCIATES * NEW DELHI * CHARTERED ACCOUNTANTS *

A Puri & Associates
Chartered Accountants

MSKA & Associates
Chartered Accountants

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.

For A Puri & Associates
Chartered Accountants
ICAI Firm Registration No.: 009203N

Jyoti Subarwal
Partner
Membership No.: 080654
UDIN: 21080654AAAAIF9853

Place: New Delhi
Date: August 27, 2021

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.: 10504/W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAACE7934

Place: Gurugram
Date: August 27, 2021

A Puri & Associates
Chartered Accountants
2H, Vandhna Building
11, Tolstoy Marg,
New Delhi

MSKA & Associates
Chartered Accountants
The Palm Springs Plaza
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Sector-54, Golf Course Road
Gurugram, Haryana

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FABINDIA OVERSEAS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).

(b) All the fixed assets (Property, Plant and Equipment) have not been physically verified by the Management during the year but there is a phased manner programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Under the said programme, verification of property, plant and equipment was carried out in few stores/ branches by an independent expert agency and discrepancies on verification, if any, have been appropriately dealt with in the books of accounts.

(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 (excluding stocks with third parties) has been physically verified by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

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 Act, in respect of loans, investments, guarantees and security made.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and any other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and services tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and services tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows.

Name of the statute	Nature of dues	Amount (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961 (Income Tax Demands)	Income Tax	₹ 11	Assessment Year 2010-11	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961 (Income Tax Demands)	Income Tax	₹ 12	Assessment Year 2017-18	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961 (Income Tax Demands)	Income Tax	₹ 2	Assessment Year 2018-19	Assistant Commissioner of Income Tax - New Delhi
Central Excise Act, 1944 (Central Excise Duty)	Excise Duty	₹ 6	Financial Year 2016-17	Assistant Commissioner - Central Excise & Service Tax - Jaipur
Central Excise Act, 1944/ Finance Act, 1994 (Service Tax)	Excise Duty	₹ 7	Financial Year 2014-15 to 2017-18	Assistant Commissioner - Central Excise & Service Tax - Jaipur
West Bengal Value Added Tax Act, 2003 (Value Added Tax Demand)	Value Added Tax	₹ 2	Financial Year 2013-14	Commercial Tax Officer, West Bengal
West Bengal Value Added Tax Act, 2003 (Value Added Tax Demand)	Value Added Tax	₹ 4	Financial Year 2016-17	Commercial Tax Officer, West Bengal

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.

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





x. Based upon the audit procedures and according to the information and explanations given by the Management, we report that 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. Certain minor misappropriations/shop lifting do occur which are adequately covered by the fidelity insurance and appropriate actions are taken by the Management wherever necessary.

xi. According to the information and explanations given to us, since the Company is a Private Company, the provisions of Section 197 of the Act will not be applicable. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian accounting standards.

In our opinion and according to the information and explanation given to us, the Company being private limited Company Section 177 of the Act is not applicable to the Company. Accordingly, paragraph 3(xiii) of the Order to the extent it relates to Section 177 is not applicable.

xiv. According to the information and explanations given to us and based on 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, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For **A Puri & Associates**
Chartered Accountants
ICAI Firm Registration No.: 009203N

Jyoti Subarwal
Partner
Membership No.: 080654
UDIN: 21080654AAAAIF9853

Place: New Delhi
Date: August 27, 2021

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAACE7934

Place: Gurugram
Date: August 27, 2021

A Puri & Associates
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2H, Vandhna Building
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ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FABINDIA OVERSEAS PRIVATE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Fabindia Overseas Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone 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 (ICAI) (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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, 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 internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 Standalone Financial Statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone 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 Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2021, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **A Puri & Associates**
Chartered Accountants
ICAI Firm Registration No.: 009203N

Jyoti Subarwal
Partner
Membership No.: 080654
UDIN: 21080654AAAAIF9853

Place: New Delhi
Date: August 27, 2021

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No.: 105047W

Amit Mitra
Partner
Membership No.: 094518
UDIN: 21094518AAAACE7934

Place: Gurugram
Date: August 27, 2021

Fabindia Overseas Private Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3A	23,373	25,628
Capital work-in-progress	3A	3,013	2,908
Right-of-use assets	3B	44,542	52,782
Intangible assets	3C	258	363
Intangible assets under development	3C	19	19
Financial assets			
Investments	4	16,667	17,935
Loans	5	5,116	4,918
Other financial assets	6	2,929	2,958
Income tax assets (net)	7	1,766	2,308
Deferred tax assets (net)	8	8,081	4,330
Other non-current assets	9	1,074	33
TOTAL NON CURRENT ASSETS		1,06,838	1,14,182
CURRENT ASSETS			
Inventories	10	25,176	35,488
Financial assets			
Trade receivables	11	1,380	2,380
Cash and cash equivalents	12	2,728	15,895
Bank balances other than cash and cash equivalents	13	1,083	116
Loans	14	4,418	3,083
Other financial assets	15	362	372
Other current assets	16	2,681	2,075
TOTAL CURRENT ASSETS		37,828	59,409
TOTAL ASSETS		1,44,666	1,73,591
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	1,474	1,447
Other equity	18	62,093	71,537
TOTAL EQUITY		63,567	72,984
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
Borrowings	19	10,815	-
Other financial liabilities	20	41,988	47,166
Provisions	21	2,006	1,294
Other non-current liabilities	22	45	43
TOTAL NON-CURRENT LIABILITIES		54,854	48,503
CURRENT LIABILITIES			
Financial liabilities			
Borrowings	23	1,500	27,036
Trade payables	24		
total outstanding dues of micro enterprises and small enterprises		2,542	658
total outstanding dues of creditors other than micro enterprises and small enterprises		5,584	10,383
Other financial liabilities	25	13,488	11,703
Other current liabilities	26	2,483	1,642
Provisions	27	648	682
TOTAL CURRENT LIABILITIES		26,245	52,104
TOTAL EQUITY AND LIABILITIES		1,44,666	1,73,591
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the Standalone Financial Statements	1-49		

As per our report of even date.

For A Puri & Associates
Chartered Accountants
Firm Registration Number: 009203N

Jyoti Subarwal
Partner
Membership number: 080654
Place: New Delhi
Date: August 27, 2021

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership number: 093618
Place: Gurugram
Date: August 27, 2021

For and on Behalf of the Board Of Directors of
Fabindia Overseas Private Limited
CIN: U74899DL1976PTC008436

William Nanda Bissell
Executive Chairman and Director
DIN: 00012819
Place: New Delhi
Date: August 27, 2021

Viney Singh
Managing Director
DIN: 00932145
Place: New Delhi
Date: August 27, 2021

Monika Uppal Arora
Company Secretary

Membership number: A17485
Place: New Delhi
Date: August 27, 2021

Gopal Mishra
Chief Financial Officer and Chief Operating Officer

Place: New Delhi
Date: August 27, 2021

Fabindia Overseas Private Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2021
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME			
Revenue from operations	28	65,912	1,16,157
Other income	29	2,060	1,222
TOTAL INCOME		**67,972**	**1,17,379**
EXPENSES			
Cost of materials consumed	30	7,675	22,566
Cost of contract manufactured goods	31	12,716	29,328
Decrease/ (increase) in inventories of finished goods and stock-in-trade	32	6,581	(3,204)
Employee benefits expense	33	11,886	16,382
Finance costs	34	6,313	5,106
Depreciation and amortization expense	3A ,3B, 3C	15,188	14,100
Other expenses	35	22,152	22,099
TOTAL EXPENSES		**82,511**	**1,11,377**
(Loss)/ profit before exceptional items and tax		**(14,539)**	**6,002**
EXCEPTIONAL ITEMS			
Impairment loss in value of investment in wholly owned overseas subsidiary		-	(537)
(Loss)/ profit before tax		**(14,539)**	**6,539**
TAX EXPENSE:			
Current tax	36	-	(3,000)
Earlier years tax	36	(348)	-
Deferred tax assets created	36	3,748	1,830
(Loss)/ profit for the year		**(11,139)**	**5,369**
OTHER COMPREHENSIVE INCOME			
A. Items that will not be re-classified to statement of profit and loss			
Actuarial (loss)/ gain on defined benefit obligation		(13)	128
Income tax relating to items that will not be re-classified to statement of profit and loss		3	(32)
Other comprehensive income for the year		**(10)**	**96**
Total comprehensive (loss)/ income for the year		**(11,149)**	**5,465**
Earnings per equity share of [Nominal value: ₹10 each (March 31, 2020: ₹10 each)]	43		
Basic		(77)	37
Diluted		(77)	37
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the Standalone Financial Statements.	1-49		

As per our report of even date

For A Puri & Associates
Chartered Accountants
Firm Registration Number: 009203N

Jyoti Subarwal
Partner
Membership number: 080654

Place: New Delhi
Date: August 27, 2021

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership number: 094548

Place: Gurugram
Date: August 27, 2021

For and on Behalf of the Board Of Directors of
Fabindia Overseas Private Limited
CIN: U74899DL1976PTC008436

William Nanda Bissell
Executive Chairman and Director
DIN: 00012819

Place: New Delhi
Date: August 27, 2021

Viney Singh
Managing Director
DIN: 00932145

Place: New Delhi
Date: August 27, 2021

Monika Uppal Arora
Company Secretary

Membership number: A17485

Place: New Delhi
Date: August 27, 2021

Gopal Mishra
Chief Financial Officer and Chief Operating Officer

Place: New Delhi
Date: August 27, 2021

Fabindia Overseas Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2021
(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss)/ profit before tax and after exceptional items	(14,539)	6,539
Adjustments to reconcile (loss)/ profit before tax to net cash flows:		
Depreciation and amortization expense	15,189	14,100
Interest expense	2,002	889
Interest expense on lease liabilities	4,289	4,216
Interest income	(890)	(673)
Rental income	(23)	(24)
Employee stock options compensation expense	319	595
Dividend income from investment	-	(439)
Loss on property, plant and equipment sold/ discarded (net)	530	932
(Gain)/ loss on right-of-use assets (net)	(435)	527
Loss on fair value of investment in OCPS And OCCDS	2,917	1,263
(Gain) on sale of investment	(1)	-
Impairment loss in value of investment in wholly-owned subsidiary/ (written back)	-	(537)
Provision/ liability no longer required/ (written back) (refer note no. 30)	(1,010)	(170)
Provision for slow and non-moving inventory	3,088	-
Bad debts/ advances written off	84	81
Allowance for credit losses/ doubtful advances/ (written back)	93	(198)
Provision for asset retirement obligation/ (written back)	(45)	(70)
Provision for sales returns/ (written back)	(7)	8
Provision for gratuity and leave encashment/ (written back)	263	(47)
Depreciation credited (refer note no. 29)	(670)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	6,316	26,915
Adjustments for changes in working capital:		
Decrease/(increase) in trade receivables	981	(730)
Decrease/ (increase) in inventories	7,223	(2,444)
(Increase) in loans	(1,484)	(3,228)
(Increase) in other assets	(1,633)	(235)
(Decrease)/ increase in trade payables	(2,916)	2,292
(Decrease)/ increase in other financial liabilities	(49)	1,802
Increase in other liabilities	838	1,242
Increase in provisions	403	-
CASH GENERATED FROM OPERATIONS	9,679	25,614
Income tax paid (net of refund received)	194	(5,080)
NET CASH FROM OPERATING ACTIVITIES	9,873	20,534
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(1,585)	(5,959)
Proceeds from sale of property, plant and equipment and intangible assets	206	33
Proceeds from sale of non-current investments	2	0
Purchase of non-current investments	(1,650)	(1,746)
Investments in bank deposits (with original maturity over 3 months)	(957)	(9)
Principal receipts of lease rentals	72	221
Interest received on lease rentals	255	217
Interest received	277	63
Dividend received	-	439
NET CASH (USED IN) INVESTING ACTIVITIES	(3,380)	(6,741)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings (net)	50,414	21,040
Repayment of short-term borrowings (net)	(73,954)	-
Proceeds from long-term borrowings (net)	14,569	-
Repayment of long-term borrowings (net)	(262)	-
Proceeds from issue of shares (including share premium)	1,413	1275
Principal payment of lease liabilities	(3,659)	(7,555)
Interest paid on lease liabilities	(4,289)	(4,216)
Interest paid	(1,896)	(843)
Final dividend paid	-	(3,607)
Dividend distribution tax paid on final dividend	-	(742)
Interim dividend paid	-	(3,255)
Dividend distribution tax paid on interim dividend	-	(669)
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES	(17,664)	1,428
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(11,171)	15,221
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	13,899	(1,322)
CASH AND CASH EQUIVALENT AT YEAR END	2,728	13,899
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS	(11,171)	15,221

MSKA & ASSOCIATES Gurugram Chartered Accountants

A PURI & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

FABINDIA OVERSEAS PVT. LTD. New Delhi

Fabindia Overseas Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2021
(All amounts in ₹ lakhs, unless otherwise stated)

NOTES:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" set out in the Ind AS - 7 "Statements of Cash Flows".

2 Figures in bracket indicate cash outflow.

3 Previous year figures have been regrouped and recast wherever necessary to conform to current year's classification.

4 Cash and cash equivalents at the end of the year consist of cash on hand and balance with banks as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	160	76
Balance with banks		
- in current accounts	2,065	1,125
- in deposit with original maturities upto three months	503	14,694
Bank overdraft used for cash management purpose	-	(1,996)
Total cash and cash equivalents	2,728	13,899

Summary of significant accounting policies	2
The accompanying notes are an integral part of the Standalone Financial Statements.	1-49

As per our report of even date

For A Puri & Associates
Chartered Accountants
Firm Registration Number: 009203N

Jyoti Sukarnal
Partner
Membership number: 080654

Place: New Delhi
Date: August 27, 2021

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership number: 094618

Place: Gurugram
Date: August 27, 2021

For and on Behalf of the Board Of Directors of
Fabindia Overseas Private Limited
CIN: U74899DL1976PTC008436

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Executive Chairman and Director
DIN: 00012819

Place: New Delhi
Date: August 27, 2021

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Managing Director
DIN: 00932145

Place: New Delhi
Date: August 27, 2021

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Company Secretary

Membership number: A17485

Place: New Delhi
Date: August 27, 2021

Gopal Mishra
Chief Financial Officer and Chief Operating Officer

Place: New Delhi
Date: August 27, 2021

Fabindia Overseas Private Limited

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

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Note	Amount
Balance as at April 01, 2019	17	239
Changes in equity share capital during the year		1,208
Balance as at March 31, 2020		1,447
Changes in equity share capital during the year		27
Balance as at March 31, 2021		1,474

B. Other equity

Particulars	Reserves and surplus							Other comprehensive income		Total
	Capital reserve	General reserve	Securities premium	Export profits reserve	Capital redemption reserve	Stock option outstanding account	Retained earnings	Remeasurements of the net defined benefit plans (net of tax)	Other items of other comprehensive income	
Balance as at April 01, 2019	2	32,822	17,535	67	17	610	22,701	(71)	-	73,683
Profit for the year	-	-	-	-	-	-	5,369	-	-	5,369
Employee stock options compensation (refer note no. 46(b))	-	-	-	-	-	595	-	-	-	595
Premium recognized on shares issued under employee stock option plan (refer note no. 46(b))	-	-	482	-	-	(482)	-	-	-	-
Premium received on shares issued under private placement/ preferential allotment	-	-	1,273	-	-	-	-	-	-	1,273
Transfer to general reserve for stock options lapsed under employee stock option plan	-	128	-	-	-	(128)	-	-	-	-
Transfer from retained earnings to general reserve	-	449	-	-	-	-	(449)	-	-	-
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	96	-	96
Final dividend paid for financial year 2018-19 (including dividend distribution tax)	-	-	-	-	-	-	(4,349)	-	-	(4,349)
Interim dividend paid during the year (including dividend distribution tax)	-	-	-	-	-	-	(3,924)	-	-	(3,924)
Bonus issue of equity shares (refer note no. 17 (c))	-	(1,189)	-	-	(17)	-	-	-	-	(1,206)
Balance as at March 31, 2020	2	32,210	19,290	67	-	595	19,348	25	-	71,537
(Loss) for the year	-	-	-	-	-	-	(11,139)	-	-	(11,139)
Employee stock options compensation (refer note no. 46(b))	-	-	-	-	-	319	-	-	-	319
Premium recognized on shares issued under employee stock option plan (refer note no. 46(b))	-	-	914	-	-	(914)	-	-	-	-
Premium recognized on shares issued under Fabindia Overseas Private Limited employee share purchase scheme (ESPS) 2021 (refer note no. 46(a))	-	-	1,386	-	-	-	-	-	-	1,386
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(10)	-	(10)
Balance as at March 31, 2021	2	32,210	21,590	67	-	-	8,209	15	-	62,093

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Standalone Financial Statements. 1-49

As per our report of even date

For A Puri & Associates
Chartered Accountants
Firm Registration Number: 009203N

Jyoti Subarwal
Partner
Membership number: 080654
Place: New Delhi
Date: August 27, 2021

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DIN: 00932145
Place: New Delhi
Date: August 27, 2021

Monika Uppal Arora
Company Secretary

Membership number: A17485
Place: New Delhi
Date: August 27, 2021

Gopal Mishra
Chief Financial Officer and Chief Operating Officer

Place: New Delhi
Date: August 27, 2021

1. General information

Fabindia Overseas Private Limited ("the Company") is domiciled in India, with its registered office situated at 14-N Block Market, Greater Kailash, New Delhi, India -110048. The Company was incorporated in year 1976 under the provisions of the Companies Act, 1956, then applicable in India.

The Company is engaged in the business of designing, contract manufacturing and sale by way of retailing of crafts and fabrics, garments and accessories, home furnishings, furniture, organic food, handicraft/ imitation jewellery, leather items, body care products and other similar products through its stores and e-commerce sites. During the previous year, the Company had shifted from trading to solely contract manufacturing of finished goods.

The Department of Economic Affairs, Ministry of Finance had issued the Foreign Exchange Management (Non-Debt Instruments) (Amendment) Rules, 2019 on December 05, 2019 where under FDI up to 100% had been allowed in contract manufacturing activity under the automatic route. Manufacturing activities may be either self-manufacturing by the investee entity or contract manufacturing in India through a legally tenable contract, whether on principal to principal or principal to agent basis. Prior to the introduction of the said rules, there was no separate provision related to FDI in contract manufacturing under the consolidated FDI policy. With the introduction of these rules, the Company's current activities are fully covered within the ambit of contract manufacturing for which FDI up to 100% is permissible under the automatic route. Accordingly, for the Company the main business activity code as per National Industrial Classification 2008 had been changed to 1401 - Manufacturing of all types of textile garments and clothing accessories.

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

The Standalone Financial Statements of the Company for the year ended March 31, 2021 were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on August 27, 2021.

2. Significant Accounting Policies

Significant accounting policies adopted by the Company are as under:

a) Basis of preparation of Standalone Financial Statements and Statement of Compliance

These Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, and presentation requirements of Division II of Schedule III to the Act.

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit pension plans - plan assets measured at fair value
- Contingent consideration
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standards is initially adopted or a revision to an existing Indian Accounting Standards requires a change in the accounting policy hitherto in use.

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All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest "Lakhs", unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these Standalone Financial Statements.

b) **Significant accounting estimations, judgements and assumptions**

The preparation of Standalone Financial Statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the significant effect on the amount recognized in the Standalone Financial Statements and/ or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Employee benefits:
Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets, etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in note no. 41.

(ii) Income tax:
Tax expense is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. In arriving at taxable profit and tax bases of assets and liabilities the Company adjudges taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

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

(iii) Assets Retirement Obligation (ARO):
The liability for assets retirement obligation are recognized when the Company has obligation to perform store/ shop restoration activity. The recognition and measurement of ARO provisions involves the use of estimates and assumptions which includes the timing of handing over the licensed premises which would depend upon the lease period, the carpet area and pre-tax rate applied for discounting.

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

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

(vi) Right-of-use assets and lease liability:
The Company has exercised judgement in determining the lease term as the non-cancelable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

(vii) Provisions:
Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. In response, the Indian government have taken various actions and ensured many precautionary measures which posed significant disruption to business operations and adversely impacting most of the industries which has resulted in global slowdown.

The full extent and duration of the impact of COVID-19 on the Company's operations and financial performance is currently unknown, and depends on future developments that are uncertain and unpredictable, including the duration and spread of the pandemic and any new information that may emerge concerning the severity of the virus, its spread to other regions and the actions to contain the virus or treat its impact, among others.

c) **Current vs non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period,

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- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

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

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

d) Property, plant and equipment

(i) Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of all cost of purchase, construction and expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the Standalone Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred.

(ii) Depreciation is recognized on a straight-line basis except in case of buildings where written down value method is used, over the useful life as specified under Schedule II of the Act, and given below:

Particulars	Useful Life
Building	60 Years
Leasehold improvement	Over the period of lease
Furniture & fixtures	10 Years
Office equipments	5 Years
Electrical installation and equipments (including air conditioner and cooling equipments)	10 Years
Vehicle	8 Years
Computers	3 Years
Servers	6 Years

(iii) The residual value of all depreciable assets, being negligible, except in case of building, is estimated at Nil. The residual value of building is considered at 5% of cost.

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FABINDIA OVERSEAS PVT. LTD. New Delhi

(iv) Leasehold land is acquired under finance lease from Delhi Development Authority for perpetuity and has been reclassified as right-of-use assets as per Ind AS 116 "Leases". The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

(v) Cost of property, plant and equipment not ready for intended use on the date of balance sheet are disclosed as "capital work-in-progress".

(vi) The present value of the expected cost for the de-commissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to significant accounting judgements, estimates and assumptions and provisions for further information about the recorded asset retirement obligation.

e) Intangible assets

(i) Intangible assets are recognized if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably.

(ii) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses (if any).

(iii) Intangible assets with finite lives are amortized over the useful economic life on a straight-line basis, from the date that they are available for use and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization methods and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

(iv) Amortization is calculated using straight line method to allocate cost over the useful economic life of the assets mentioned below:

Particulars	Useful life
Computer software	5 Years
Brand name/ trade marks	10 Years (i.e. from the date of application for registration of brand name as specified on the registration certificate)

f) Impairment of non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.







The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

g) Financial instruments

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

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through profit or loss

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Financial assets at amortized cost (debt instruments)

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. The Company's financial assets at amortized cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

Derecognition

A financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Investment in Subsidiaries and Associates

The Company has elected to account for its equity investments in subsidiaries and associates under Ind AS 27 on Separate Financial Statements, at cost. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

Other investments

All other investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

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Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:
- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities at amortized cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer note no. 19.

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Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 Financial Instruments and the amount recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 Revenue from Contracts with Customers.

(iii) Treasury Shares

The Company has created an Fabindia Overseas Private Limited Employees Benefit Trust ("Trust") for the administration of providing share-based payment to the eligible employees, and thus the Trust has been treated as its extension(branch) and accordingly, all the assets and liabilities of the Trust are accounted as assets and liability of the Company after eliminating the treasury shares of the Company held by the Trust on the basis that the Trust is merely acting as an agent of the Company.

Own equity instruments that are re-acquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if re-issued, is recognized in general reserve. Share options exercised during the year are satisfied with treasury shares.

Derecognition

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

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iv) Offsetting of financial instruments

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

h) Inventories

Inventories (including stock-in-transit) are stated at lower of cost and net realizable value. The cost is determined on 'Weighted Average' method. The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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No valuation is done for damaged stock since its realizable value, if any, is negligible.

An inventory provision is recognized for cases where the realizable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with obsolete/ slow-moving inventory items.

i) Foreign currencies transactions and translations

The functional currency of the Company is the Indian Rupee. These Standalone Financial Statements are presented in Indian Rupee.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains and losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

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

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

j) Revenue recognition

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

(i) **Sales of goods:**
Revenue from sale of goods is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The Company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(ii) **Loyalty points programme:**
The Company has a loyalty points programme, "Fabfamily", which allows customers to accumulate points that can be redeemed for future purchase or any other experience as specified under the loyalty points programme policy. The loyalty points will have a validity of 36 months from the time of earning. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative standalone selling price and recognized as a contract liability until the points are redeemed.

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Presently, in the absence of historical trend/ experience of 36 months, the Company on conservative basis provides for 100% in respect of the accumulated loyalty points as on March 31, 2021. In future, post 36 months experience the provisioning to be considered would be based on the actual trend and industry standards.

(iii) Consultancy, receipts from projects, fee for international franchising and support services fees, as disclosed under miscellaneous income, are based on services provided and invoices raised during the year.

(iv) Business support service fee is accounted for on accrual basis.

(v) Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

(vi) Insurance claims/ government claims, as disclosed under miscellaneous income, are accounted for as and when processed and accepted by the insurance companies/ government authorities.

(vii) Dividend income from investments is recognized when the Company's right to receive payment is established.

(viii) Interest income is accounted for by using effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial assets. When calculating the EIR, the Company estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

k) Government grants

Grants received from Government are recognized when there is a reasonable assurance that the grant will be received upon by the Group complying with the conditions attached to the grant.

Accordingly, government grants:
a) related to or used for assets, are deducted from the carrying amount of the asset.
b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
c) by way of financial assistance on the basis of certain qualifying criteria are recognized as they become receivable.

In the unlikely event that a grant previously recognized is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognized is expensed in the Statement of Profit and Loss except in case of grant related to assets shall be recognized by increasing the carrying amount of the asset and cumulative depreciation that should have been recognized in Statement of Profit and Loss to date in the absence of grant shall be recognized immediately.

Export benefits arising from duty entitlement passbook (DEPB scheme) and duty drawback scheme are recognized as and when the same are processed and admitted by the concerned authorities and are received during the year.

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l) Employee benefits

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

(ii) Post-employment benefits

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.
The Company makes specified monthly contribution towards Provident Fund. 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.

Defined Benefit Plan
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.
All employees are covered under Employees' Gratuity Scheme which is a defined benefit plan. The Company contributes to an approved Employees' Gratuity Fund maintained on behalf of the Company which is subsequently paid by the fund to the Future Generali India Life Insurance Company Limited as per actuarial valuation. The shortfall in payment, if any, from actuarial valuation is provided for in the accounts.

The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability/ (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability/ (asset) is recognized in the balance sheet.

Defined benefit costs are recognized as follows:
a) Service cost in the Statement of Profit and Loss
b) Net interest on the net defined benefit liability/ (asset) in the Statement of Profit and Loss
c) Remeasurement of the net defined benefit liability/ (asset) in Other Comprehensive Income

Compensated leave of absence
Accrual for leave encashment benefit is based on actuarial valuation as on the date of balance sheet in pursuance of the Company's leave rules. The Company contributes to the Future Generali India Life Insurance Company Limited as per actuarial valuation. The shortfall in payment, if any, from actuarial valuation is provided for in the accounts.

m) Share-based payments

i. Fabindia Overseas Private Limited Employee Stock Option Plan (ESOP) 2016:

Equity-settled share-based payments to eligible employees are measured at the fair value of the equity instruments at the grant date in accordance with Ind AS 102, "Share-Based Payment". The details regarding determination of the fair value of equity-settled share-based payments transactions are set out in note no. 46(b).

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The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Option Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

ii. Fabindia Overseas Private Limited Employee Share Purchase Scheme 2021 (FOPL ESPS):

These are in the nature of employee benefit wherein the select employees shall be allowed to purchase the Company's equity shares at the fair value on the grant cum allotment date on an upfront basis subject to certain performance conditions to be fulfilled by the said employees subsequent to the share(s) purchased. These are recognized at fair value of shares granted and allotted as employee benefit expense over the period of employee serving relevant period. The details regarding determination of the fair value of equity-settled share-based payments transactions are set out in note no. 46(a).

n) **Tax expenses**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more uncertain tax treatments and uses the approach that better predicts the resolution of uncertainty, the Company has considered, for example;

(a) How it prepares its income tax filings and supports tax treatments; or
(b) How the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities.

Deferred tax
Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Standalone Financial Statements except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

o) **Earnings per equity share**

Basic earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders of the Company as adjusted by the after tax amount of dividends and interest recognized in the period in respect of dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

p) **Leases**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 "Leases" which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 "Leases" sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. Ind AS 116 "Leases" introduces a single lease accounting model for lessee and requires the lessee to recognize right-of-use-assets (ROU assets) and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature.

Company as a lessee

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the Modified Retrospective Approach under which the Lease liabilities are recognized based on incremental borrowing rate on the initial application date i.e. April 01, 2019 and same amount is recognized for ROU assets. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company has applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

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The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest on the lease liability and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statement of profit or loss.

The ROU asset is initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. The ROU asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of the ROU asset. The estimated useful lives of the ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all sub-lease contracts existing on April 1, 2019 using the modified retrospective approach under which the Lease receivables are recognized based on incremental borrowing rate on the initial application date i.e. April 01, 2019 and ROU assets created on the original lease are derecognized proportionately on the carpet area basis. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

For transition, the Company has elected to apply the requirements of Ind AS 116 Leases to sub-leases covering the substantial period of the original lease term and considered as finance lease. The Company has elected not to apply the requirements of Ind AS 116 "Leases" to short-term sub-leases of all assets that have a lease term of 12 months or less and sub leases for which the underlying asset is of low value.

As on the date of sub-lease, any difference between the Lease Receivable recognized and ROU assets eliminated shall be charged/ credited to statement of profit and loss respectively. Depreciation charged on the ROU assets created on original lease shall be reduced to the extent of ROU assets eliminated due to sub lease of the original lease. The lease receipts are discounted using the incremental borrowing rate. After the commencement date, the amount of lease receivables is increased to reflect the accretion of interest on the lease receivable and reduced for the lease receipts made.

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q) Provisions and contingent liabilities

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Sales returns provision
The Company developed a statistical model for forecasting sales returns. The model used the historical return data to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

Assets retirement obligation liability (ARO)
The Company records a provision for assets retirement obligation costs towards store/ shop restoration activity. ARO costs are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfill ARO and are recognized as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

Gift voucher provision
The liability for gift vouchers represents the value of outstanding gift vouchers not yet redeemed.

Contingent liabilities

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

r) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, cheques on hand, cash in transit, balance with banks in current accounts, balance in deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under short-term borrowings in the Balance Sheet.

s) **Dividend distribution**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

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t) Fair value measurement

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 must be 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 economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statements are categorized 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 (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

u) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

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3. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

MCA issued a notification dated March 24, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its Standalone Financial Statements. These amendments are applicable to the Company for the financial year starting April 01, 2021.

On June 18, 2021, the Ministry of Corporate Affairs (MCA) has also notified new Company (Indian Accounting Standards) Amendment Rules, 2021 and carried out amendments to the following Indian Accounting Standards.

a. Ind AS 116 "Leases" - 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 April 01, 2020. In case, a lessee has not yet approved the Standalone 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 April 01, 2019. The Company has opted the practical expedient.

b. Ind AS 109 Financial Instruments - The amendment provides a practical expedient for assessment of contractual cash flow test, which is one of the criteria for being eligible to measure a financial asset at amortized cost, for the changes in the financial assets that may arise as a result of interest rate benchmark reform along. An additional temporary exception from applying hedge accounting is also added for interest rate benchmark reform.

c. Ind AS 102 Share Based Payment - The amendments to this standard are made in reference to the Conceptual Framework of Financial Reporting under Ind AS in terms of defining the term 'Equity Instrument' which shall be applicable for the annual reporting periods beginning on or after April 01, 2021.

d. Ind AS 107 Financial Instruments: Recognition, presentation and disclosure - The amendment clarifies the certain additional disclosures to be made on account of Interest Rate Benchmark Reform like (i) the nature and extent of risks to which the entity is exposed arising from financial instruments subject to interest rate benchmark reform, (ii) the entity's progress in completing the transition to alternative benchmark rates, and how the entity is managing the transition.

Application of above standards are not expected to have any significant impact on the Company's Standalone Financial Statements. However, the Company has adopted the changes to Ind AS 116 as above for the year ended March 31, 2021 as notified.

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3A. Property, plant and equipment and capital work-in-progress

Particulars	Freehold land	Leasehold land	Building	Leasehold improvements	Furniture and fixtures	Office equipments	Air conditioner and cooling equipments	Electrical installation and equipments	Vehicles	Computers	Total tangible assets
Gross carrying value											
As at April 01, 2019	1,085	1,521	10,588	5,823	9,036	1,859	1,742	4,404	33	1,814	37,905
Reclassified on account of adoption of Ind AS 116 "Leases"	-	(1,521)	-	-	-	-	-	-	-	-	(1,521)
Add: additions made during the year	-	-	19	2,651	2,342	370	510	1,095	-	269	7,256
Less: disposals/ adjustments during the year	-	-	-	852	836	58	153	330	4	40	2,273
As at March 31, 2020	1,085	-	10,607	7,622	10,542	2,171	2,099	5,169	29	2,043	41,367
Add: Additions made during the year	-	-	8	411	462	191	88	263	-	96	1,519
Less: disposals/ adjustments during the year*	(2,766)	-	2,766	647	645	94	166	405	-	177	2,134
As at March 31, 2021	3,851	-	7,849	7,386	10,359	2,268	2,021	5,027	29	1,962	40,752
Accumulated depreciation											
As at April 01, 2019	-	60	2,665	2,877	3,205	1,154	686	1,662	31	1,438	13,778
Reclassified on account of adoption of Ind AS 116 "Leases"	-	(60)	-	-	-	-	-	-	-	-	(60)
Add: depreciation charge for the year	-	-	569	666	926	290	188	459	-	231	3,329
Less: disposals/ adjustments during the year	-	-	-	590	390	51	73	163	2	39	1,308
As at March 31, 2020	-	-	3,234	2,953	3,741	1,393	801	1,958	29	1,630	15,739
Add: depreciation charge for the year	-	-	184	1,343	1,003	301	194	490	-	196	3,711
Less: disposals/ adjustments during the year*	-	-	670	390	380	87	118	249	-	177	2,071
As at March 31, 2021	-	-	2,748	3,906	4,364	1,607	877	2,199	29	1,649	17,379
Net carrying value											
As at March 31, 2021	3,851	-	5,101	3,480	5,995	661	1,144	2,828	-	313	23,373
As at March 31, 2020	1,085	-	7,373	4,669	6,801	778	1,298	3,211	-	413	25,628

Notes:

1. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment as per the details given below:

Particulars	Freehold land	Leasehold land	Building	Leasehold improvements	Furniture and fixtures	Office equipments	Air conditioner and cooling equipments	Electrical installation and equipments	Vehicles	Computers	Total tangible assets
Gross carrying value	1,085	1,521	10,473	4,324	6,105	1,096	1,339	3,258	38	1,366	30,605
Accumulated depreciation	-	-	956	2,068	1,997	612	499	1,005	30	1,113	8,280
Net carrying value	1,085	1,521	9,517	2,256	4,108	484	840	2,253	8	253	22,325

2. Capital work-in-progress includes:

Particulars	As at March 31, 2021	As at March 31, 2020
As at the beginning of the year	2,908	4,029
Add: additions made during the year	200	672
Less: disposals/ adjustments during the year	95	1,793
As at the end of the year	3,013	2,908

3. Capital work-in-progress includes a property owned by the Company located in a Society registered in terms of the provisions of Maharashtra Co-operative Societies Act, 1960, being a member of the said society. The said property had been vacated by the Company and handed over to developer as per the redevelopment agreement entered into. In terms of the said redevelopment agreement, the developer shall hand over the reconstructed premises, i.e., the Residential Apartments/ commercial Units, to the respective existing members (including Company) and the Society, within a certain agreed period of time. Further, in terms of the said redevelopment agreement, the Company had received a lump-sum upright fee towards development right of ₹ 77.86 lakhs and entitlement to receive a monthly compensation for arranging alternate accommodation w.e.f. August 01, 2014 till the handover of reconstructed premises. The written down value as on July 31, 2014 amounting to ₹ 133 Lakhs was transferred from Building to Capital-work-progress. Further, on the date of transition to Ind AS, the Company, based on the report by a Certified Valuer, had revalued the said property by adopting appropriate method, on April 01, 2016 at ₹ 2,812 Lakhs. The same had resulted in an increase in the value of Capital work-in-progress of an amount of ₹ 2,679 Lakhs , an equivalent amount had been credited to the Retained Earnings. Basis evaluation of current market price of similar property in the same locality no impairment/ write down is expected.

*The Company previously presented Land & Building as a single line item under the line item "Building". As land and building are two separately identifiable assets, on April 01, 2020, the Company presented the gross block and accumulated depreciation of Land separately from Building with net impact taken to other miscellaneous income under other income in the Statement of Profit and Loss.

3B. Right-of-use Asset

Particulars	Leasehold land	Leasehold stores	Total right-of-use assets
Gross carrying value			
As at April 01, 2019	-	-	-
Reclassified on account of adoption of Ind AS 116 "Leases"	1,461	-	1,461
Addition on account of transition to Ind AS 116 - April 01, 2019	-	25,519	25,519
Add: additions made during the year	-	36,438	36,438
Less: disposals/ adjustments during the year	-	-	-
As at March 31, 2020	1,461	61,957	63,418
Add: additions made during the year	-	7,180	7,180
Less: disposals/ adjustments during the year	-	7,692	7,692
As at March 31, 2021	1,461	61,445	62,906
Accumulated depreciation			
As at April 01, 2019	-	-	-
Add: depreciation charge for the year	20	10,616	10,636
Less: disposals/ adjustments during the year	-	-	-
As at March 31, 2020	20	10,616	10,636
Add: depreciation charge for the year	20	11,328	11,348
Less: disposals/ adjustments during the year	-	3,620	3,620
As at March 31, 2021	40	18,324	18,364
Net carrying value			
As at March 31, 2021	1,421	43,121	44,542
As at March 31, 2020	1,441	51,341	52,782

Notes:

1. The leasehold land represents the land taken under finance lease from Delhi Development Authority on July 07, 1992 for a period of 99 years. Revalued amount of leasehold land had been taken as deemed cost as on April 01, 2016. The same is being depreciated over the balance period of life with effect from April 01, 2016.

2. Leasehold Stores represent properties taken on lease for offices, retail outlets and warehouses accounted for in accordance with the principles of Ind AS 116 'Leases'

3. Ind AS 116 Leases:

(i) The Company's lease asset primarily consist of leases for land and buildings for retail outlets, offices and warehouses having the different lease terms. Effective April 01, 2019, the Company had adopted Ind AS 116 Leases and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the Company recorded lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and had measured right-of-use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised. This had resulted in recognising right of use assets of ₹ 25,519 lakhs and lease liability of ₹ 24,223 lakhs as on transition date i.e. April 01, 2019.

(ii) Similarly, effective April 01, 2019, the Company had adopted Ind AS 116 Leases and applied the standard to its sub leases, which were considered as finance lease, using Modified Retrospective Approach under which the lease receivables were recognized based on incremental borrowing rate on the initial application date i.e. April 01, 2019 and right-of-use assets created on original lease were reversed proportionately on the carpet area basis and the difference between the lease receivable created and right-of-use assets reversed was recognised as loss on sale of right-of-use assets in the statement of profit and loss. This had resulted in derecognition of right of use assets and recognition of lease receivables of ₹ 2,666 Lakhs as on transition date i.e. April 01, 2019.

(iii) The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment.

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and for leases with variable rentals.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(d) Applied the practical expedient by not reassessing whether a contract is or contains, a lease at the date of initial application. Instead applied the standard only to contracts that were previously identified as leases under Ind AS 17.

(e) Applied the practical expedient by considering the sub lease which covers the substantial period of time of original lease term as finance leases.

(f) Applied the practical expedient by not considering rent concessions occurring as a direct consequence of the COVID-19 pandemic that meets the conditions in paragraph 46B of Ind AS - 116 Leases as lease modifications. The amount of ₹ 5,282 lakhs (net of rent concessions given for sub lease) (March 31, 2020: ₹ 30 lakhs) has been recognised in the Statement of Profit and Loss to reflect the change is lease payments for the reporting period that arise for the said rent concessions.

(g) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

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3B. Right-of-use Asset

(iv) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021 and March 31, 2020:

Particulars	Amount
Transition impact on account of adoption of Ind AS 116 "Leases"	24,223
Additions during the year	39,756
Finance cost accrued during the year	4,216
Deletions	-
Payment of lease liabilities	(11,772)
Balance as at March 31, 2020	**36,423**
Additions during the year	7,685
Finance cost accrued during the year	4,289
Deletions	(4,851)
Reversal of lease liabilities (on account of rent concessions due to COVID-19)	(5,572)
Payment of lease liabilities	(7,948)
Balance as at March 31, 2021	**30,026**

(v) The following is the carrying value of lease receivables on the date of transition and movement thereof during the year ended March 31, 2021 and March 31, 2020:

Particulars	Amount
Transition impact on account of adoption of Ind AS 116 "Leases"	2,666
Additions during the year	1,382
Interest income accrued during the year	217
(Loss) on right-of-use assets (net)	(527)
Receipts of lease rentals	(438)
Balance as at March 31, 2020	**3,300**
Additions during the year	779
Interest income accrued during the year	255
Gain on right-of-use Assets (net)	45
Deletions	(500)
Reversal of lease receivables on sub-leases (on account of rent concessions due to COVID-19)	(290)
Receipts of lease rentals	(327)
Balance as at March 31, 2021	**3,262**

(vi) The adoption of Ind AS 116 Leases during the financial year 2019-20 had resulted in decrease in profit before tax by ₹ 3,790 Lakhs (increase in depreciation expense (net of reversal on account of sub- eases) by ₹ 10,676 Lakhs and increase in interest expense by ₹ 4,216 Lakhs respectively with corresponding decrease in other expense by ₹ 11,042 Lakhs). Ind AS 116 Leases had also resulted in an increase in cash inflows from operating activities by ₹ 11,233 Lakhs, an increase in cash outflows from financing activities on account of lease payments by ₹ 11,771 Lakhs and an increase in cash inflows from investing activities on account of lease receipts by ₹ 438 Lakhs. Total deferred tax expense and deferred tax liabilities were decreased by ₹ 954 Lakhs.

(vii) The weighted average incremental borrowing rate applied to lease liabilities is 8.0% p.a.

(viii) Rental expense recognised under note no. 35 is as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term leases	625	2,113
Leases with variable rent	311	508

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

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3C. Intangible assets and intangible assets under development

Particulars	Computer software	Brand name/ trade marks	Total intangible assets	Development of modules for business operation softwares	Expenses of application for registrations of brand name/ trademarks	Total intangible assets under development
Gross carrying value						
As at April 01, 2019	2,917	553	3,470	9	18	27
Add: additions made during the year	84	1	85	9	1	10
Less: disposals/ adjustments during the year	6	-	6	18	-	18
As at March 31, 2020	2,995	554	3,549	-	19	19
Add: additions made during the year	26	-	26	-	-	-
Less: disposals/ adjustments during the year	18	-	18	-	-	-
As at March 31, 2021	3,003	554	3,557	-	19	19
Accumulated amortization						
As at April 01, 2019	2,517	540	3,057	-	-	-
Add: amortization expense for the year	130	5	135	-	-	-
Less: disposals/ adjustments during the year	6	-	6	-	-	-
As at March 31, 2020	2,641	545	3,186	-	-	-
Add: amortization expense for the year	127	2	129	-	-	-
Less: disposals/ adjustments during the year	16	-	16	-	-	-
As at March 31, 2021	2,752	547	3,299	-	-	-
Net carrying value						
As at March 31, 2021	251	7	258	-	19	19
As at March 31, 2020	354	9	363	-	19	19

Notes:

1. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets as per the details given below:

Particulars	Computer software	Brand name/ trade marks	Total intangible assets
Gross carrying value	2,482	546	3,028
Accumulated amortization	1,669	524	2,193
Net carrying value	813	22	835

4 Non-current investments	As at March 31, 2021	As at March 31, 2020
Investments measured at cost (except otherwise stated)		
Investment in equity instruments (Fully Paid Up)		
Unquoted		
Investment in Overseas Wholly-Owned Subsidiary		
2,91,43,275 Ordinary Shares (March 31, 2020: 2,91,43,275) of no par value of Fabindia International Pte. Limited, Singapore	17,964	17,964
Investment in Subsidiaries		
42,503,469 Equity Shares (March 31, 2020: 42,503,469) of ₹ 10/- each of Organic India Private Limited	13,945	13,945
7,00,000 Equity Shares (March 31, 2020: 7,00,000) of ₹ 10/- each of Fabcafe Foods Private Limited #	265	265
5,00,100 Equity Shares (March 31, 2020: Nil) of ₹ 10/- each of Biome Life Sciences India Private Limited	50	-
Investment in Associate Companies		
2,01,135 Equity Shares (March 31, 2020: 2,04,500) of ₹ 10/- each of Rangsutra Crafts India Limited	68	69
20,130 Equity Shares (March 31, 2020: 20,130) of ₹ 100/- each of Orissa Artisans and Weavers Limited	20	20
Total investments measured at cost	32,312	32,263
Investments measured at fair value through profit or loss		
Investment in equity instruments (fully paid up)		
Unquoted		
2,500 Shares (March 31, 2020: 2,500) of ₹ 10/- each of the Saraswat Cooperative Bank Ltd.	0	0
20 Shares (March 31, 2020: 20) of ₹ 50/- each of the Noble House Co-operative Housing Society Limited	0	0
15 Shares (March 31, 2020: 15) of ₹ 50/- each of the Pali Hill Navroze Co-operative Society Limited	0	0
	-	-
Investment in preference shares (fully paid up)		
Unquoted		
Investment in Subsidiary		
45,30,000 9% Optionally Convertible Preference Shares (Cumulative) (March 31, 2020: 29,30,000) of ₹ 100/- each of Fabcafe Foods Private Limited ^	1,410	2,292
	1,410	2,292
Investment in debentures		
Unquoted		
Investment in others		
4,50,000 9% Optionally Cumulative Convertible Debentures (OCCD) (March 31, 2020: 4,50,000) of ₹ 100/- each of Tugbug Creative Private Limited ^^	-	435
	-	435
Total investments measured at fair value through profit or loss	1,410	2,727
Less: impairment in value of investments in wholly owned subsidiary	(17,055)	(17,055)
Total non-current investments	16,667	17,935
Aggregate amount of unquoted investments	33,722	34,990
Aggregate amount of impairment in the value of investments	17,055	17,055

Particulars	As at March 31, 2021	As at March 31, 2020
Category-wise non-current investments (excluding impairment)		
Financial assets measured at cost	32,312	32,263
Financial assets measured at fair value through profit or loss	1,410	2,727
Total non-current investment	33,722	34,990

Includes ₹ 195 Lakhs as premium on financial guarantee provided (refer note no. 20). The premium value is based on the valuation report issued by an independent valuer.

^ 9% Optionally Convertible Preference Shares (Cumulative) (OCPs) of ₹ 100/- each shall be convertible at par into Equity Shares on the basis of 10 Equity Shares for 1 OCP at the expiry of 84 months from the date of receipt of the respective Investment tranches as stipulated in the agreement between the parties to the extent not redeemed at par in one or more tranches of 50,000 OCPs before that date. The above fair valuation is based on the valuation report of an independent valuer. During the current year, fair value loss amounting to ₹ 2,481 lakhs (March 31, 2020: 1,224 lakhs) has been recognized in the Statement of Profit and Loss on account of fair valuation as per Ind AS 109 - "Financial instruments".

^^ 9% Optionally Cumulative Convertible Debentures (OCCD) of ₹ 100/- each shall be convertible at par into Equity Shares upon completion of period of 3 years from the date of receipt of the respective Investment Tranche as per the terms and conditions specified in Debenture Subscription Agreement. The redemption of OCCD must be effective in tranches of 25,000 OCCD or of a value of ₹ 25,00,000 in one single transaction. The OCCD carries simple interest @ 9% p.a. payable on completion of the Tenure and the start date for accrual of interest is 30 days from the date of receipt of each tranche. The above fair valuation is based on the valuation report of an independent valuer. During the current year, fair value loss amounting to ₹ 435 lakhs (March 31, 2020: 38 lakhs) has been recognized in the Statement of Profit and Loss on account of fair valuation as per Ind AS 109 - "Financial instruments".

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5 Non-current loans

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Carried at amortized cost		
Security deposits	4,677	4,918
Loan to employees	439	-
	5,116	4,918

6 Other non-current financial assets

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Deposits with original maturity of more than twelve months *	29	30
Lease receivables	2,900	2,928
	2,929	2,958
* Under lien against bank guarantees	29	30

7 Income tax assets (net)

	As at March 31, 2021	As at March 31, 2020
Balance at the beginning	2,308	228
Less: Current tax payable for the year	-	(3,000)
Add: taxes paid (net of refund received)	(194)	5,080
Add: earlier years taxes	(348)	-
Advance income tax (net of provision of tax)	1,766	2,308

8 Deferred tax assets (net)

	Increase/ (decrease)	As at March 31, 2021	As at March 31, 2020
The balance comprises temporary differences attributable to:			
Deferred tax assets			
Provision for employee benefits	38	139	101
Provision for doubtful debts/ advances	23	80	57
Lease liabilities	(1,610)	12,590	14,200
Impairment loss in value of investment	-	3,973	3,973
Provision for slow and non-moving inventory	777	777	-
Carried forward business losses and depreciation	1,156	1,156	-
Other timing differences	1,019	1,769	750
Deferred tax liabilities			
Property, plant and equipment, ROU and intangible assets	2,339	(11,582)	(13,921)
Lease receivables	9	(821)	(830)
	3,751	8,081	4,330

9 Other non-current assets

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Lease equalisation asset	29	17
ESPS deferred payments (refer note no. 46(a))	1,028	-
Other prepaid expenses	17	16
	1,074	33

10 Inventories

	As at March 31, 2021	As at March 31, 2020
Raw materials (at cost)	5,578	6,221
Finished goods (at lower of cost or net realisable value)		
Manufactured *	20,833	26,759
Stock-in-transit		
Finished goods - manufactured (at lower of cost or net realisable value)	1,853	2,508
Less: provision for slow and non-moving inventory	(3,088)	-
	25,176	35,488

* During the previous year, the Company had shifted solely to Contract Manufacturing from Trading (refer note no. 1).

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11 Trade receivables

	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered good	1,380	2,380
Having significant increase in credit risk	18	-
	1,398	2,380
Less: allowance for credit losses	(18)	-
	1,380	2,380
Includes due from related parties (refer note no. 40):		
Weavers India General Trading LLC, Dubai, an Associate Company	24	21
Indigo Origins Pte. Limited, Singapore, an Overseas Wholly-Owned Subsidiary Company	30	77
Fabcafe Foods Private Limited, a Subsidiary Company	-	50
Total trade receivables from related parties	54	148
Less: allowance for credit losses	-	-
Net trade receivables from related parties	54	148

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment. An allowance for credit losses as on March 31, 2021 of ₹ 18 lakhs (March 31, 2020: ₹ Nil) has been recorded.

12 Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
in current accounts	2,065	1,125
In deposits with original maturity upto three months *	503	14,694
Cash on hand	160	76
	2,728	15,895
* under lien against bank guarantees	503	-

13 Bank balances other than cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Deposits with original maturity of more than three months but less than twelve months *	1,083	116
Earmarked balances with banks		
Unpaid dividend	0	0
	1,083	116
* under lien against bank guarantees	1,083	116

14 Current loans

	As at March 31, 2021	As at March 31, 2020
Unsecured		
Considered good		
Security deposits	1,135	612
Loan to employees	85	-
Advances recoverable in cash or in kind or for value to be received*	3,198	2,471
Having significant increase in credit risk		
Advances recoverable in cash or in kind or for value to be received	300	225
Less: allowance for doubtful advances	(300)	(225)
	4,418	3,083
* Includes due from employees	9	4
* Includes due from related parties (refer note no. 40):		
Organic India Private Limited, a Subsidiary Company	623	1,419
Fabcafe Foods Private Limited, a Subsidiary Company	1,239	687
Biome Life Sciences India Private Limited	1	-

15 Other current financial assets

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Lease receivables	362	372
	362	372

16 Other current assets

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
ESPS deferred payments (refer note no. 46(a))	359	-
Other prepaid expenses	392	368
Advance to supplier*	409	502
Advance sales tax	85	143
Goods and services tax (GST) input credit	867	647
Other advances	569	415
	2,681	2,075
* Due from related parties (refer note no. 40):		
Rangsutra Crafts India Limited, an Associate Company	-	1
Orissa Artisans And Weavers Limited, an Associate Company	42	45

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17 Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity shares of ₹ 10/- each	1,50,00,000	1,500	1,50,00,000	1,500
	1,50,00,000	**1,500**	**1,50,00,000**	**1,500**
Issued, subscribed and paid up				
Equity Shares of ₹ 10/- each fully paid up *	1,47,36,378	1,474	1,44,66,090	1,447
	1,47,36,378	**1,474**	**1,44,66,090**	**1,447**

* Out of the above, 1,20,55,075 Bonus Shares had been issued during the previous year by way of capitalisation of reserves.

a) Terms/ rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. Each holder of equity shares is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders approval. The Company declares and pays dividend in Indian Rupees.

The Board, in its meeting on July 18, 2019, had recommended a final dividend of ₹ 150/- per equity share for the year ended March 31, 2019 and the same was approved by the shareholders at the Annual General Meeting held on August 30, 2019. This resulted in a cash outflow of ₹ 4,349 Lakhs including dividend distribution tax in the financial year 2019-20.

During the year ended March 31, 2020, the Company had paid interim dividend of ₹ 22.50/- per equity share for financial year 2019-20 on 1,44,66,090 Equity Shares of ₹ 10/- each aggregating to ₹ 3,255 Lakhs (subject to Dividend Distribution Tax of ₹ 669 Lakhs).

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

b) The details of shareholders holding more than 5% shares as at March 31, 2021 and March 31, 2020 is set out below:

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	Shares held (nos.)	Shares held (%)	Shares held (nos.)	Shares held (%)
Equity Shares of ₹ 10/- each fully paid up				
William Nanda Bissell	23,00,140	15.61%	32,80,140	22.67%
JLB Partners Holding Inc., USA	32,43,816	22.01%	32,43,816	22.42%
PI Opportunities Fund - I	30,10,656	20.43%	30,10,656	20.81%
Madhukar Khera	8,87,508	6.02%	8,87,508	6.14%
Bimla Nanda Bissell	12,21,542	8.29%	2,41,542	1.67%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) The reconciliation of the number of shares outstanding and amount as at March 31, 2021 and March 31, 2020 is set out below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10/- each fully paid up				
Number of shares in the beginning	1,44,66,090	1,447	23,89,710	239
Add: shares issued during the year *	2,70,288	27	21,299	2
Add: bonus shares issued during the year **	-	-	1,20,55,075	1,206
Number of shares at the end	1,47,36,378	1,474	1,44,66,090	1,447

* Shares issued during the current year and previous year as under:

- During the year ended March 31, 2021, the Company has issued and allotted 191,634 equity shares of nominal value of ₹ 10/- each at a premium of ₹ 723.36/- per share to employees through FOPL Employees Benefit Trust pursuant to Fabindia Overseas Private Limited Employee Share Purchase Scheme (ESPS) 2021.

During the year ended March 31, 2021, the Company has issued and allotted 78,654 equity shares to the eligible employees against 81,000 stock options granted during the year ended March 31, , 2020.

- During the year ended March 31, 2020, the Company had issued and allotted 15,000 equity shares of nominal value of ₹ 10/- each at a premium of ₹ 8,485/- per share on private placement/ preferential allotment basis to Ms. Bimla Nanda Bissell, relative of executive chairman and director.

- During the year ended March 31, 2020, the Company had issued and allotted 6,299 equity shares to the eligible employees against 13,100 stock options granted during the year ended March 31, 2019.

** During the year ended March 31, 2020, the Company had issued and allotted bonus share in the ratio of 5:1 to the existing equity shareholders. As the Company is having 2,411,015 equity shares of ₹ 10/- each it had become 14,466,090 equity shares after bonus issue.

d) Shares reserved for issue under Fabindia Overseas Private Limited Employee Share Purchase Scheme (ESPS) 2021 (March 31, 2020: Employee Stock Options Plan (ESOP))

Refer note no. 46 (a) and 46 (b) in respect of details of shares reserved for issue under the above schemes.

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18 Other equity

	As at March 31, 2021	As at March 31, 2020
Summary of other equity balance		
Reserves and surplus		
Capital reserve	2	2
General reserve	32,210	32,210
Securities premium	21,590	19,290
Export profits reserve	67	67
Stock option outstanding account	-	595
Retained earnings	8,209	19,348
Other comprehensive income		
Remeasurements of the net defined benefit plans (net of tax)	15	25
	62,093	71,537

Nature and purpose of reserves:

a) Capital reserve

This reserve represents the difference between value of net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

b) General reserve

This reserve represents appropriation of profits after dividend from retained earnings. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

c) Securities premium

The amount received in excess of face value of equity shares and in case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

d) Exports profit reserve

This represents the reserve created as per the requirements of the Income Tax Act, 1961.

e) Stock option outstanding account

Stock Option Outstanding Account consists of employee compensation cost allocated over the vesting period of options granted to employees. Such cost is recognized in the Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account. Upon exercise of options, such account is recognized to Security Premium Reserve or General Reserve as the case may be.

f) Retained earnings

Retained Earnings are the profits that the Company has earned till date, less any transfers to General Reserve, Dividends or other distributions paid to shareholders. It includes ₹ 11,857 Lakhs transferred from Revaluation Reserve on adoption of deemed cost on transition to Ind AS as it is not eligible for dividend being not in the nature of free reserves.

g) Remeasurements of net Defined Benefit Plans

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

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19 Non-current financial liabilities - borrowings

	As at March 31, 2021	As at March 31, 2020
Secured		
Term loan		
From banks		
- Citi Bank	5,200	-
- Standard Chartered Bank	4,000	-
- HDFC Bank	5,238	-
Less: adjustment for processing and other charges	(94)	-
	14,344	-
Less: current maturity of long term debt (refer note no. 25)	(3,529)	-
	10,815	-

(i) Details of Term Loans are as follows:

Particulars	Purpose and terms of repayment	Securities provided	Rate of interest	Maturity Amount (net of processing charges)	
				Upto 1 year	1-5 years
CITI Bank	(a) Purpose: For reimbursement of Capex done over last two years i.e. financial year 2018-19 and 2019-20 or capex proposed in financial year 2020-21. (b) Repayable in 12 equal quarterly instalments of ₹ 433 lakhs each commencing from October 2021 and ending July 2024. (c) Prepayment Charges: No prepayment allowed for first 12 months. Thereafter, nil prepayment penalty subject to the Company giving a prior 15 days notice to bank. (d) Penal Charge: 4% over and above the agreed rate of interest.	(a) Exclusive charge on Company owned stores located at: - 54, II Block, Corporation Division, No. 66-A, Koramangala, Bangalore, and - Shop No. 2, Navroze Apartment 66, Pali Hill, Bandra (W), Mumbai (maintaining a Fixed Asset Cover Ratio of 1.1x)	7.85% p.a. (Linked to 3 Month T-bill + Applicable Spread)	867	4,333
Standard Chartered Bank	(a) Purpose: For financing cash flow mismatches, capital expenditure and reimbursement of transaction expenses like fee etc. (b) Repayable in 11 equal quarterly instalments of ₹ 364 lakhs each commencing from August 2021 and ending February 2024. (c) Prepayment Charges: 2% on the amount prepaid provided that the Bank receives notice of such prepayment at two banking days prior to the date of proposed	Exclusive charge over immovable fixed assets located at following locations with 1.1x cover: -18th Road, Khar West, Bandra, Mumbai Maharashtra, and -Sakar 10-building, opp. Jehangir Nursing Home, Sasoon Road, Pune.	8.25% p.a (upto 15th November 2020) 8.10% p.a (w.e.f 16th November 2020)	1,091	2,909
HDFC Bank	(a) Purpose: For reimbursement of Capex done over last two years or capex proposed in financial year 2020-21 and thereafter (b) Repayable in 42 equal monthly instalments of ₹ 131 lakhs each commencing from February 2021 and ending July 2024. (c) Prepayment Charges: 2% plus applicable taxes. (d) Penal Charge: 2% over and above the agreed rate of interest	(a) Exclusive charge on Company owned stores -Plot No 9, LSC in Sector B-7, Vasant Kunj, New Delhi, -Plot No. 10, LSC in Sector B-7, Vasant -Property No. 3-4, Huda Sector 15-II,	8.05% (1 Year MCLR + 0.60%) - Annual Reset	1,571	3,667

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20 Other non-current financial liabilities	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Security deposits received	137	118
Financial guarantee obligation*	111	142
Lease liabilities	41,740	46,906
	41,988	47,166

* During the financial year ended March 31, 2019, the Company had provided financial guarantee amounting to ₹ 1,500 Lakhs in favour of Citi Bank N.A., for enabling Fabcafe Foods Private Limited, a subsidiary of the Company, to avail the credit facilities from the said bank. The above fair valuation is based on the valuation report of an independent valuer.

21 Non-current provisions	As at March 31, 2021	As at March 31, 2020
Provision for asset retirement obligation	337	346
Loyalty programme obligation	1,669	948
	2,006	1,294

Provision for asset retirement obligation:

A provision has been recognized for decommissioning costs associated with the stores taken on operating lease by the Company. The Company is committed to handover the vacant stores in the same condition as it was handed over by the licensor at the expiry of those leases. The Company has estimated an average cost (per unit) for decommissioning the said stores based on past trends and provided for asset retirement obligation.

	As at March 31, 2021	As at March 31, 2020
Movement in provision asset retirement obligation during the year:		
Balance at the beginning	346	253
Provision during the year	14	127
Amounts utilized/ written back during the year	23	34
Balance at the end	337	346

22 Other non-current liabilities	As at March 31, 2021	As at March 31, 2020
Rent received in advance	45	43
	45	43

23 Short-term borrowings	As at March 31, 2021	As at March 31, 2020
Secured		
Working capital demand loan (WCDL) from:		
Kotak Mahindra Bank	-	6,550
Hong Kong and Shanghai Banking Corporation Limited	-	5,000
CITI Bank	1,500	6,990
Standard Chartered Bank	-	4,000
Unsecured		
Short-term loan (STL) - working capital from:		
HDFC Bank	-	2,500
Secured		
Bank overdraft from:		
Hong Kong and Shanghai Banking Corporation Limited	-	1,996
	1,500	27,036

The Company has the following credit facilities taken from various banks carrying interest rate between 5.85% to 13.95% p.a.:

a) Maximum borrowing sanctioned limits in respect of all facilities from banks:

Standard Chartered Bank - ₹ 5,000 Lakhs
Kotak Mahindra Bank - ₹ 7,000 Lakhs
Hong Kong and Shanghai Banking Corporation Limited - ₹ 7,500 Lakhs
Citibank, N.A - ₹ 11,000 Lakhs
HDFC Bank - ₹ 8,300 Lakhs

b) Nature of security provided to said banks except in case of STL from HDFC Bank is:

First charge on pari passu basis on all present and future inventories and book debts of the Company.

c) Maturity date and terms of repayment

Bank Overdraft facilities are repayable on demand.
WCDL and STL facilities are for fixed terms upto 12 months.

d) The Company has not defaulted on repayment of loans and interest during the year.

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24 Trade payables

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro enterprises and small enterprises (refer note no. 48)	2,542	658
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,584	10,383
	8,126	11,041

25 Other current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Current maturity of long-term debt (refer note no. 19)	3,529	-
Security deposits received	6	2
Payables for capital goods	495	452
Commission payable to Directors	-	252
Interest accrued but not due	72	42
Financial guarantee obligation	31	18
Lease liabilities	8,286	9,517
Unpaid/ unclaimed dividend	0	0
Employees related payable	1,069	1,420
	13,488	11,703

26 Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Advance from customers	1,244	972
Statutory liabilities	1,180	501
Rent received in advance	12	11
Other liabilities	47	158
	2,483	1,642

27 Current provisions

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity *	205	65
Leave encashment *	215	78
Provision for sales returns	38	46
Provision for asset retirement obligation	35	19
Loyalty programme obligation	155	474
	648	682

* Based on actuarial valuation as on the balance sheet date and funded subsequent to the year end.

Provision for sales returns

When a customer has a right to return the product within a given period, the Company recognises a provision for sales returns. The Company provides for sales returns based on Management estimates and past experience. This is measured on a net basis at the margin on the sale. Revenue is adjusted for the expected value of the returns and cost of sales are adjusted for the value of the corresponding goods likely to be returned.

Movement in provisions during the year:	As at March 31, 2021	As at March 31, 2020
Provision for sales returns		
Balance at the beginning	46	39
Provision during the year	-	7
Amounts utilized/ written back during the year	7	
Balance at the end	39	46
Provision for asset retirement obligation		
Balance at the beginning	19	27
Provision during the year	38	36
Amounts utilized/ written back during the year	22	44
Balance at the end	35	19

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28 Revenue from operations

	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from contract with customers:		
Sale of products	58,247	1,13,593
	58,247	1,13,593
Other operating revenues		
Business support service fee	714	710
Provisions/ liabilities no longer required written back #	5,848	239
Allowance for credit losses/ doubtful advances written back	-	198
Government grants	16	30
Rental income related to operations	328	357
Royalty income (refer note no. 40)	128	175
Miscellaneous operating income	631	855
	7,665	2,564
	65,912	**1,16,157**

This includes lease liability written off back on account of concessional receipt.

Disaggregation of revenue based on products:		
Bed linen	3,239	4,362
Bath linen	422	494
Table linen	2,665	3,258
Garments	40,136	88,000
Body care	1,526	2,474
Floor coverings	472	732
Curtain	1,222	1,475
Furniture	3,960	4,435
Organic foods	1,345	2,533
Upholstery	401	592
Miscellaneous	2,859	5,238
	58,247	**1,13,593**
Reconciliation of revenue with contract price:		
Revenue as per contracted price	63,311	1,23,024
Adjustments:		
Discounts and sales return	3,738	6,758
Customer loyalty programme	1,326	2,673
	5,064	**9,431**
Total revenue from contract with customers	**58,247**	**1,13,593**

29 Other income

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income		
Bank deposits	259	39
Leased deposits measured at amortized cost	372	368
Lease receivables	255	217
Others	4	49
Dividend income from subsidiary and associates	-	439
Gain on sale of investment (net)	1	-
Gain on right-of-use assets (net)	435	-
Income from financial guarantee	18	30
Provision for asset retirement obligation written back	46	78
Net gain on foreign currency transactions and translations	-	2
Other miscellaneous income (refer note no. 3(a))	670	-
	2,060	**1,222**

30 Cost of materials consumed

	For the year ended March 31, 2021	For the year ended March 31, 2020
Raw materials consumed:		
Opening stock	6,221	6,980
Add: purchases	4,049	13,686
Add: job work charges	2,983	8,121
	13,253	28,787
Less: closing stock	5,578	6,221
	7,675	**22,566**

31 Cost of contract manufactured goods

	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of finished goods - contract manufactured*	12,487	28,684
Freight inwards	229	644
	12,716	**29,328**

*includes inventory write off amounting to ₹ 1,053 lakhs (March 31, 2020: ₹ 528 lakhs)

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32 Decrease/ (increase) in inventories of finished goods and stock-in-trade

	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening inventory		
Finished goods-manufactured	26,759	9,254
Finished goods-traded	-	15,191
Stock-in-transit	2,508	1,618
	29,267	26,063
Closing inventory		
Finished goods-manufactured	20,833	26,759
Stock-in-transit	1,853	2,508
	22,686	29,267
Total decrease/ (increase) in inventories of finished goods and stock-in-trade	6,581	(3,204)

33 Employee benefits expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	10,019	13,849
Contribution to provident and other funds	595	822
Defined benefit plan expense (refer note no. 41)	189	211
Employee stock options compensation expense (refer note no. 46(b))	319	595
Employee stock options compensation expense (cash settled)	313	218
Staff welfare expense	451	687
	11,886	16,382

34 Finance Costs

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expense:		
Banking facilities	1,983	831
Micro, small and medium enterprises	22	6
Financial liabilities measured at amortized cost	11	6
Unwinding of discount on asset retirement obligation	28	27
Lease liabilities	4,289	4,216
	6,313	5,106

35 Other expenses

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent	936	2,621
Advertisement and publicity	845	2,572
Legal and professional charges	1,852	2,680
Payment to auditors*	168	173
Postage, telex and telephones	223	266
Travelling and conveyance	262	786
Consumable office supplies	412	771
IT support service charges	1,337	1,683
Rates and taxes	129	283
Insurance	379	404
Power and fuel	1,237	1,897
Repair and maintenance		
Building	43	4
Common area maintenance charges	972	1,262
Computers, air conditioners and other equipment's	254	399
Others	488	493
Directors' sitting fees	4	2
Security and housekeeping charges	2,690	3,976
Packing, freight, clearing and forwarding	1,434	1,257
Sales promotion	649	793
Commission on sales	94	53
Loss on fair value of investment in OCPs and OCCDs	2,917	1,262
Loss on sale/ discard of property, plant and equipment (net)	530	932
Loss on right-of-use assets (net)	-	527
Corporate social responsibility (CSR) expenditure (refer note no. 49(a))	271	330
Allowance for credit losses/ doubtful advances	93	-
Bad debts written off	-	63
Debit balances written off	84	18
Provision for slow and non-moving stock	3,088	-
Net loss on foreign currency transactions and translations	7	-
Bank charges	532	1,118
Miscellaneous expenses	222	474
	22,152	27,099

* Payments to auditors

	For the year ended March 31, 2021	For the year ended March 31, 2020
Statutory auditors#		
As audit fee	125	113
As tax audit fee	20	34
For other services	23	26
	168	173
Total	168	173

#previous year also, includes payment to branch auditors

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36 Tax expense

	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Tax expense recognized in Statement of Profit and Loss		
Current tax		
In respect of the current year	-	3,000
Adjustments/ (credits) related to previous years (net)	348	-
Total (A)	348	3,000
Deferred tax		
Origination and reversal of temporary differences	(3,748)	(1,830)
Total (B)	(3,748)	(1,830)
Total (A+B)	(3,100)	1,170
(b) Amounts recognized in other comprehensive income		
The tax (charge)/ credit arising on income and expenses recognized in other comprehensive income is as follows:		
On items that will not be reclassified to Statement of Profit and Loss		
Remeasurements gain/ (loss) of the Defined Benefit Plans	(3)	(32)
Total	(3)	(32)
(c) Reconciliation of effective tax rate		
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
(Loss)/ profit before tax	(14,539)	6,539
Tax using the Company's domestic tax Rate @ 25.168%	(3,659)	1,646
Reduction in tax rate		
Tax effect of:		
Effect of Tax related to previous years (net of deferred tax)	159	-
Effect of tax related to expenses not deductible for income tax	75	41
Effect of tax due to change in tax rate from 34.944% to 25.168%	-	(437)
Effect of tax due to different tax rate on certain items	54	13
Effect of income not taxable	-	(110)
Effect of tax due to indexation	(30)	(23)
Effect of tax on reversal to ESOP options (general reserve)	-	32
Others (including rounding off tax and interest)	1	8
Income tax recognized in Profit or Loss	(3,400)	1,170

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37 Financial instruments - fair value measurement

Financial instruments by category

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial assets						
Investments (non-current)	1,410	-	15,257	2,727	-	15,208
Loans (non-current)	-	-	5,116	-	-	4,918
Other financial assets (non-current)	-	-	2,929	-	-	2,958
Trade receivables (current)	-	-	1,380	-	-	2,380
Cash and cash equivalents (current)	-	-	2,728	-	-	15,895
Bank balances other than cash and cash equivalents (current)	-	-	1,083	-	-	116
Loans (current)	-	-	4,418	-	-	3,083
Other financial assets (current)	-	-	362	-	-	372
Total	1,410	-	33,273	2,727	-	44,930
Financial liabilities						
Other financial liabilities (non-current)	111	-	41,877	142	-	47,024
Borrowings (non-current)	-	-	10,815	-	-	-
Borrowings (current)	-	-	1,500	-	-	27,036
Trade payables (current)	-	-	8,126	-	-	11,041
Other financial liabilities (current)	31	-	13,457	18	-	11,685
Total	142	-	75,775	160	-	96,786

Financial instruments by category

Particulars	Total carrying value	
	As at March 31, 2021	As at March 31, 2020
Financial assets		
Investments (non-current)	16,667	17,935
Loans (non-current)	5,116	4,918
Other financial assets (non-current)	2,929	2,958
Trade receivables (current)	1,380	2,380
Cash and cash equivalents (current)	2,728	15,895
Bank balances other than cash and cash equivalents (current)	1,083	116
Loans (current)	4,418	3,083
Other financial assets (current)	362	372
Total	34,683	47,657
Financial liabilities		
Other financial liabilities (non-current)	41,988	47,166
Borrowings (non-current)	10,815	-
Borrowings (current)	1,500	27,036
Trade payables (current)	8,126	11,041
Other financial liabilities (current)	13,488	11,703
Total	75,917	96,946

Fair value hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.
- Level 3: Unobservable inputs for the asset or liability. #

All investments and Financial Guarantee Obligation fair valued through profit and loss and all amortized cost financial assets and liabilities are classified as level 3 inputs.

Notes:

1. Trade receivables comprise amounts receivable from the sale of goods and services.
2. The Management considers that the carrying amount of trade and other receivables approximates their fair value.
3. Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.
4. Loans (non-current) comprise of security deposits paid which have been discounted and the same approximates their fair value.
5. Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The Management considers that the carrying amount of trade payables approximates to their fair value.
6. Other financial liabilities (non-current) comprise of security deposit received which have been discounted and the same approximates their fair value.
7. Borrowings comprises of loan from banks and the fair value is considered to be same as the carrying value being at market rates.
8. Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

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38 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
(a) Credit Risk;
(b) Liquidity Risk; and
(c) Market Risk

Risk Management Framework
The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management policies are established to identify and analyse the risks 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 company activities. The Company's Board of Directors oversees how the management monitors compliance with Company's risk management policies and procedures, and review adequacy of the risk management framework in relation to the risks faced by the Company.

(a) Credit Risk:
Credit risk is a risk that the counterparty will default on its contractual obligation resulting in financial loss to the Company. The credit risk for the Company primarily arises from credit exposures to trade receivables, deposits with landlords for store properties taken on lease and other receivables including balances with banks.

The Company's business is predominantly on 'cash and carry' basis which is largely through credit card collections. The credit risk on such collections is minimal, since they are primarily owned by customers' card issuing banks. The Company's credit policy requires each new privileged customer to be analysed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Further, trade and other receivables consist of a large number of customers, across geographies, hence, the Company is not exposed to concentration risks. Similarly, in the case of other receivables and loans, the Company mitigates this risk by attempting to ensure appropriate credit worthiness.

The Company also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

The Company's experience of delinquencies and customer disputes have been minimal.

(b) Liquidity Risk:
Liquidity risk is a risk that the Company may not be able to meet its financial obligations on a timely basis through its cash and cash equivalents, and funds available by way of committed credit facilities from banks.

Management manages the liquidity risk by monitoring rolling cash flow forecasts and maturity profiles of financial assets and liabilities. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents and additional undrawn financing facilities.

Maturities of Financial Liabilities
The table below summarises the maturity profile (remaining period of contractual maturity at the balance sheet date) of the Company's financial liabilities based on contractual undiscounted cash flows.

The details of the contractual maturities of financial liabilities as of March 31, 2021 are as follows:

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Long-term borrowings	3,529	10,909	-	14,438
Short-term borrowings	1,500	-	-	1,500
Trade payables	8,126	-	-	8,126
Security deposits received	6	137	-	143
Payables for capital goods	495	-	-	495
Commission payable to Directors	-	-	-	-
Interest accrued but not due	72	-	-	72
Financial guarantee obligation	31	111	-	142
Lease liabilities	8,286	34,109	7,631	50,026
Unpaid/ unclaimed dividend	0	-	-	0
Other accruals	1,069	-	-	1,069
	23,114	**45,266**	**7,631**	**76,011**

The details of the contractual maturities of financial liabilities as of March 31, 2020 are as follows:

Particulars	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
Short-term borrowings	27,036	-	-	27,036
Trade payables	11,041			11,041
Security deposits received	2	118	-	120
Payables for capital goods	452	-	-	452
Commission payable to Directors	252		-	252
Interest accrued but not due	42	-	-	42
Financial guarantee obligation	18	142	-	160
Lease liabilities	9,517	37,760	9,146	56,423
Unpaid/ unclaimed dividend	0	-	-	0
Other accruals	1,420		-	1,420
	49,780	**38,020**	**9,146**	**96,946**

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(c) Market Risk:

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. Thus, exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

(d) Currency Risk

The Company's significant transactions are in Indian Rupees (INR) and therefore, there is minimal foreign currency risk. The Company's exposure to foreign currency risk is on account of receivables related to earnings in foreign currency and other payables in foreign currency.

Exposure to Currency Risk

The amount of foreign currency exposure of financial assets and financial liabilities as at March 31, 2021 and March 31, 2020 that are not hedged by a derivative instrument or otherwise is as under:

Particulars	As at March 31, 2021 INR	As at March 31, 2021 USD	As at March 31, 2021 GBP
Financial assets			
Trade receivables	75	1,02,540	-
Other receivables	-	-	-
	75	1,02,540	-
Financial liabilities			
Trade payables	47	49,982	10,752
Credit balance of trade receivables	-	-	
	47	49,982	10,752
Net receivable/ (payable)	**28**	**52,559**	**(10,752)**

Particulars	As at March 31, 2020 INR	As at March 31, 2020 USD	As at March 31, 2020 GBP
Financial assets			
Trade receivables	93	1,24,844	-
Other receivables	9	-	9,629
	102	1,24,844	9,629
Financial liabilities			
Credit Balance of trade receivables	7	10,223	-
	7	10,223	-
Net receivable/ (payable)	**95**	**1,14,621**	**9,629**

The following exchange rates have been applied:

Currency	Year-end Spot Rate	
	As at March 31, 2021	As at March 31, 2020
USD	73.23	74.74
GBP	100.81	92.48
EURO	85.88	82.21
MYR	17.64	17.46

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Sensitivity Analysis

A reasonably possible strengthening/ weakening of the Indian Rupee (INR) against US Dollars (USD), Great British Pound (GBP), EURO and Malaysian Ringgit (MYR) at March 31, 2021 and March 31, 2020 would have affected the measurement of financial instruments denominated in 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 and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

	Profit or Loss		Equity (net of tax)	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
5% movement				
USD	(2)	2	(1)	1
GBP	1	(1)	-	-
	(1)	1	(1)	1

	Profit or Loss		Equity (net of tax)	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
March 31, 2020				
5% movement				
USD	(5)	5	(4)	4
GBP	-	-	-	-
	(5)	5	(4)	4

39 Capital Management

The Company's objectives when managing capital are to safeguard continuity as a going concern, provide appropriate return to shareholders and maintain a cost efficient capital structure. The capital includes issued equity capital, share premium and all other reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder's value. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021 and March 31, 2020 except for budgeting for cash flow projections considering the impact of ongoing pandemic COVID - 19.

The Board of Directors seek to maintain a balance of higher returns by sound capital composition and accordingly the Company does not have any long term borrowings as at March 31, 2021 and March 31, 2020. The Company has availed term loans and short-term credit facilities from banks during the year ended March 31, 2021 and March 31, 2020.

The Company monitors capital on the basis of total debt to total equity on a periodic basis. The following table summarizes the capital of the Company:

Particulars	As at March 31, 2021	As at March 31, 2020
Long-term borrowings	10,815	-
Short-term borrowings	5,029	27,036
Total debt*	15,844	27,036
Equity share capital	1,474	1,447
Other equity	62,093	71,537
Total equity	63,567	72,984
Debt-equity ratio	0.25	0.37

*Lease liabilities recognised as per Ind AS 116 is not included in total debt.

The Company's objective is to keep the debt equity ratio as low as possible which it has achieved in these years.

40 Related party disclosures

As required by Ind AS - 24 "Related Parties Disclosures", the disclosure are as follows:

A. List of related parties where control exists:

(i) List of related parties who have control over the Company (either individually or with others)
- JLB Partners Holding Inc., USA
- William Nanda Bissell, Executive Chairman and Director w.e.f July 24, 2020 (Executive Vice-Chairman and Director upto July 23, 2020)
- Monsoon Latane Bissell (Director and relative of Executive Chairman and Director)

(ii) Subsidiary companies
- Fabindia International Pte. Ltd, Singapore - an overseas wholly-owned subsidiary
- Indigo Origins Pte. Ltd., Singapore - an overseas wholly-owned subsidiary
- Organic India Private Limited
- Fabcafe Foods Private Limited
- Biome Life Sciences India Private Limited (w.e.f. August 01, 2020)
- Organic India USA, LLC
- Composite Interceptive Med-Science Laboratories Private Limited (upto April 04, 2020)
- The Clean Program Corp, USA (w.e.f April 25, 2018)

B. Other related parties with whom the Company had transactions:

(i) Associates
- Rangsutra Crafts India Limited
- Orissa Artisans and Weavers Limited
- Weavers India General Trading LLC, Dubai
- Fabindia S.r.l., Italy

(ii) Key management personnel (KMP):

- William Nanda Bissell	-	Executive Chairman and Director w.e.f. July 24, 2020 (Executive Vice-Chairman and Director upto July 23, 2020)
Vinay Singh		Managing Director
- Monsoon Latane Bissell	-	Director and relative of Executive Chairman and Director
- Madhukar Khera	-	Director
- Vijai Kumar Kapoor	-	Director
- William Sean Sovak	-	Director
- Prakash Parthasarathy	-	Director
Rahul Garg	-	Director
- Tekkethalakkal Kurien Kurien	-	Director
- Vinita Bali	-	Director
- Yoav Lev	-	Director
- Aditya Ghosh	-	Director (w.e.f. September 30, 2020) (Additional Director w.e.f. June 30, 2020 upto September 29, 2020)
- Charu Sharma	-	Director

(iii) Relatives of key management personnel (KMP):

- Anjali Kapoor Bissell	-	Relative of Executive Chairman and Director
- Bimla Nanda Bissell	-	Relative of Executive Chairman and Director
- Master John Varun Bissell	-	Relative of Executive Chairman and Director
- Sara Kamla Bissell	-	Relative of Executive Chairman and Director
- Bindu Jain (Proprietor of Crome Yellow)	-	Relative of Director
- Nikhil Khera	-	Relative of Director
- SR Parthasarathy	-	Relative of Director
- Mini Kapoor	-	Relative of Director
- Holly B Lev	-	Relative of Director

(iv) Entities controlled by Directors or their relatives
- Homage Advisers LLP

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C. Summary of the transactions with related parties is as follows :

Nature of transaction	Enterprises where control exists		Subsidiaries		Associates		Key management personnel and their relatives		Entities controlled by Directors or their		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Investment in Equity Shares	-	-	50	-	-	-	-	-	-	-	50	-
Investment in Optionally Convertible Preference Shares	-	-	1,600	1,100	-	-	-	-	-	-	1,600	1,100
Issue and allotment of Equity Share (preferential allotment)	-	-	-	-	-	-	-	1,274	-	-	-	1,274
Issue and allotment of Equity Shares (ESOP)	-	-	-	-	-	-	1	0	-	-	1	-
Sale of goods/ samples	-	-	177	258	137	166	9	5	-	-	323	429
Sale of fixed asset	-	-	5	-	-	-	-	-	-	-	5	-
Purchase of finished goods - contract manufactured	-	-	1,906	2,509	188	759	29	176	-	-	2,123	3,444
Remuneration (included under salary, wages and bonus)	-	-	-	-	-	-	145	426	-	-	145	426
Professional charges	-	-	-	-	-	-	47	96	270	-	317	96
Commission to Directors (included under salary, wages and bonus)	-	-	-	-	-	-	-	670	-	-	-	670
Directors' sitting fees	-	-	-	-	-	-	5	2	-	-	5	2
Interest income	-	-	-	5	-	-	-	-	-	-	-	5
Dividend income	-	-	-	642	-	15	-	-	-	-	-	657
Reimbursement of expenses receipts	-	-	217	289	9	6	-	-	-	-	226	295
Miscellaneous expenses paid	-	-	11	29	-	-	-	-	-	-	11	29
Rent received	-	-	408	541	-	-	-	-	-	-	408	541
Royalty income	-	-	128	175	-	-	-	-	-	-	128	175
Business support service fees	-	-	687	684	-	-	-	-	-	-	687	684
Final dividend paid	-	811	-	-	-	-	-	1,308	-	-	-	2,119
Interim dividend paid	-	730	-	-	-	-	-	1,179	-	-	-	1,909
Advance given	-	-	15	-	15	65	-	-	-	-	30	65
Advance given received back/ adjusted	-	-	15	-	15	107	-	-	-	-	30	107
Security deposit refund	-	-	1	-	-	-	-	-	-	-	1	-
Security deposit received	-	-	20	59	-	-	-	-	-	-	20	59

Outstanding Balances	Enterprises where control exists		Subsidiaries		Associates		Key management personnel and their relatives		Entities controlled by Directors or their relatives		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Outstanding payables	-	-	581	518	28	71	19	259	33	-	661	848
Outstanding receivables	-	-	1,893	2,233	66	67	-	-	-	-	1,959	2,300

Terms and conditions:

1. All transactions with these related parties are priced on an arm's length basis.
2. None of the balances outstanding are secured.
3. Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

Compensation of Key Management Personnel

The remuneration of Key Management Personnel during the year was as follows:

Particulars	2020-21	2019-20
Short-term benefits	196	1,196
Post-employment benefits	11	16
Share-based payments	19	115
Total compensation paid to key management personnel	226	1,327

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D. Disclosure in respect of all related party transactions:

Particulars	2020-21	2019-20
Investment in Equity Shares		
Biome Life Sciences India Private Limited	50	-
Investment in Optionally Convertible Preference Shares		
Fabcafe Foods Private Limited	1,600	1,100
Issue and allotment of Equity Shares (preferential allotment)		
Bimla Nanda Bissell	-	1,274
Issue and allotment of Equity Shares (ESOP)		
Charu Sharma	-	-
Viney Singh	1	-
Sale of goods/ samples		
Organic India Private Limited	-	16
Fabcafe Foods Private Limited	-	54
Indigo Origins Pte. Ltd., Singapore	175	188
Biome Life Sciences India Private Limited	2	-
Orissa Artisans and Weavers Limited		
Weavers India General Trading LLC, Dubai	135	167
Crome Yellow (Proprietor: Bindu Jain)	9	5
Rangsutra Crafts India Limited	2	4
Sale of fixed asset		
Organic India Private Limited	4	-
Fabcafe Foods Private Limited	1	-
Purchase of finished goods - contract manufactured		
Organic India Private Limited	1,121	2,509
Fabcafe Foods Private Limited	31	-
Orissa Artisans and Weavers Limited	107	352
Rangsutra Crafts India Limited	81	407
Crome Yellow (Proprietor: Bindu Jain)	29	176
Biome Life Sciences India Private Limited	754	-
Remuneration (included under salary, wages and bonus)		
William Nanda Bissell	41	175
Viney Singh	104	251
Professional charges		
Homage Advisers LLP	270	-
Charu Sharma	47	96
Commission to directors (included under salary, wages and bonus)		
William Nanda Bissell	-	341
Viney Singh	-	201
Charu Sharma	-	16
Monsoon Latane Bissell	-	16
Madhukar Khera	-	16
Vijai Kumar Kapoor	-	16
William Sean Sovak	-	16
Prakash Parthasarathy	-	16
Vinita Bali	-	16
Yoav Lev	-	16
Director's sitting fees		
Madhukar Khera	1	-
Monsoon Latane Bissell	-	-
Vijai Kumar Kapoor	1	-
Prakash Parthasarathy	1	-
William Sean Sovak	1	-
Vinita Bali	-	-
Yoav Lev	1	-
Interest income		
Organic India Private Limited	-	5
Rangsutra Crafts India Limited	-	-

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D. Disclosure in respect of all related party transactions:

Particulars	2020-21	2019-20
Dividend income		
Organic India Private Limited	-	424
Fabcafe Foods Private Limited *	-	218
Rangsutra Crafts India Limited	-	10
Orissa Artisans and Weavers Limited	-	5
(* adjusted with Loss on Fair Value of Investment in OCPs)		
Reimbursement of expenses		
Indigo Origins Pte. Ltd., Singapore	17	8
Organic India Private Limited	37	92
Fabcafe Foods Private Limited	163	189
Rangsutra Crafts India Limited		
Orissa Artisans and Weavers Limited	-	-
Weavers India General Trading LLC, Dubai	9	6
Crome Yellow (Proprietor: Bindu Jain)	-	-
Biome Life Sciences India Private Limited	-	-
Miscellaneous expenses paid		
Organic India Private Limited	11	19
Fabcafe Foods Private Limited	-	10
Rent received		
Organic India Private Limited	125	165
Biome Life Sciences India Private Limited	1	-
Fabcafe Foods Private Limited	282	376
Royalty income		
Organic India Private Limited	111	151
Fabcafe Foods Private Limited	17	24
Business support service fees		
Organic India Private Limited	687	684
Advance given		
Rangsutra Crafts India Limited	15	10
Orissa Artisans and Weavers Limited	-	55
Fabcafe Foods Private Limited	15	-
Advance given received back/ adjusted		
Rangsutra Crafts India Limited	15	36
Orissa Artisans and Weavers Limited	-	71
Fabcafe Foods Private Limited	15	-
Security deposit received		
Organic India Private Limited	20	55
Fabcafe Foods Private Limited	-	4
Security deposit refund		
Fabcafe Foods Private Limited	1	-
Final dividend paid		
JLB Partners Holding Inc., USA	-	811
William Nanda Bissell	-	820
Charu Sharma	-	48
Viney Singh	-	3
Monsoon Latane Bissell	-	68
Madhukar Khera	-	222
Vijai Kumar Kapoor	-	2
William Sean Sovak	-	2
SR Parthasarathy	-	6
Rahul Garg	-	4
Tekkethalakkal Kurien Kurien	-	2
Yoav Lev	-	11
Holly B Lev	-	11
Anjali Kapoor Bissell	-	34
Bimla Nanda Bissell	-	60
Master John Varun Bissell	-	-
Sara Kamla Bissell	-	3
Nikhil Khera	-	8
Mini Kapoor	-	4

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D. Disclosure in respect of all related party transactions:

Particulars	2020-21	2019-20
Interim dividend paid		
JLB Partners Holding Inc., USA	-	730
William Nanda Bissell	-	738
Charu Sharma	-	45
Viney Singh	-	4
Monsoon Latane Bissell	-	61
Madhukar Khera	-	200
Vijai Kumar Kapoor	-	1
William Sean Sovak	-	1
SR Parthasarathy	-	5
Rahul Garg	-	3
Tekkethalakkal Kurien Kurien	-	2
Yoav Lev	-	10
Holly R Lev	-	10
Anjali Kapoor Bissell	-	31
Bimla Nanda Bissell	-	54
Master John Varun Bissell	-	-
Sara Kamla Bissell	-	3
Nikhil Khera	-	8
Mini Kapoor	-	3
Outstanding payable		
William Nanda Bissell	-	1
Viney Singh	-	121
Charu Sharma	5	16
Monsoon Latane Bissell	-	16
Madhukar Khera	-	16
Vijai Kumar Kapoor	-	16
William Sean Sovak	-	16
Prakash Parthasarathy	-	16
Vinita Bali	-	16
Yoav Lev	-	16
Homage Advisers LLP	33	-
Organic India Private Limited	341	518
Crome Yellow (Proprietor: Bindu Jain)	14	9
Orissa Artisans and Weavers Limited	10	3
Rangsutra Crafts India Limited	18	68
Biome Life Sciences India Private Limited	240	-
Outstanding receivable		
Organic India Private Limited	623	1,419
Indigo Origins Pte. Ltd., Singapore	30	72
Fabcafe Foods Private Limited	1,239	742
Weavers India General Trading LLC, Dubai	24	21
Orissa Artisans and Weavers Limited	42	45
Rangsutra Crafts India Limited	-	1
Biome Life Sciences India Private Limited	1	-

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41 Employee benefits

The Company has classified the various benefits provided to employees as under:

(a) Contribution to Provident Fund (Defined Contribution Plan)

An amount of ₹ 525 Lakhs (March 31, 2020: ₹ 717 Lakhs) has been recognized as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under personnel expenses in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Contribution to Gratuity Fund (Defined Benefit Plan)

The Company has defined benefit gratuity plan (funded) wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employee of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 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.

(c) Compensated Leave of Absence Plan (Other Long Term Benefit Plan)

The Company permits encashment of leave accumulated by their employees on retirement and separation. The liability for encashment of privilege leave is determined and provided on the basis of actuarial valuation performed by an independent actuary at the date of the balance sheet.

Actuarial valuation was done in respect of the aforesaid defined benefit plan and other long term benefit plan based on the following assumptions-

Economic Assumptions

The discount rate and salary growth rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & salary growth rate. For the current valuation a discount rate of 6.76 % p.a. (March 31, 2020: 6.80 % p.a.) compound, has been used in consultation with the employer.

Salary Growth Rate

The salary growth rate usually consists of at least three components, viz. seniority, regular increments and promotional increase and price inflation. The assumptions used are summarized in the following table:

Particulars	Gratuity (Funded)		Compensated absences earned leaves (Funded)	
	2020-21	2019-20	2020-21	2019-20
Discount rate (per annum)	6.76%	6.80%	6.80%	6.80%
Future salary increase (per annum)	FY 2021-22: Nil Thereafter 5%	FY 2020-21: Nil Thereafter 5%	FY 2021-22: Nil Thereafter 5%	FY 2020-21: Nil Thereafter 5%
In service mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement age	58 years	58 years	58 years	58 years
Withdrawal rates : Ages/ withdrawal rate				
- upto 30 years	3.00%	3.00%	3.00%	3.00%
- upto 44 years	2.00%	2.00%	2.00%	2.00%
- above 44 years	1.00%	1.00%	1.00%	1.00%

Particulars	Gratuity (Funded)		Compensated absences earned leaves (Funded)	
	2020-21	2019-20	2020-21	2019-20
1. Reconciliation of opening and closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at the beginning of the year	1,266	1,340	336	310
Interest cost	86	103	23	24
Current service cost	185	197	77	88
Benefits paid	(264)	(256)	(123)	(154)
Actuarial loss/ (gain) on obligation	17	(118)	32	60
Defined Benefit Obligation at the end of the year	**1,290**	**1,266**	**345**	**336**
2. Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of plan assets at the beginning of the year	1,201	1,161	258	179
Expected return on plan assets	82	89	18	14
Employer contribution	65	183	78	139
Benefits paid	(266)	(242)	(218)	(79)
Actuarial gain/ (loss) on plan assets	4	10	-4	5
Fair value of plan assets at the end of the year	**1,086**	**1,201**	**132**	**258**

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3. Reconciliation of fair value of Assets and Obligations				
Fair value of plan assets	1,086	1,201	132	258
Present value of obligation	1,290	1,266	345	336
Amount recognized in Balance Sheet (Deficit)	(204)	(65)	(213)	(78)
4. Expenses recognized in Statement of Profit and Loss				
Current service cost	185	197	77	88
Net interest Cost	4	14	5	10
Net actuarial loss recognized in the period	-	-	36	55
Net Cost	189	211	118	153
5. Expenses recognized in Other Comprehensive Income				
Actuarial loss/ (gain) for the year on Obligation	17	(118)	-	-
Actuarial (gain) for the year on Plan Assets	(4)	(10)	-	-
Net expense/ (income) in OCI	13	(128)	-	-

6. Major categories of Plan Assets (as percentage of total plan assets):

	March 31, 2021	March 31, 2020
Government Securities	43.13%	42.25%
Corporate Bonds	54.07%	55.89%
Money Market	2.80%	1.86%
Total	**100.00%**	**100.00%**

7. Sensitivity Analysis of the Defined Benefit Obligation:

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

Particulars	March 31, 2021		March 31, 2020	
	Increase by 0.50%	Decrease by 0.50%	Increase by 0.50%	Decrease by 0.50%
Impact of the change in discount rate (0.50% movement)	(66)	72	(65)	71
Impact of the change in salary increase Rate (0.50% movement)	74	(68)	73	(68)

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

8. Description of Risk Exposures:

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

A) Salary increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment risk - If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount rate - Reduction in discount rate in subsequent valuations can increase the Plan's liability.

D) Mortality and disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

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42 Contingent liabilities and commitments

A Contingent liabilities:

	As at March 31, 2021	As at March 31, 2020
(a) Claims against the Company not acknowledged as debts:		
- Income tax demands under appeal	3	234
- Value added tax demands under appeal	7	6
- Employees' provident fund demands under appeal	1	1
- Labour laws demands under appeal	36	8
- Central excise/ service tax demands under appeal	13	14
- Others*	69	2
	129	265

* includes ₹ 68 lakhs on account of recovery of alleged dues by one of the landlords of an erstwhile store located at Soul City, Dwarka. The matter is currently ongoing in Hon'ble High Court of Delhi.

(b) Three of the properties leased/ owned by the Company in New Delhi had been sealed by the Municipal Corporation of Delhi for the alleged misuse. Hearings in respect of de-sealing process of these premises are in progress. The penalties imposed by the concerned authorities had been fully paid and provided for in the books of accounts.

(c) A suit had been filed against the Company by Khadi and Village Industries Commission ("KVIC") in the previous years for alleged infringement of "Khadi" mark before the Hon'ble High Court of Mumbai claiming damages of ₹ 52,500 lakhs allegedly suffered by KVIC. The suit is still at the stage of framing the issues and the stage for proving the claim in the Suit has not yet come. As no documents have yet been produced by KVIC in support of its claim, the assessment of such claim cannot be made. There has been no material movement in the case proceedings. Management is confident that the case and the matter will not result in any material claim considering that the contention of the complainant is not justified and tenable. Management is being advised by an eminent law firm on the matter. No provision has been made pending settlement/ court verdict. The Company does not use the word "KHADI" on any of its products.

B Commitments:

(a) The Company has outstanding capital commitments of ₹ 1,360 Lakhs as at March 31, 2021 (March 31, 2020: ₹ 433 Lakhs) on account of setting up of new stores and offices.

(b) Lease commitments:

The Company has also entered into sub-leases for its stores/ retail outlets at various locations across India. The lease commitments in respect of the said leases is as below:

	As at March 31, 2021	As at March 31, 2020
(i) Finance sub-leases		
Minimum lease payment		
a. Not later than one year	610	622
b. Later than one year but not later than five years	2,807	2,681
c. Later than five years	947	1,203
Present value of lease payments		
a. Not later than one year	362	372
b. Later than one year but not later than five years	2,054	1,889
c. Later than five years	846	1,039
(ii) Operating sub-leases		
Minimum lease payment		
a. Not later than one year	295	346
b. Later than one year but not later than five years	783	1,052
c. Later than five years	20	72

(c) Revenue commitments

The future commitment (excluding GST) in respect of agreements entered into with certain service providers is as follows:

Financial Year	As at March 31, 2021	As at March 31, 2020
2020-21	-	371
2021-22	405	-

(d) The Company has given support letter to support the activities of the Fabcafe Foods Private Limited for foreseeable future and to settle their obligation as and when they fall due for a period not less than twelve months from the year end.

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43 Earnings per equity share (EPS)

Basic EPS amounts has been 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 amounts has been calculated by dividing the profit attributable to equity holders of the Company as adjusted by the after tax amount of dividends and interest recognized in the period in respect of dilutive potential equity shares by the 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.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(Loss)/ profit for the year (₹ in lakhs)	(11,179)	5,369
Weighted average number of equity shares (nos.)	1,44,83,318	1,44,60,244
Nominal value of equity shares (in ₹)	10	10
Earnings per equity share (in ₹)		
Basic	(77)	37
Diluted	(77)	37
Weighted average number of equity shares		
Number of shares considered as weighted average shares outstanding for Basic EPS	1,44,83,318	1,44,60,244
Add: effect of stock options granted	-	83,277
Number of shares considered as weighted average shares (including dilutive shares) outstanding for Diluted EPS	1,44,83,318	1,45,43,521

44 Government grants

The Company has recognized ₹ 16 Lakhs (March 31, 2020: ₹ 30 Lakhs) for Duty Drawback/ Export Incentives in the Statement of Profit and Loss. In case of export sales, the Company gets a certain percentage of FOB value of exports on selected items as benefit. There are no unfulfilled conditions and other contingencies attaching to government assistance that has been recognized in the Statement of Profit and loss.

45 Segment information

As per para 4 of Ind AS 108, if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required only in the Consolidated Financial Statements. Hence, segment information has been provided under the notes to Consolidated Financial Statements.

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46 Share based payments

a) Fabindia Overseas Private Limited Employee Share Purchase Scheme 2021 (FOPL ESPS)

The members of the Company have approved Fabindia Overseas Private Limited Employee Share Purchase Scheme 2021 ("FOPL ESPS") in their meeting held on March 09, 2021. The FOPL ESPS provides for issue of equity shares of the Company to the eligible employees, including Directors of the Company and its present and future Subsidiary Companies (except independent directors), as determined by the Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company from time to time, in accordance with Applicable Laws, subject to terms and conditions as specified in the ESPS Agreement and FOPL ESPS.

The implementation of FOPL ESPS is done through FOPL Employees Benefit Trust ("Trust"), a registered trust. As per FOPL ESPS, the select employees shall be allowed to purchase the Company's equity shares on an upfront basis subject to certain performance conditions to be fulfilled by the said employees subsequent to the share(s) purchased. The equity shares shall be eligible for purchase based on the eligibility criteria of respective eligible employee where certain percentage of equity shares shall be unlocked as determined by the NRC. The equity shares so purchased shall be under the lock-in period as per FOPL ESPS and would be released to the eligible employee upon meeting the performance and other conditions as set forth. During the lock-in period, the employee will remain the beneficial owner of the equity shares and the legal ownership will be with the designated trustee of the Trust till the completion of the condition subsequent set out in the ESPS Agreement.

FOPL ESPS provides for allotment of a maximum of 3% of the issued share capital of the Company, on a fully diluted basis, i.e. a maximum of 4,36,342 equity shares can be allotted in one or multiple tranches.

During the financial year ended March 31, 2021, the Company has allotted 1,91,634 equity shares having face value of ₹ 10/- each at a price of ₹ 733.36/- each including a premium of ₹ 723.36/- aggregating to ₹ 1,405 lakhs fully paid up to the FOPL Trust for onward transfer of such shares to the eligible employees as per terms of FOPL ESPS.

i) **Movement of Equity Shares allotted to the Trust and transferred by Trust to eligible employees as on March 31, 2021:**

Particulars	Trust
	Number of Shares
Opening at the beginning of the year	-
Add : equity shares allotted to Trust by the Company during the year	1,91,634
Less: equity shares transferred to the eligible employee by the Trust during the year	(1,91,634)
Outstanding at the end of the year	-

ii) **Details of Equity Shares transferred to the eligible employees and are held under lock-in period by Trust, for the benefit of employees under FOPL ESPS, as on March 31, 2021:**

Particulars	Trust
	Number of Shares
Opening balance at the beginning of the year	-
Add: equity shares slotted during the year	1,91,634
Less: equity shares unlocked during the year	-
Total equity shares unlocked at the end of the year	1,91,634

iii) **The effect of share-based payment plan on the Financial Statements:**

Particulars	2020-21
	Amount
Expense arising from employee share-based payment plan	-
Deferred expense arising from employee share-based payment plan:	
Non-Current	1,027
Current	359







46 Share based payments

b) Fabindia Overseas Private Limited Employee Stock Option Plan (ESOP) 2016

The members of the Company had approved Fabindia Overseas Private Limited Employee Stock Option Plan (ESOP) 2016 ('the Plan') at the 39th Annual General Meeting held on September 29, 2016. The Plan provides for grant of maximum of 85,000 (later on reduced to 70,000 vide Nomination and Remuneration Committee meeting held on January 18, 2017) Stock Options over the period of five years to the eligible employees including Directors of the Company other than Promoters/Persons belonging to Promoter Group, Independent Directors and Directors holding directly or indirectly more than 10% of outstanding equity shares of the Company as determined by the Nomination and Remuneration Committee of the Board of Directors from time to time, subject to terms and conditions specified in the Plan and Employee Stock Option Agreements/ Grant Letters. The number of Stock Options were increased to 9,00,000 vide approval received from Shareholders of the Company in their Extra-ordinary General Meeting held on October 01, 2019 in order to make appropriate adjustments consequent to Bonus Issue in the ratio of 5:1 approved by the shareholders in the same meeting. However, during the financial year ended March 31, 2021, the Company has shifted to FOPL ESPS.

Information in respect of the Employee Stock Options granted upto March 31, 2021 under the Plan:

Scheme	Year	Date of grant	Numbers of options granted	Vesting period	Exercise period	Exercise price (₹) per share	Weighted average exercise price (₹) per share
Fabindia Overseas Private Limited ESOP 2016	2016 - 2017	October 18, 2016	9,000	One year from the date of grant i.e. upto October 18, 2017	15 days from the date of vesting	10	10
Fabindia Overseas Private Limited ESOP 2016	2017 - 2018	August 17, 2017	10,510	One year from the date of grant i.e. upto August 17, 2018	15 days from the date of vesting	10	10
	2017 - 2018	October 12, 2017	490	One year from the date of grant i.e. upto October 12, 2018	15 days from the date of vesting	10	10
	2017 - 2018	February 22, 2018	600	One year from the date of grant i.e. upto February 22, 2019	15 days from the date of vesting	10	10
Fabindia Overseas Private Limited ESOP 2016	2018 - 2019	August 22, 2018	13,100	One year from the date of grant i.e. upto August 22, 2019	15 days from the date of vesting	10	10
Fabindia Overseas Private Limited ESOP 2016	2019 - 2020	August 22, 2019	14000 (post Bonus Issue of 5:1 made on 12th October 2019, these have been adjusted to 84,000 options)	One year from the date of grant i.e. upto August, 22, 2020	Minimum 15 days from the date of vesting	10	10

i) Movement in Employee Stock Options during the year:

Particulars	March 31, 2021		March 31, 2020	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	84,000	10	13,100	10
Granted during the year	-	10	84,000	10
Forfeited during the year	-	-	-	-
Exercised during the year	78,654	10	6,799	10
Expired/ lapsed during the year	5,346	10	6,801	10
Outstanding at the end of the year	-	10	84,000	10
Exercisable at the end of the year	-	-	-	-

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ii) Fair Value on the Grant Date:
The fair value at the grant date is determined using Black Scholes Model which takes into account the exercised price, the term of the option, the share price at the grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Fair Value at Grant Dates	(Amount in ₹)
August 17, 2017	5,952.96
October 12, 2017	6,357.78
February 22, 2018	6,400.63
August 22, 2018	7,654.38
August 22, 2019 (adjusted to post bonus issue value)	1,162.00

The significant assumptions used to ascertain fair value of each Option in accordance with Black Scholes model:

	2019-20	2018-19	2017-18		
	August 22, 2019	August 22, 2018	August 17, 2017	October 12, 2017	February 22, 2018
Risk-free interest rate	5.46%	6.49%	6.25%	6.25%	6.25%
Expected life of option (in years)	1	1	1	1	1
Volatility of underlying stock	48.12%	33.05%	38.91%	36.96%	35.41%
Dividend yield	1.43%	1.29%	1.24%	1.16%	1.54%

The Risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities or Government bonds. The dividend yield for the year is derived by dividing the dividend for the period with the current market price.

iii) The effect of share-based payment plan on the Standalone Financial Statements:

	2020-21	2019-20
Expense arising from employee share-based payment plan	319	595
Liability arising from employee share-based payment plan	-	595

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47 Impairment

(i) Fabindia International Pte Limited (FIPL), an overseas wholly-owned subsidiary company, in its certified consolidated management accounts, had provided impairment on its investment in overseas subsidiaries, East Limited, UK and Indigo Origins Pte. Limited, Singapore and associates East Lifestyle Limited, UK and Fabindia S.r.l, Italy upto March 31, 2021. Based on this, the Company had also provided corresponding impairment in value of its investment in FIPL. Further, during the year ended March 31, 2020 East Limited, UK was dissolved.

48 Due to Micro, Small And Medium Enterprises as defined under the MSMED Act, 2006

The principal amount and the interest due thereon remaining unpaid to any supplier:	For the year ended March 31, 2021	For the year ended March 31, 2020
Principal amount due to micro and small enterprises	2,542	658
Interest due on above	-	-
Amount of interest paid by the buyer in terms of Section 16 of the MSMED, along with the amounts of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the MSMED Act, 2006.	21	6
Amount of interest accrued and remaining unpaid at the end of each financial year	21	6
The amount of further interest remaining due and payable in the succeeding years, until such date when the inteerst 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, 2016.	-	-

49 Other notes

(a) As per provision of Section 135 of the Companies Act, 2013 read with Companies Amendment Act, 2019, the Company has to spend atleast 2% of the average profits of the preceding three years towards CSR. The CSR committee of the Company provides an oversight of CSR policy execution to ensure that CSR objectives of the Company are met as per Schedule VII of the Companies Act, 2013.

The financial details as sought by the Act are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Average net profits of the Company for last three financial years	13,407	16,328
Prescribed CSR expenditure (2% of the average net profit)	268	327
Details of CSR expenditure during the year:	-	-
Total amount to be spent for the financial year	268	327
Amount spent upto March 31, 2021 (March 31, 2020)	271	330

(b) During the year ended March 31, 2020, the Company had recorded the transfer of 6,411 Equity Shares from Resident to Non-Resident under Foreign Exchange Management Act, 1999. The said transfer had taken place at a fair value based on the valuation certificate issued by Fast Treck Finsec Private Limited (Category I Merchant Banker), calculated in accordance with Discounted Cash Flow (DCF) valuation method as per the internationally accepted pricing methodology, in compliance with the pricing guidelines under RBI A.P. (DIR Series) Circular No. 4 dated July 15, 2014.

(c) As per the requirement of Schedule III of the Act, the Board of Directors have considered the values of all assets of the Company other than property, plant and equipment and non-current investments, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the balance sheet. On account of outbreak of COVID-19 impact, there may be certain delays in recoveries of current assets/ loans and advances but there is not likely to be any material reduction in values. Although Management expects a slowdown, there are no plans to downsize the Company's operations presently or in the near future.

(d) Subsequent to year ended, as per the Extra-ordinary general meeting of members of the Company held on June 08, 2021, the authorised share capital consisting of 1,50,00,000 equity shares of the Company having face value of ₹ 10 each has been sub-divided into 15,00,00,000 equity shares of face value of ₹ 1 each w.e.f., June 08, 2021, without altering the aggregate amount of the same.
Further, the issued, subscribed and paid-up share capital consisting of 1,47,36,378 equity shares of the Company having face value of ₹ 10 each shall stand sub-divided into 14,73,63,780 equity shares having face value of ₹ 1 each w.e.f., June 08, 2021 without altering the aggregate amount of such capital and shall rank pari passu in all respects and carry the same rights as to the existing fully paid-up equity shares of ₹ 10 each of the Company.

(e) Provision for income tax has been computed by considering that the Company had opted for payment of income tax as per the provisions of Section 115BAA of the Income Tax Act, 1961.

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(f) The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on March 11, 2020. On March 24, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus. The lock down was further extended till May 03, 2020. This pandemic and response thereon have impacted most of the industries. Consequent to the nationwide lock down on March 24, 2020, the Company's operations were scaled down in compliance with applicable regulatory orders. Subsequently, during the year, the Company's operations have been scaled up in a phased manner taking into account directives from various Government authorities. The impact on future operations would, to a large extent, depend on how the pandemic further develops and its resultant impact on the operations of the Company. The advent of second wave of COVID-19 in April 2021- May 2021 resulted in further lockdowns. The Company continues to monitor the situation and will take appropriate action as considered necessary in due compliance with the applicable regulations as the situation normalises.

The Management has assessed the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021. Basis the same, the Company has created a provision of ₹ 3,088 lakhs and ₹ 18 lakhs towards 'slow and non-moving stock' and 'allowance for credit losses respectively. Further, on account of outbreak of second wave of COVID-19, there may be delays in recovery of certain debit balances. However, it is not likely to have any material impact on the financial position of the Company.

(g) Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date

For A Puri & Associates
Chartered Accountants
Firm Registration Number: 009203N

Jyoti Subarwal
Partner
Membership number: 080654

Place: New Delhi
Date: August 27, 2021

For MSKA & Associates
Chartered Accountants
Firm Registration Number: 105047W

Amit Mitra
Partner
Membership number: 089518

Place: Gurugram
Date: August 27, 2021

For and on Behalf of the Board Of Directors of
Fabindia Overseas Private Limited
CIN: U74899DL1976PTC008436

William Nanda Bissell
Executive Chairman and Director
DIN: 00012819

Place: New Delhi
Date: August 27, 2021

Vinay Singh
Managing Director
DIN: 00932145

Place: New Delhi
Date: August 27, 2021

Monika Uppal Arora
Company Secretary

Membership number: A17485

Place: New Delhi
Date: August 27, 2021

Gopal Mishra
Chief Financial Officer and
Chief Operating Officer

Place: New Delhi
Date: August 27, 2021