B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Jyothy Fabricare Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jyothy Fabricare Services Limited (the "Company"),which comprise the balance sheet as at 31 March 2022 , 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 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022 , and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that :

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

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

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

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

e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

a) The Company does not have any pending litigations which would impact its financial position

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

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

d) (i) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 41(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 41(i) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has neither declared nor paid any dividend during the year

Independent Auditor's Report ***(continued)***

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the company has not paid any remuneration to its directors during the current year and hence the same is in compliance with the provisions of Section 197 of Companies Act 2013. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248 W/W-100022

Sreeja Marar
Partner
Membership No. 111410
UDIN **22111410AJMPEI3023**

Mumbai
Date: 24 May 2022

Annexure A to the Independent Auditor's Report on Financial Statements
(Referred to in our report of even date)

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Building	4,076,916	Akash Cleaners Private Limited	NO	1 April 2011	Ownership transfer pending (undisputed)
Freehold Land	10,819,430	Fab clean & care Private Limited	NO	8 June 2011	Ownership transfer pending (undisputed)
Building	2,654,500	Fab clean & care Private Limited	NO	8 June 2011	Ownership transfer pending(undisputed)
Freehold Land	12,743,834	Snoways Laundrers & Drycleaners Private Limited	NO	1 April 2019	Ownership transfer pending(undisputed)

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for

holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by the company. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues - have been regularly deposited by the Company with the appropriate authorities

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) **(a)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the non current borrowings and net current liabilities of Rs 976,399,653 have been used to finance part of the non-current assets and accumulated losses.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) **(a)** The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

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

(xi) **(a)** Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanation provided to us, there is no core investment company within the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.

(xvii) The Company has incurred cash losses of Rs. 65,564,291 in the current financial year and Rs. 262,529,765 in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) We draw attention to Note 2.1 to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses of Rs. 991,231,195 as at 31 March 2022. Further, the Company's current liabilities exceed its current assets as at 31 March 2022 by Rs.976,399,651. However, based on various mitigating factors as described in Note 2.1, material uncertainty relating to events/conditions that cast significant doubt on entity's ability to continue as going concern does not exist.

On the basis of the above and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, mitigating factors as described in Note 2.1 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and

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we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248 W/W-10022

Sreeja Marar
Partner
Membership No. 111410
UDIN **22111410AJMPEI3023**

Mumbai
24 May 2022

Annexure B to the Independent Auditors' report on the financial statements of Jyothy Fabricare Services Limited for the period ended 31 March 2022

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Jyothy Fabricare Services Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248 W/W-10022

Sreeja Marar
Partner
Membership No. 111410
UDIN **22111410AJMPEI3023**

Mumbai
24 May 2022

Jyothy Fabricare Services Limited

Standalone Balance Sheet
as at March 31, 2022

	Note	As at March 31, 2022	Amount in Rs. As at March 31, 2021 (Recast)
Assets			
Non-Current Assets			
Property, plant and equipment	3a	17,25,11,748	29,20,69,091
Capital work in progress	3b	6,00,000	45,101
Right-of-use assets	3c	4,23,89,358	3,95,37,221
Goodwill	3d	2,36,78,204	2,36,78,204
Other intangible assets	3d	8,70,681	38,20,222
Financial assets			
Investment in subsidiaries	4	2,23,31,055	13,56,632
Other financial assets	5	1,00,37,369	1,11,84,930
Deferred tax assets (net)	6	-	2,42,699
Income tax assets (net)	7	8,38,403	69,85,397
Other non-current assets	8	25,56,061	13,94,271
		27,58,12,879	38,03,13,768
Current assets			
Inventories	9	79,78,661	64,31,740
Financial assets			
Trade receivables	10	68,52,367	44,77,551
Cash and cash equivalents	11 (a)	2,04,34,465	1,37,85,182
Bank balances other than cash and cash equivalents	11 (b)	1,38,25,685	88,98,072
Other financial assets	5	1,10,82,773	66,06,877
Other current assets	8	36,15,196	69,24,883
Assets held for sale	3e	3,32,17,753	-
		9,70,06,900	4,71,24,305
Total Assets		37,28,19,779	42,74,38,073
Equity and liabilities			
Equity			
Equity share capital	12A	23,85,00,000	23,85,00,000
Other equity	12B	(99,12,31,195)	(82,00,95,122)
Total equity		(75,27,31,195)	(58,15,95,122)
Liabilities			
Non-Current liabilities			
Financial liabilities			
Lease Liabilities	30	2,50,02,734	1,91,72,742
Provisions	14	2,71,41,689	2,39,69,963
		5,21,44,423	4,31,42,705
Current liabilities			
Financial liabilities			
Borrowings.	13	1,01,42,82,384	91,29,74,214
Lease Liabilities	30	2,13,75,040	2,50,80,740
Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		41,31,824	18,90,766
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,88,95,469	1,82,46,656
Other financial liabilities.	16	82,39,158	26,56,435
Provisions	14	21,43,068	13,60,114
Other current liabilities	17	43,39,608	36,81,565
		1,07,34,06,551	96,58,90,490
Total liabilities		1,12,55,50,974	1,00,90,33,195
Total equity and liabilities		37,28,19,779	42,74,38,073
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 24th May, 2022

For and on behalf of the Board of Directors of
Jyothy Fabricare Services Limited
CIN : U17120MH2008PLC180246

M.R. Ramachandran
Chairman and Managing Director
DIN - 00553406

K. Ullas Kamath
Director
DIN - 00506681

Mayank Patwa
Company Secretary
M.No. A42480

Pinkesh Bansal
Chief Financial Officer

Place: Mumbai
Date: 24th May, 2022

JYOTHY FABRICARE SERVICES LIMITED

Jyothy Fabricare Services Limited

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

Amount in Rs.

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021 (Recast)
Income			
Revenue from operations	*18*	**26,94,18,916**	19,58,94,027
Other income	*19*	**2,39,18,636**	1,65,30,129
Total income (I)		**29,33,37,552**	**21,24,24,156**
Expenses			
Cost of services	*20*	**6,13,30,888**	4,09,74,249
Purchase of Traded Goods		**12,87,825**	49,94,228
Increase/(Decrease) of Inventory	*21*	**9,30,629**	(15,41,021)
Employee benefits expense	*22*	**11,72,30,016**	11,04,12,418
Finance costs	*23*	**6,70,37,895**	24,05,12,076
Depreciation and amortisation expense	*24*	**8,76,03,861**	8,07,74,240
Other expenses	*25*	**12,69,43,149**	9,51,18,200
Total expense (II)		**46,23,64,263**	**57,12,44,390**
Loss before tax (I-II)		**(16,90,26,711)**	**(35,88,20,234)**
Income tax	*42*		
Current tax		-	-
Deferred tax / MAT Credit reversed		**2,42,699**	-
Total Income tax		**2,42,699**	-
Loss for the year attributable to equity shareholders (A)		**(16,92,69,410)**	**(35,88,20,234)**
Other comprehensive Income			
Items that will not be reclassified to Profit or loss			
Re-measurement gains/(losses) of post employment benefit obligation		**(18,66,663)**	39,65,692
Income tax effect	*42*	-	-
Other comprehensive Profit / (losses) for the year net of tax, attributable to equity shareholders (B)		**(18,66,663)**	39,65,692
Total comprehensive Loss for the year net of tax, attributable to equity shareholders (A+B)		**(17,11,36,073)**	**(35,48,54,542)**
EARNINGS PER SHARE (EPS)	34		
Basic & Diluted (Rs.)		**(8.24)**	(27.31)
Nominal value per share (Rs.)		**10.00**	10.00
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 24th May, 2022

For and on behalf of the Board of Directors of
Jyothy Fabricare Services Limited
CIN : U17120MH2008PLC180246

M. P. Ramachandran
Chairman and Managing Director
DIN - 00553406

K. Ullas Kamath
Director
DIN - 00506681

Mayank Patwa
Company Secretary
M.No. A42480

Pinkesh Bansal
Chief Financial Officer

Place: Mumbai
Date: 24th May, 2022

Jyothy Fabricare Services Limited

Standalone Statement of Cash Flow

for the year ended March 31, 2022

Amount in Rs.

		As at March 31, 2022	As at March 31, 2021 (Recast)
A.	**CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES:**		
	Loss Before Tax	(16,92,69,410)	(35,88,20,234)
	Adjustment to reconcile loss before tax to net cash flows		
	Depreciation and impairment of property, plant and equipment	5,91,36,941	4,17,03,506
	Depreciation of right-of-use assets	2,55,17,379	3,51,27,488
	Amortisation and impairment of intangible assets	29,49,541	39,43,246
	(Profit) / Loss on sale of fixed assets	(1,52,40,445)	(2,74,433)
	Interest income	(7,75,169)	(26,40,838)
	Finance cost	6,70,37,895	24,11,04,125
	Interest others	(44,76,791)	(1,07,31,805)
	Share of loss from investment in partnership firm	1,65,25,577	1,61,24,854
	Bad debts / advances written off	-	5,61,376
	Provision for doubtful debts written back	(4,24,318)	(11,70,001)
	Operating loss before working capital changes	(1,90,18,800)	(3,50,72,716)
	Movements in working capital:-		
	Decrease / (Increase) in Inventories	(15,46,921)	(13,26,670)
	Decrease / (Increase) in Trade receivables	(19,50,498)	22,68,651
	Decrease / (Increase) in Other Financial assets	(42,86,115)	8,56,944
	Decrease / (Increase) in Other assets	(39,70,492)	30,81,269
	Increase / (Decrease) in Trade payables	28,89,836	(47,45,075)
	Increase / (Decrease) in Other Financial liabilities	63,00,900	(99,67,675)
	Increase / (Decrease) in Provisions	20,88,016	(2,18,651)
	Cash used in operations	(1,94,94,074)	(4,51,23,923)
	Taxes (paid) / Refund received (net)	63,89,693	1,08,00,029
	Net cash used in operating activities (A)	(1,31,04,381)	(3,43,23,894)
B	**CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:**		
	Purchase of fixed assets including capital work-in-progress and capital advances	(20,49,974)	(88,03,190)
	Proceeds from sale of fixed assets	4,54,42,123	6,48,032
	(Investment in)/withdrawal of Capital from Partnership firm	(3,75,00,000)	(1,05,00,000)
	Interest received	7,75,169	20,08,663
	(Investment in)/ Proceeds from fixed deposit	(39,69,833)	(10,23,574)
	Loan given to subsidiaries	-	(1,02,587)
	Cash flow provided by / (used in) investing activities (B)	26,97,485	(1,77,72,656)
C.	**CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:**		
	Payment of lease liabilities	(2,91,86,497)	(3,01,57,477)
	Loan from partnership firm	-	(8,00,491)
	Repayment of debentures	-	(75,09,34,639)
	Loan from NBFC	35,00,00,000	85,00,00,000
	Loan Repayment to NBFC	-	(20,00,00,000)
	Interest Paid on NBFC Loan	(4,39,79,775)	(4,53,07,158)
	Loan from Holding Company	5,50,00,000	24,00,00,000
	Loan Repayment to Holding Company	(30,04,99,316)	-
	Interest Loan from Subsidiary Company	-	6,59,429
	Interest Loan from Holding Company	(1,42,78,233)	(15,98,613)
	Net cash generated from/(used in) financing activities (C)	1,70,56,179	6,18,61,051
D.	**Net (decrease) /increase in cash and cash equivalents (A+B+C)**	66,49,283	97,64,501
E.	Cash and cash equivalents at the beginning of the year	1,37,85,182	40,20,681
F.	**Cash and cash equivalents at the end of the year**	2,04,34,465	1,37,85,182
G.	**Components of cash and cash equivalents**		
	Cash in hand	39,07,421	31,06,457
	Balance with scheduled Banks - Current account	1,65,27,044	1,06,78,725
	Cash and cash equivalents considered for cash flow statement	2,04,34,465	1,37,85,182

The Standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7).

H. Changes in liabilities arising from financing activities

Particulars	As at March 31, 2021	Cash flow (Net)	As at March 31, 2022
Current Borrowings (Refer Note - 13)	91,29,74,214	10,13,08,170	1,01,42,82,384
	91,29,74,214	10,13,08,170	1,01,42,82,384

Summary of significant accounting policies — Note 2

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No.: 111410

For and on behalf of the Board of Directors of
Jyothy Fabricare Services Limited
CIN : U17120MH2008PLC180246

M. P. Ramachandran
Chairman and Managing Director
DIN - 00553406

K. Ullas Kamath
Director
DIN - 00506681

Mayank Patwa
Company Secretary
M.No. A42480

Pinkesh Bansal
Chief Financial Officer

Place: Mumbai
Date: 24th May, 2022

Place: Mumbai
Date: 24th May, 2022

JYOTHY FABRICARE SERVICES LIMITED

Jyothy Fabricare Services Limited

Standalone Statement of changes in equity
for the year ended March 31, 2022

A Equity Share Capital

Amount in Rs.

Particulars	As at March 31, 2022	As at March 31, 2021 (Recast)
Equity shares of Rs.10 each issued, subscribed and fully paid		
At the beginning of the period	**20,55,00,000**	13,05,00,000
Issue of share capital	-	7,50,00,000
At the end of the period	**20,55,00,000**	**20,55,00,000**
Series A Compulsorily Convertible Preference Share of face Value Rs.10 each		
At the beginning of the period	**3,30,00,000**	3,30,00,000
Issued during the period	-	-
At the end of the period	**3,30,00,000**	**3,30,00,000**
	23,85,00,000	**23,85,00,000**

For further details, Refer Note 12 (A).

B Other Equity

	Equity component of compound financial instruments	Retained Earning	Amalgamation reserve account	Securities premium	Capital Reserves	General Reserves	Total
As at 1 April, 2020	78,97,89,394	(2,88,84,06,786)	(26,17,57,208)	46,93,00,005	-	28,50,000	**(1,88,82,24,595)**
Net Asset/ (Reserves) aquired on account of merger of Snoways Laundrers & Drycleaners Private Limited and Four Seasons Drycleaning Company Private Limited (Refer Note 44)	-	(5,03,75,616)	-	-	4,96,57,500	(12,97,869)	**(20,15,985)**
Recast Balance as at 1 April 2020	**78,97,89,394**	**(2,93,87,82,402)**	**(26,17,57,208)**	**46,93,00,005**	**4,96,57,500**	**15,52,131**	**(1,89,02,40,580)**
Loss for the year	-	(35,88,20,234)	-	-	-	-	**(35,88,20,234)**
Other comprehensive income -Re-measurement gains/(losses) of post employment benefit obligation	-	39,65,692	-	-	-	-	**39,65,692**
Transfer (from)/to Retained earning	(78,97,89,394)	78,97,89,394	-	1,42,50,00,000	-	-	**1,42,50,00,000**
As at 31 March, 2021	**-**	**(2,50,38,47,550)**	**(26,17,57,208)**	**1,89,43,00,005**	**4,96,57,500**	**15,52,131**	**(82,00,95,122)**
As at 1 April, 2021	-	(2,50,38,47,550)	(26,17,57,208)	1,89,43,00,005	4,96,57,500	15,52,131	**(82,00,95,122)**
Loss for the year	-	(16,92,69,410)	-	-	-	-	**(16,92,69,410)**
Other comprehensive income -Re-measurement gains/(losses) of post employment benefit obligation	-	(18,66,663)	-	-	-	-	**(18,66,663)**
As at March 31, 2022	**-**	**(2,67,49,83,623)**	**(26,17,57,208)**	**1,89,43,00,005**	**4,96,57,500**	**15,52,131**	**(99,12,31,195)**

Jyothy Fabricare Services Limited

Standalone Statement of changes in equity
for the year ended March 31, 2022

B. Other Equity (*Continued*)

Nature and purpose of reserves

(a) Equity component of compound financial instruments - Equity component of 2% Optionally Convertible Non - Cumulative Preference Share.

(b) Retained earnings - Retained earnings are the losses that the Company has incurred till date.

(c) Amalgamation reserve account - Excess of book value of investment in the equity share capital of Akash Cleaners Private Limited ("ACPL"), Diamond Fabcare Private Limited ("DFPL") & Fabclean and Care Private Limited ("FCPL") over the face value of such share capital.

(d) Securities premium - The amount received in excess of face value of the equity shares and Convertible Preference shares is recognised in Securities Premium Reserve. This reserve can be utilized only in accordance with the provisions of section 52 of the Companies Act, 2013.

(e) General reserves - on amalgamation of Akash Cleaners Private Limited ("ACPL").

(f) Capital reserves - on amalgamation of Four Seasons Dry Cleaning Company Private Limited ("FSDC").

For further details, Refer Note 12 (B).

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 24th May, 2022

For and on behalf of the Board of Directors of
Jyothy Fabricare Services Limited
CIN : U17120MH2008PLC180246

M. P. Ramachandran
Chairman and Managing Director
DIN - 00553406

K. Ullas Kamath
Director
DIN - 00506681

Mayank Patwa
Company Secretary
M.No. A42480

Pinkesh Bansal
Chief Financial Officer

Place: Mumbai
Date: 24th May, 2022

JYOTHY FABRICARE SERVICES LIMITED *

Jyothy Fabricare Services Limited

Notes to standalone financial Statements

for the Year Ended March 31, 2022

1 Corporate information

Jyothy Fabricare Services Limited ('the Company') is a public Company domiciled in India. The Company is principally engaged in the business of laundry and dry-cleaning services.

These standalone financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on May 24, 2022.

2 Significant accounting policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets which have been measured at fair value (Refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees.

As at 31 March 2022, the Company's paid up capital is Rs.23,85,00,000 and the accumulated losses aggregated Rs.99,12,31,195 resulting in a negative networth of Rs.75,27,31,195. The Company has incurred a loss of Rs.17,11,36,073 during the year and has net current liabilities (including borrowings) of Rs. 97,63,99,651 as at 31 March 2022. The company has negative operating cash flow during the year amounting to Rs.1,31,04,381. Borrowing amounting to Rs.1,01,42,82,384 is due for payment within next 12 months from the year end 31 March 2022.

The above events/conditions cast doubt on entity's ability to continue as a going concern. However these events/conditions are mitigated by the following:

• Company has an unconditional financial support from holding company in order to meet all its liabilities as and when they fall due for payment, for a period of not less than 12 months from the date of financial closure of accounts of the Company for the year ended 31 March 2022. Loans taken by the Company have been secured by corporate guarantee issued by the holding Company.

• The Company has restructured its operating model to bring in better efficiencies using a franchisee model, and App based aggregation business model. The Company is also in the process of sale of assets amounting to Rs.3,32,17,753, as stipulated in Note 3(e) pursuant to the restructuring of its operations. Management has forecasted growth by expanding the business using this franchisee model. Based on the revised operating model and management approved projected cash flows, management is confident of meeting its liabilities as and when they fall due. Post covid business is expected to grow significantly.

• The Company has undrawn borrowing limits amounting to Rs.50,000,000, and is in the process of securing equity investment from other investors.

• The Company has cash and bank balances of Rs.2,04,34,465 and fixed deposits maturing post 12 months of balance sheet date Rs.2,33,445.

• Cash in hand, realisation from sale of idle assets and cash flow from higher operational volumes post covid is expected to adequately fund the expected cash outflows for 12 months from the date of the adoption of these financial statements.

• Based on the above mitigating factors, material uncertainty relating to events/conditions that cast significant doubt on entity's ability to continue as going concern does not exist. Accordingly, standalone financial statements have been prepared on a going concern basis.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is 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 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 realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

JYOTHY FABRICARE SERVICES LIMITED

2 Significant accounting policies *(Continued)*

2.2 Summary of significant accounting policies *(Continued)*

b. Fair value measurement

The Company measures financial instruments (Refer Note 2.2 (j)) at fair value at each balance sheet date. 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.

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

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

- Level 1 — Quoted (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 recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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.

c. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, 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.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

JYOTHY FABRICARE SERVICES LIMITED

2.2 Summary of significant accounting policies *(Continued)*

c. Taxes *(Continued)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

d. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant part of plant and equipment are required to be replaced at intervals, the Company depreciate them separately based on their specific useful lives. All other repair and maintenance cost are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	**Estimated useful life (in years)**
Building - Factory	30
Plant and machinery	15
Furniture and fixtures	10
Computers	3-6
Office equipments	5
Vehicles	8-10
Leasehold Improvements - Outlets	3

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

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

Capital work-in-progress comprises cost of Property, Plant and Equipments that are not yet ready for their intended use at the year end.

e. Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite as per table below -

Category	**Estimated useful life (in years)**
Software and Licences	5
Trade mark	9-10

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets aquired. Goodwill is carried at cost less accumulated impairement losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

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JYOTHY FABRICARE SERVICES LIMITED

2.2 Summary of significant accounting policies *(Continued)*

f. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. Leases

The Company applies a single recognition and measurement approach for all leases, The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The lease liabilities were discounted using the incremental borrowing rate (same as company average borrowing rate)

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 1 to 5 years
- Land 95 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.2 (i) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

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 and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

JYOTHY FABRICARE SERVICES LIMITED

2.2 Summary of significant accounting policies *(Continued)*

h. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw and Packing materials, stores and spares and fuel: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

Net realisable 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.

i. Impairment of non-financial assets

i) 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. 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 groups of assets. An impairment loss is recognized wherever the carrying amount of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre-tax discount rate. In determining net selling price, recent market transaction are taken in to account, if available. If no such transaction can be identified, an appropriate valuation model is used.

ii) After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

iii) A previously recognised 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 recognised. 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 recognised for the assets in prior years.

iv) Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

j. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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 recognised 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 four categories:

1 Debt instruments at amortised cost
2 Debt instruments at fair value through other comprehensive income (FVTOCI)
3 Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
4 Equity instruments measured at fair value through other comprehensive income FVTOCI

The Company does not have any financial assets falling under category 2 and 4 above.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) 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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

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JYOTHY FABRICARE SERVICES LIMITED

2.2 Summary of significant accounting policies *(Continued)*

Financial instruments (Continued)

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

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

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises 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 Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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2.2 Summary of significant accounting policies *(Continued)*

Financial instruments (Continued)

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract. On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

l. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliable measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding of taxes or duties collected on behalf of the Government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risk.

The specific recognition criteria described below must also be met before revenue is recognised.

Sales of Goods

Revenue from the sale of goods is recognised when control of the goods has transferred to the customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, incentives and rebates. Accumulated experience is used to estimate and provide for trade discounts, incentives and rebates. No element of financing is deemed present as the sales are made with short credit terms.

Rendering of Services

When the outcome of a transaction involving the rendering of laundry services can be estimated reliably, revenue associated with the transaction at the end of reporting period is recognised provided no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. Service revenue are net of Goods and Service Tax.

The company recognises revenue of the amount billed to customer out of franchisee stores since it fulfils below criteria.

- The Company has primary responsibility for rendering services to the customer.
- The Company has latitude in establishing price

FABRICARE SERVICES LIMITED JYOTHY

2.2 Summary of significant accounting policies *(Continued)*

Revenue recognition (Continued)

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

m. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined at the period end by an independent actuary using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and
- Net interest expense or income

Short-term employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the compnay has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other Long-term employee benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method based on actuarial valuation.

Re-measurement are recognised in profit or loss in the period in which they arise including actuarial gains and losses.

n. Earnings per Share

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted forbonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to takeinto account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

o. Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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2.2 Summary of significant accounting policies *(Continued)*

p. Contingent liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(i) estimated amount of contracts remaining to be executed on capital account and not provided for;

(ii) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

q. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r. Assets Held for Sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

2.3 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

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Notes to standalone financial statements *(Continued)*

for the year ended March 31, 2022

3a Property, plant and equipments

Amount in Rs.

Particulars	Building @	Freehold Land @	Plant and machinery	Furniture and fixture	Leasehold Improvements	Office equipments	Vehicle	Total Tangible assets
Cost								
As at April 1, 2020	**17,09,74,538**	**5,37,85,319**	**19,32,24,438**	**1,12,84,504**	**1,50,75,520**	**1,43,87,609**	**82,22,671**	**46,69,54,599**
Additions	-	1,27,43,834	65,51,650	35,350	20,33,206	6,22,349	-	**2,19,86,389**
Disposals	-	-	40,000	22,500	3,72,673	3,76,640	44,68,908	**52,80,721**
As at March 31, 2021	**17,09,74,538**	**6,65,29,153**	**19,97,36,088**	**1,12,97,354**	**1,67,36,053**	**1,46,33,318**	**37,53,763**	**48,36,60,267**
Additions	-	-	5,66,739	684	1,86,710	6,80,808	-	**14,34,941**
Disposals/ reclassifications	2,32,87,881	4,29,65,889	1,43,62,357	26,18,902	44,59,547	22,38,618	4,04,957	**9,03,38,151**
As at March 31, 2022	**14,76,86,657**	**2,35,63,264**	**18,59,40,470**	**86,79,136**	**1,24,63,216**	**1,30,75,508**	**33,48,806**	**39,47,57,057**
Depreciation and impairment								
As at April 1, 2020	**3,28,87,090**	-	**8,86,97,757**	**94,67,745**	**79,23,223**	**97,88,976**	**60,60,496**	**15,48,25,287**
Depreciation charge for the year	67,08,829		2,78,69,913	12,06,757	33,41,311	21,56,393	3,89,808	**4,16,73,011**
Disposals	-	-	25,716	20,887	88,174	3,03,447	44,68,898	**49,07,122**
As at March 31, 2021	**3,95,95,919**	-	**11,65,41,954**	**1,06,53,615**	**1,11,76,360**	**1,16,41,922**	**19,81,406**	**19,15,91,176**
Depreciation charge for the year	4,00,15,137	-	1,42,52,119	2,03,387	27,81,952	14,94,538	3,89,808	**5,91,36,941**
Disposals/ reclassifications	70,85,905	-	1,22,58,156	23,95,657	41,63,115	21,76,947	4,03,028	**2,84,82,808**
As at March 31, 2022	**7,25,25,151**	-	**11,85,35,917**	**84,61,345**	**97,95,197**	**1,09,59,513**	**19,68,186**	**22,22,45,309**
Net book value								
As at March 31, 2022	**7,51,61,506**	**2,35,63,264**	**6,74,04,553**	**2,17,791**	**26,68,019**	**21,15,995**	**13,80,620**	**17,25,11,748**
As at March 31, 2021	13,13,78,619	6,65,29,153	8,31,94,134	6,43,739	55,59,693	29,91,396	17,72,357	**29,20,69,091**

3 a Property, plant and equipment ***(Continued)***

@ The Company undisputedly possesses the title deeds for all properties (except mentioned below) held by the Company. Further, the Company does not hold any property where-in the title deed does not convey a lucid ownership interest in favour of the Company with respect to such property. (assets not held in name of company)

Amount in Rs.

Sr No	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
1	Property, plant and equipment	Building	40,76,916	Akash Cleaners Private Limited	No	01-04-2011	Ownership transfer pending
2	Property, plant and equipment	Freehold land	1,08,19,430	Fab clean & care Private Limited	No	08-06-2011	Ownership transfer pending
3	Property, plant and equipment	Building	26,54,500	Fab clean & care Private Limited	No	08-06-2011	Ownership transfer pending
4	Property, plant and equipment	Freehold Land	1,27,43,834	Snoways Laundrers & Drycleaners Private Limited	No	01-04-2019	Ownership transfer pending

3 b Capital work in progress (CWIP)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance	45,101	66,67,002
Additions during the year	19,89,840	1,53,64,488
Capitalised during the year	14,34,941	2,19,86,389
Closing Balance	**6,00,000**	**45,101**

Sr	Particualrs	As at 31.03.2022	As at 31.03.2021
	Capital Work-in-progress (CWIP) and intangible assets under		
a	For capital-work-in progress / intangible assets under development categories namely:		
1	**Projects in progress**		
	• Less than 1 year	6,00,000	45,101
	• 1-2 years	-	-
	• 2-3 years	-	-
	• More than 3 years	-	-
	Total	**6,00,000**	**45,101**

There are no projects which are temporarily suspended or whose completion is overdue. There are no projects whose costs are exceeding the original budget.

For contractual commitment with respect to property, plant and equipment refer note 31.

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3c Right-of-use assets

Amount in Rs.

Particulars	Leasehold Land	Building	Total
Cost			
As at April 1, 2020	17,70,438	10,09,20,310	10,26,90,748
Additions	-	1,14,07,694	1,14,07,694
Disposals	-	-	-
As at March 31, 2021	17,70,438	11,23,28,004	11,40,98,442
Additions	-	2,99,33,568	2,99,33,568
Disposals/ Reclassification	17,70,438	-	17,70,438
As at March 31, 2022	-	14,22,61,572	14,22,61,572
Depreciation and impairment			
As at April 1, 2020	1,45,647	3,92,57,591	3,94,03,238
Additions	30,495	3,51,27,488	3,51,57,983
Disposals	-	-	-
As at March 31, 2021	1,76,142	7,43,85,079	7,45,61,221
Additions	30,244	2,54,87,135	2,55,17,379
Disposals/ Reclassification	2,06,386	-	2,06,386
As at March 31, 2022	-	9,98,72,214	9,98,72,214
Net book value			
As at March 31, 2022	-	4,23,89,358	4,23,89,358
As at March 31, 2021	15,94,296	3,79,42,925	3,95,37,221

The Company undisputedly possesses the title deeds for all properties held by the Company. Further, the Company does not hold any property where-in the title deed does not convey a lucid 'ownership interest in 'favour of the Company with respect to such lease.

3d Intangible assets

Particulars	Goodwill	Other Intangible assets		Total Other intangible assets
		Software and Licences	Trade marks and Copyrights $	
Cost				
As at April 1, 2020	1,38,16,434	1,25,80,148	20,23,360	1,46,03,508
Additions	98,61,770	12,33,750	-	12,33,750
Disposals	-	-	-	-
As at March 31, 2021	2,36,78,204	1,38,13,898	20,23,360	1,58,37,258
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2022	2,36,78,204	1,38,13,898	20,23,360	1,58,37,258
Amortisation and impairment				
As at April 1, 2020	-	60,50,430	16,61,254	77,11,684
Amortisation charge for the year	-	39,43,246	3,62,106	43,05,352
Disposals	-	-	-	-
As at March 31, 2021	-	99,93,676	20,23,360	1,20,17,036
Amortisation charge for the year	-	29,49,541	-	29,49,541
Disposals	-	-	-	-
As at March 31, 2022	-	1,29,43,217	20,23,360	1,49,66,577
Net book value				
As at March 31, 2022	2,36,78,204	8,70,681	-	8,70,681
As at March 31, 2021	2,36,78,204	38,20,222	-	38,20,222

$ Trademark is pending registration in the name of the Company.

3d Intangible assets *(continued)*

The goodwill is tested for impairment annually as at March 31st and accordingly no impairment charges were identified for FY 2021-22 (Nil for 2020-21). Goodwill relates to the acquisition of 'Snoways' brand in earlier years and the projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances, before applying a fixed terminal value growth rate to the final year cash flows. The growth rate considered management prospects of future expansion plan basis new business model as approved by management.

Following key assumptions were considered while performing impairment testing : -

Terminal value growth rate - 8% (2021 : 5%)

Growth rate - 5% - 10% (2021 : 3% - 15%)

Weighted Average Cost of Capital % (WACC) (Discount rate) - 16% (2021 : 13%)

The projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances, before applying a fixed terminal value growth rate to the final year cash flows. The growth rates used to estimate future performance (revenue, cost of goods sold, expenses etc) are based on the conservative estimates after considering past performance.

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The Company has performed sensitivity analysis around the base assumptions and have concluded that no reasonable change in key assumptions would cause the recoverable amount of CGU to be less than the carrying value.

3e Assets held for sale

Refer Note 2.2 (r) for accounting policy on Assets Held for Sales

Amount in Rs.

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Freehold land	1,54,51,689	-
Leasehold land	1,62,01,975	-
Buildings	15,64,089	-
Total	**3,32,17,753**	**-**

During the year, the company had identified certain non operational properties as mentioned above for sales which had been moved from Property, Plant and Equipment to asset held for sale. The company expects to dispose of these aseets over the course of next 12 months.

Jyothy Fabricare Services Limited

Notes to standalone financial Statements *(Continued)*
for the year ended March 31, 2022

Amount in Rs.

4 Investment in subsidiaries at cost (unquoted)

	As at March 31, 2022	As at March 31, 2021 (Recast)
10,00,000 (2021: 10,00,000) equity shares of Rs.10 each fully paid-up in Snoways Laundrers & Drycleaners Private Limited (Refer Note 44)	1,98,61,770	-
Less : On account of Merger	(1,98,61,770)	-
49,65,750 (2021: 49,65,750) equity shares of Rs.10 each fully paid-up in Four Seasons Drycleaning Company Private Limited (Refer Note 44)	3,77,42,980	3,77,42,980
Less : Impairment of Investment	-	(3,77,42,980)
Less : On account of Merger	(3,77,42,980)	-
M/s JFSL - JLL (JV) - Partnership firm (Refer Note 35)	2,23,31,055	13,56,632
	2,23,31,055	**13,56,632**
Aggregate value of unquoted investments	**2,23,31,055**	13,56,632
Aggregate amount of impairment in value of unquoted investments	-	3,77,42,980

5 Other financial assets

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)	As at March 31, 2022	As at March 31, 2021 (Recast)
Security deposits considered good	**98,03,924**	99,93,705	**75,42,773**	66,06,877
Fixed deposit with Banks with original maturity of more than 12 months (Refer Note - 11)	**2,33,445**	11,91,225	-	-
Others	-	5,25,000	**35,40,000**	-
Less: Loss allowance	-	(5,25,000)	-	-
	1,00,37,369	**1,11,84,930**	**1,10,82,773**	**66,06,877**

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)	As at March 31, 2022	As at March 31, 2021 (Recast)
Break up of financial assets carried at amortised cost				
Investment in subsidiaries at cost (unquoted) (Note 4)	**2,23,31,055**	13,56,632	-	-
Trade receivables (Note 10)	-	-	**68,52,367**	44,77,551
Other financial assets (Note 5)	**1,00,37,369**	1,11,84,930	**1,10,82,773**	66,06,877
Cash and cash equivalent and other bank balances (Note 11a and 11b)	-	-	**3,42,60,150**	2,26,83,254
Total financial assets carried at amortised cost	**3,23,68,424**	**1,25,41,562**	**5,21,95,290**	**3,37,67,682**

6 Deferred Tax Assets (net)

			Non-Current	
			As at March 31, 2022	As at March 31, 2021 (Recast)
a)	Deferred tax liability			
	Depreciation		**29,80,879**	79,08,502
		(A)	**29,80,879**	**79,08,502**
b)	Deferred Tax Assets			
	Provision for Gratuity		**51,00,979**	40,92,897
	Provision for Bonus		**2,93,962**	3,34,147
	Provision for Leave Encashment		**25,13,058**	24,92,923
	Provision for doubtful debts and advances		**2,43,326**	6,31,077
	Unabsorbed depreciation and business losses		**3,50,89,172**	4,48,47,088
		(B)	**4,32,40,497**	**5,23,98,132**
	Net Deferred Tax Assets	(B-A)	**4,02,59,618**	**4,44,89,630**
	Amount Recognised in Financials		-	-
	Mat Credit Receivable		-	**2,42,699**
	Total		-	**2,42,699**

As per Ind AS 12, "Income Taxes", the Company would have net deferred tax assets of Rs. 4,02,59,618 (March 31, 2021 Rs.4,44,89,630). However in view of the business losses and unabsorbed depreciation in current year and earlier years, the net deferred tax asset are not recognised in current year, as utilisation of these assets is not readily ascertainable.

JYOTHY FABRICARE SERVICES LIMITED

Amount in Rs.

7 Income tax assets (net)

	Non-Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
Advance tax [Net of Provision of Rs.Nil, (2021: Rs.Nil)]	8,38,403	69,85,397
	8,38,403	69,85,397

8 Other Assets

	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)	As at March 31, 2022	As at March 31, 2021 (Recast)
Advance to suppliers	-	-	5,68,137	29,65,389
Prepaid Expenses	25,56,061	13,94,271	5,99,230	26,30,809
Balances with Government authorities	-	-	21,99,748	25,32,950
Others	-	-	2,65,305	94,948
Less: Loss allowance	-	-	(17,224)	(12,99,213)
	25,56,061	13,94,271	36,15,196	69,24,883

9 Inventories (valued at lower of cost or net realisable value)

	Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
Raw and packing materials	52,98,932	26,81,882
Fuel	3,34,022	3,61,679
Stores & Spares	11,42,935	12,54,778
Traded Goods	12,02,772	21,33,401
	79,78,661	64,31,740

10 Trade Receivables (Unsecured)

	Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
(i) Undisputed Trade Receivables – considered good	36,11,102	12,36,286
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-
(iii) Undisputed Trade Receivables – credit impaired	9,18,648	11,28,006
(iv) Disputed Trade Receivables – considered good	32,41,265	32,41,265
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-
	77,71,015	56,05,557
Less: Loss allowance	(9,18,648)	(11,28,006)
	68,52,367	44,77,551

Trade receivable	Not Due	Less than 6 Months	6 Months -1 Year	1-2 Year	2-3 Year	More than 3 Year	March 22
(i) Undisputed Trade Receivables – considered good	-	42,66,609	1,37,624	74,377	3,860	47,280	**45,29,750**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	32,41,265	**32,41,265**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	6,55,507	1,37,624	74,377	3,860	47,280	**9,18,648**
Total	-	36,11,102	-	-	-	32,41,265	**68,52,367**

BSR & Co. LLP

JYOTHY FABRICARE SERVICES LIMITED

Amount in Rs.

Trade Receivables (Unsecured) (Continued)

Trade receivable	Not Due	Less than 6 Months	6 Months -1 Year	1-2 Year	2-3 Year	More than 3 Year	March 21
(i) Undisputed Trade Receivables – considered good	-	17,57,920	2,62,471	1,09,062	2,03,580	31,259	23,64,292
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	32,41,265	32,41,265
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	5,21,634	2,62,471	1,09,062	2,03,580	31,259	11,28,006
Total	-	**12,36,286**	-	-	-	**32,41,265**	**44,77,551**

Trade receivable are non interest bearing and are generally on advance term or for a credit term of 15-30 days.
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

11 Cash and bank balances

	Non-Current		Current	
	As at March 31, 2022	**As at March 31, 2021 (Recast)**	**As at March 31, 2022**	**As at March 31, 2021 (Recast)**
(a) Cash and Cash equivalents				
Cash in hand	-	-	**39,07,421**	31,06,457
Balance with Banks in Current accounts	-	-	**1,65,27,044**	1,06,78,725
	-	-	**2,04,34,465**	**1,37,85,182**
(b) Bank balances other than cash and cash equivalents				
Deposits with original maturity for more than 3 months and maturing within 12 months*	-	-	**1,38,25,685**	88,98,072
Deposits with remaining maturity for more than 12 months*	**2,33,445**	11,91,225	-	-
Less Amount disclosed under other financial assets (Refer Note - 5)	**(2,33,445)**	(11,91,225)	-	-
	-	-	**1,38,25,685**	**88,98,072**
	-	-	**3,42,60,150**	**2,26,83,254**

*Includes restricted deposits of Rs.10,049,300 (2021 - Rs.9,589,297) placed with bank as margin money, deposits for the purpose of performance guarantee and against the earnest money deposit in relation to tenders from Railway Authorities.

12 (A) Share Capital

	As at March 31, 2022	As at March 31, 2021 (Recast)
Authorised Capital		
29,950,000 (2021 : 23,950,000) Equity shares of face value Rs.10/- each	**29,95,00,000**	23,95,00,000
6,600,000 (2021 : 6,600,000) Preference Shares of face value of Rs.10/- each	**6,60,00,000**	6,60,00,000
	36,55,00,000	**30,55,00,000**
Issued, Subscribed And Paid Up Shares		
20,550,000 (2021 : 20,550,000) Equity shares of face value of Rs.10/- each	**20,55,00,000**	20,55,00,000
3,300,000 (2021 : 3,300,000) Series A Compulsorily Convertible Preference Share of face Value Rs.10/- each	**3,30,00,000**	3,30,00,000
	23,85,00,000	**23,85,00,000**

JYOTHY FABRICARE SERVICES LIMITED

Jyothy Fabricare Services Limited

Notes to standalone financial Statements *(Continued)*
for the year ended March 31, 2022

Amount in Rs.

12 Share Capital (Continued)

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2022		As at March 31, 2021 (Recast)	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
Equity Shares				
At the beginning of the Period	2,05,50,000	20,55,00,000	1,30,50,000	13,05,00,000
Issued during the year	-	-	75,00,000	7,50,00,000
Outstanding at the end of the Period	**2,05,50,000**	**20,55,00,000**	**2,05,50,000**	**20,55,00,000**

	As at March 31, 2022		As at March 31, 2021 (Recast)	
Series A Compulsorily Convertible Preference Share	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
At the beginning of the Period	33,00,000	3,30,00,000	33,00,000	3,30,00,000
Outstanding at the end of the Period	**33,00,000**	**3,30,00,000**	**33,00,000**	**3,30,00,000**

b. Terms of equity shares

The authorised share capital of the Company comprises of 29,950,000 equity share of 10 each. During the year ended March 31, 2022, the authorised share capital of the Company increased by Rs.60,000,000, comprising of 6,000,000 equity shares of 10 each, pursuant to the order of amalgamation sanctioned by the National Company Law Tribunal between, Jyothy Fabricare Services Limited and Four Seasons Drycleaning Company Private Limited and Snoways Laundrers & Drycleaners Private Limited wholly owned subsidiaries.

Each share holder is eligible for one vote per share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

c. Terms of preference shares

During the year ended March 31, 2012, the Company had issued 3,300,000 Series A compulsorily convertible preference shares (CCP) of Rs.10/- each fully paid up. CCP carry cumulative dividend @ 0.001% p.a. The Series A preference shares were compulsorily convertible (conversion ratio of 1 equity share to be issued for 1 preference share held) after the expiry of seven years from the allotment date i.e. June 18, 2011 but has been further extended for 7 years i.e upto June 18, 2025.

d. Shares held by holding /ultimate holding company and/or their subsidiaries /associates

	As at March 31, 2022	As at March 31, 2021 (Recast)
Jyothy Labs Limited, the holding Company		
17,300,000 (2021 : 17,300,000) Equity shares of Rs.10/- each fully paid	**17,30,00,000**	17,30,00,000
3,300,000 (2021 : 3,300,000) Series A Compulsorily Convertible Preference Share of face Value Rs.10/- each fully paid	**3,30,00,000**	3,30,00,000

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

	As at March 31, 2022		As at March 31, 2021 (Recast)	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity Shares of Rs.10 each fully paid				
Jyothy Labs Limited, the holding Company	**1,73,00,000**	**84.18%**	1,73,00,000	84.18%
Mr. Ullas Kamath	**32,40,000**	**15.77%**	32,40,000	15.77%
Series A Compulsorily Convertible Preference Share				
Jyothy Labs Limited, the holding Company	**33,00,000**	**100.00%**	33,00,000	100.00%

12 (B) Other Equity

A. Other Equity consist of following :

	As at March 31, 2022	As at March 31, 2021 (Recast)
Equity component of compound financial instruments		
Balance, beginning of the year	-	78,97,89,394
Transfer to Retained Earning	-	(78,97,89,394)
Balance, end of the year	-	-
Retained earnings		
Balance, beginning of the year	**(2,50,38,47,550)**	(2,88,84,06,786)
Net Asset/ (Reserves) aquired on account of merger of Snoways Laundrers & Drycleaners Private Limited and Four Seasons Drycleaning Company Private Limited	-	(5,03,75,616)
	(2,50,38,47,550)	**(2,93,87,82,402)**
Loss for the Year	**(16,92,69,410)**	(35,88,20,234)
Transfer from Equity component of compound financial instruments	-	78,97,89,394
Other Comprehensive Income - Re-measurement gains/(losses) of post employment benefit obligation	**(18,66,663)**	39,65,692
Balance, end of the year	**(2,67,49,83,623)**	**(2,50,38,47,550)**

Amount in Rs.

	As at March 31, 2022	As at March 31, 2021 (Recast)
Other Equity *(Continued)*		
Amalgamation reserve account		
Balance, beginning of the year	**(26,17,57,208)**	(26,17,57,208)
Balance, end of the year	**(26,17,57,208)**	(26,17,57,208)
Securities premium		
Balance, beginning of the year	**1,89,43,00,005**	46,93,00,005
On account of Conversion of Optionally Convertible preference shares into Equity shares	-	1,42,50,00,000
Balance, end of the year	**1,89,43,00,005**	1,89,43,00,005
Capital reserves (Refer note 44)		
Balance, beginning of the year	**4,96,57,500**	-
On Merger of subsidiaries	-	4,96,57,500
Balance, end of the year	**4,96,57,500**	**4,96,57,500**
General reserves (Refer note 44)		
Balance, beginning of the year	**15,52,131**	28,50,000
On Merger of subsidiaries	-	(12,97,869)
Balance, end of the year	**15,52,131**	15,52,131
Total Other Equity	**(99,12,31,195)**	**(82,00,95,122)**

13 Borrowings

	Current	
	As at March 31, 2022	**As at March 31, 2021 (Recast)**
Unsecured Loans - Standard Chartered Investments and India Limited (Note I)	**1,01,42,82,384**	**66,74,74,898**
Jyothy Labs Limited (Note II)	-	**24,54,99,316**
	1,01,42,82,384	**91,29,74,214**

Note:

I During the year company has availed a facility of Rs.10 crores (2021 Rs. 85 crores) from Standard Chartered Capital Limited (previously known as Standard Chartered Investments & loans (India) Limited, for a period of 3 years at a rate from range of 6.00% p.a to 7.25% p.a as at 31st March, 2022. This loan has put/ call option at the end of 12 months from the date of disbursement and then every 6 months thereafter. Accordingly, this loan has been classified as current as at 31st March, 2022. Loan is secured by corporate gaurantee given by holding company. Out of the loan amount taken in previous year, Rs. 20 crores was repaid during the previous year.

During the year company has availed additional facility of Rs.25 crores from Standard Chartered Capital Limited (previously known as Standard Chartered Investments & loans (India) Limited, for a period of 1 years at a rate of 8.00% p.a as at 31st March, 2022. This loan has put/ call option at the end of 3 months from the date of disbursement and then every 3 months thereafter. Loan is secured by corporate gaurantee given by holding company.

II The Company has taken a short term loan for working capital requirement from its holding Company @ 6% interest rate per annum, same has been fully repaid during the year.

14 Provisions

	Non - Current		Current	
	As at March 31, 2022	**As at March 31, 2021 (Recast)**	**As at March 31, 2022**	**As at March 31, 2021 (Recast)**
Provision for Leave Encashment	**86,29,175**	87,08,825	**10,36,433**	8,79,342
Provision for Gratuity (Refer Note - 26)	**1,85,12,514**	1,52,61,138	**11,06,635**	4,80,772
	2,71,41,689	**2,39,69,963**	**21,43,068**	**13,60,114**

JYOTHY FABRICARE SERVICES LIMITED

Amount in Rs.

15 Trade payables

	Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
Total outstanding dues of micro enterprises and small enterprises (Refer Note 33)	41,31,824	18,90,766
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,88,95,469	1,82,46,656
	2,30,27,293	2,01,37,422

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	March 22 Total
MSME	17,44,002	23,77,054	10,768	-	-	41,31,824
Others	10,17,608	1,75,08,699	1,96,115	1,56,295	16,752	1,88,95,469
Disputed Due-MSME	-	-	-	-	-	-
Disputed Due-Others	-	-	-	-	-	-
Total	27,61,610	1,98,85,753	2,06,883	1,56,295	16,752	2,30,27,293

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	March 21 Total
MSME	3,70,139	14,75,579	17,588	18,321	9,139	18,90,766
Others	12,34,755	1,61,63,873	4,24,564	2,77,912	1,45,552	1,82,46,656
Disputed Due-MSME	-	-	-	-	-	-
Disputed Due-Others	-	-	-	-	-	-
Total	16,04,894	1,76,39,452	4,42,152	2,96,233	1,54,691	2,01,37,422

16 Other Financial liabilities

	Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
Creditors for capital goods	-	60,134
Advances from customers and others	54,72,186	-
Security deposit	7,00,000	2,70,000
Payable Others - Employees	20,66,972	23,26,301
	82,39,158	26,56,435

For explanation on the Companies liquidity risk management policies, Refer Note 38.
Terms and conditions of the above financial liabilities:-
1) Trade payables are non-interest bearing and are normally settled on 0-60 days term.
2) Payable Others - Employees are non-interest bearing and are settled within a year.
3) Interest payable is settled as per the term of the borrowings.

Particulars	Non - Current		Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)	As at March 31, 2022	As at March 31, 2021 (Recast)
Break up of financial liabilities carried at amortised cost				
Borrowings (Refer Note 13)	-	-	1,01,42,82,384	91,29,74,214
Trade payables (Refer Note 15)	-	-	2,30,27,293	2,01,37,422
Lease Liabilities (Refer Note 30)	2,50,02,734	1,91,72,742	2,13,75,040	2,50,80,740
Other financial liabilities (Refer Note 16)	-	-	82,39,158	26,56,435
Total of financial liabilities carried at amortised cost	2,50,02,734	1,91,72,742	1,06,69,23,875	96,08,48,811

17 Other liabilities

	Current	
	As at March 31, 2022	As at March 31, 2021 (Recast)
Statutory dues	43,39,608	36,81,565
	43,39,608	36,81,565

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Jyothy Fabricare Services Limited

Notes to standalone financial Statements (Continued)
for the year ended March 31, 2022

		Year ended March 31, 2022	Amount in Rs. March 31, 2021 (Recast)
18	**Revenue from operations** (Refer Note - 43)		
	Sale of Services (Laundry Services)	**26,73,37,933**	19,01,02,771
	Sale of Goods	**20,80,983**	57,91,256
		26,94,18,916	**19,58,94,027**
19	**Other Income**		
	Provision for doubtful debts written back	**4,24,318**	11,70,001
	Profit/Loss on Sale of Fixed Assets	**1,52,40,445**	2,74,433
	Interest on fixed deposits	**5,87,715**	11,67,433
	Interest on Income Tax refund	**30,01,913**	19,91,425
	Interest on capital & loan in Partnership firm	**1,87,454**	8,41,230
	Interest others	**44,76,791**	1,07,31,805
	Miscellaneous income	**-**	3,53,802
		2,39,18,636	**1,65,30,129**
20	**Cost of services**		
	Opening stock	**25,41,739**	29,31,211
	Add: Cost of purchases	**2,26,25,591**	1,04,86,448
		2,51,67,330	1,34,17,659
	Less: Closing stock	**51,87,410**	25,41,739
	Material consumed (A)	**1,99,79,920**	1,08,75,920
	Subcontracting charges (B)	**4,13,50,968**	3,00,98,329
	Total (A+B)	**6,13,30,888**	**4,09,74,249**
21	**Increase/(Decrease) of Inventory**		
	Opening Stock of Traded Goods	**21,33,401**	**5,92,380**
	Less: Closing Stock of Traded Goods	**12,02,772**	**21,33,401**
		9,30,629	**(15,41,021)**
22	**Employee benefit expense**		
	Salaries, Wages and Bonus	**10,59,63,944**	9,97,37,555
	Contribution to Provident and other funds	**53,30,210**	55,16,770
	Gratuity (Refer Note - 26)	**30,09,619**	34,37,728
	Staff welfare expenses	**29,26,243**	17,20,365
		11,72,30,016	**11,04,12,418**
23	**Finance Costs**		
	Interest on debt component of compound financial instruments	**-**	15,94,83,103
	Other Borrowing cost - Premium on redemption of Debentures	**-**	36,91,197
	Interest on lease	**58,54,012**	72,49,349
	Interest on loan from partnership firm	**-**	8,00,491
	Interest on loan from Holding Company	**1,58,64,704**	64,65,754
	Interest on Term Loan	**4,53,19,179**	6,10,82,056
	Other finance charges	**-**	17,40,126
		6,70,37,895	**24,05,12,076**

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JYOTHY FABRICARE SERVICES LIMITED

Jyothy Fabricare Services Limited

Notes to standalone financial Statements (Continued)
for the year ended March 31, 2022

Amount in Rs.

		Year ended March 31, 2022	March 31, 2021 (Recast)
24	**Depreciation and amortisation**		
	Depreciation of tangible assets	**5,91,36,941**	4,16,73,011
	Amortisation of intangible assets	**29,49,541**	39,43,246
	Depreciation of right of use assets	**2,55,17,379**	3,51,57,983
		8,76,03,861	**8,07,74,240**
25	**Other Expenses**		
	Power and fuel consumed	**1,41,03,880**	1,08,53,391
	Rent (Refer Note 30)	**53,05,545**	6,49,358
	Repairs and maintenance		
	-Plant & Machinery	**14,32,021**	8,40,459
	-Others	**6,94,491**	3,84,180
	Printing and stationery	**10,72,114**	9,15,138
	Legal and professional fees	**14,89,984**	21,30,398
	Rates and taxes	**27,39,412**	19,31,142
	Advertisement and publicity	**1,15,93,499**	77,87,213
	Travelling expenses	**26,33,786**	10,13,342
	Vehicle expenses	**70,24,186**	43,65,432
	Security charges	**43,49,131**	41,52,047
	Water charges	**15,01,069**	9,55,248
	Telephone, mobile, fax expenses	**25,08,831**	29,99,274
	Office maintenance	**14,60,758**	14,94,052
	Clothes/ Laundry damage charges	**8,03,062**	4,22,247
	Freight & handling charges	**66,17,685**	61,35,001
	Commision on Sales	**4,05,29,392**	2,69,13,325
	Payment to Auditors (Refer Note 29)	**14,36,000**	12,46,000
	Advance written off	-	5,61,376
	Share of loss in Partnership Firm	**1,65,25,577**	1,61,24,854
	Miscellaneous expenses	**31,22,726**	32,44,723
		12,69,43,149	**9,51,18,200**

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JYOTHY FABRICARE SERVICES LIMITED

26

(I) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Amount in Rs.

		As at March 31, 2022 Gratuity Funded	As at March 31, 2021 (Recast) Gratuity Funded
(A)	**Summary of the Actuarial Assumptions**		
	Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult
	Discount rate	6.60%	6.45%
	Rate of increase in compensation	10.00%	8.00%
	Withdrawal rates	12% p.a	9% p.a
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(B)	**Changes in present value of obligations (PVO)**		
	PVO at beginning of period	1,67,54,499	1,92,33,863
	Interest cost	10,79,902	11,43,608
	Current service cost	19,94,982	22,87,504
	Benefits paid	(9,99,043)	(18,86,681)
	Actuarial changes arising from changes in demographic assumptions	(9,39,453)	6,56,316
	Re-measurement gain /(losses) arising from changes in financials assumptions	29,68,459	(25,85,820)
	Experience adjustments	(1,54,919)	(20,94,291)
	PVO at end of period	2,07,04,427	1,67,54,499
(C)	**Changes in the fair value of plan assets**		
	Fair value of plan assets at the beginning of the period	10,12,589	10,10,604
	Investment income	65,265	60,088
	Benefits paid	(72,419)	-
	Return on plan assets	79,843	(58,103)
	Fair value of plan assets at the end of the period	10,85,278	10,12,589
(D)	**Expenses recognised in the statement of profit and loss**		
	Current service cost	19,94,982	22,87,504
	Net Interest cost on the Net Defined Benefit Liability / (Asset)	10,14,637	11,50,224
	Expense recognised in the statement of profit and loss	30,09,619	34,37,728
(E)	**Remeasurement gains/(losses) in other comprehensive income**		
	Return on plan assets	(7,424)	58,103
	Actuarial changes arising from changes in demographic assumptions	(9,39,453)	6,56,316
	Re-measurement changes arising from changes in financial assumptions	29,68,459	(25,85,820)
	Experience adjustments	(1,54,919)	(20,94,291)
	Total amount recognised in OCI	**18,66,663**	**(39,65,692)**
(F)	**The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**		
	Investment with insurer	100%	100%

FABRICARE SERVICES LIMITED * JYOTHY

26 Gratuity *(Continued)*

	March 31, 2022	March 31, 2021 (Recast)
		Amount in Rs.
(G) Net Assets/(Liabilities) recognised in the balance sheet		
PVO at end of period	(2,07,04,427)	(1,67,54,499)
Fair value of plan assets at end of period	10,85,278	10,12,589
Funded status (deficit in fair value of plan assets over PVO)	(1,96,19,149)	(1,57,41,910)
Net assets / (Liability) recognised in the balance sheet	**(1,96,19,149)**	**(1,57,41,910)**

These defined benefit plan exposed to actuarial risk, such as longevity risk, currency risk, interest rate risk and market risk.

Fund is Managed by LIC as per Insurance Regulatory and Development Authority guidelines, category-wise composition of the plan assets is not available.

(H) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The results of sensitivity analysis is given below: **Amount in Rs.**

Particulars	**March 31, 2022**	**March 31, 2021**
Defined Benefit Obligation (Base)	**2,07,04,427**	1,67,54,499

Particulars	**As at March 31, 2022**		**As at March 31, 2021**	
	Decrease	**Increase**	**Decrease**	**Increase**
Discount Rate (-/+ 1%)	**2,22,60,019**	**1,93,25,470**	1,82,34,448	1,54,62,128
(% change compared to base due to sensitivity)	**7.50%**	**-6.70%**	8.80%	-7.70%
Salary Growth (-/+ 1%)	**1,93,54,121**	**2,21,82,742**	1,54,68,344	1,81,97,424
(% change compared to base due to sensitivity)	**-6.50%**	**7.10%**	-7.70%	8.60%
Attrition Rate (- / + 50% of attrition rate)	**2,29,60,339**	**1,94,97,845**	1,76,04,098	1,62,29,237
(% change compared to base due to sensitivity)	**10.90%**	**-5.80%**	5.10%	-3.10%
Mortality Rate (- / + 10% of mortality rate)	**2,07,10,058**	**2,06,98,811**	1,67,57,315	1,67,51,689
(% change compared to base due to sensitivity)	**0.0%**	**0.0%**	0.0%	0.0%

(I) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk to the extent of the funds available. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which could result in a increase in liability without corresponding increase in the asset).

(J) Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows) is 6 years

Expected cash flows over the next (valued on undiscounted basis)	**Rs.**
1 year	21,91,913
2 to 5 years	92,52,001
6 to 10 years	97,98,252
More than 10 years	1,48,70,574

c) The Company expects to contribute Rs. Nil (2021- Rs. Nil) to gratuity fund.

(II) Provident fund and other funds

The Company Contributed Rs.53,30,210 and Rs.55,16,770 to the employee provident fund during the years ended March 31, 2022 and March 31, 2021, respectively and same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

27 Segment Reporting

Based on the 'management approach' as defined in Ind AS 108 - 'Operating Segments', the Company operates in only one reportable segment – the business of dry cleaning & laundry services.
During the year March 31, 2022 and March 31, 2021, no single external customer has generated revenue of 10% or more of the Company's total revenue.

28 Related Party Disclosures

a) **Parties where control exists:-**

Holding Company
Jyothy Labs Limited ("JLL")

Wholly Owned Subsidiaries *
Four Seasons Drycleaning Company Private Limited
Snoways Laundrers & Drycleaners Private Limited

Partnership Firm
M/s JFSL - JLL (JV)

b) **Key Management Personnel :**
M.P. Ramachandran (Chairman and Managing Director)
K Ullas Kamath (Director)
Pinkesh Bansal (Chief Financial Officer)
Mayank Patwa (Company Secretary)
Other Directors
Nilesh B. Mehta (Independent Director)
R. Lakshminarayanan (Independent Director)

c) **Transaction with related parties during the year**

Amount in Rs.

	As at March 31, 2022	**As at March 31, 2021 (Recast)**
Jyothy Labs Limited (JLL)		
Purchase of miscellaneous items	**2,60,000**	1,95,000
Laundry services provided (Excluding Goods and Service Tax)	**10,284**	15,19,000
Reimbursement of expenses (Net)	**27,65,690**	25,17,223
Loan taken	**5,50,00,000**	24,00,00,000
Repayment of Loan	**31,47,77,549**	-
Interest on Loan taken	**1,58,64,704**	64,65,754
Corporate Gaurantee taken	**30,00,00,000**	1,00,00,00,000
Four Seasons Drycleaning Company Private Limited (Refer Note 44)		
Rent income	-	16,538
Laundry Service Charges	-	9,05,000
Snoways Laundrers & Drycleaners Private Limited (Refer Note 44)		
Sub-lease charges	-	60,000
Advances Given	-	1,50,000
M/s JFSL - JLL (JV)		
Capital Contribution (net)	**3,75,00,000**	1,05,00,000
Rent on plant & machinery	-	60,000
Amount borrowed / (Repaid)	-	(94,34,520)
Interest expense	-	8,00,491
Interest income	**1,87,454**	8,41,230
(Loss) / Profit in partnership firm	**(1,65,25,577)**	(1,61,24,854)

d) **Related parties balances outstanding**

Corporate Guarantees given by JLL for borrowing on behalf of the Company	**1,01,42,82,384**	66,74,74,898
Amount Receivable:-		
i JFSL - JLL (JV)	-	4,73,415
Amount Payable:-		
i Jyothy Labs Limited	-	24,54,99,316

* The National Company Law Tribunal at Mumbai Bench has, vide order dated February 16, 2021 and Bangalore Bench vide order dated December 8, 2021 respectively, sanctioned Scheme of Arrangement ('the Scheme') of Snoways Laundrers & Drycleaners Private Limited and Four Seasons Drycleaning Company Private Limited with effective date as April 1, 2019 with the Company.

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Notes to standalone financial Statements *(Continued)*

for the Year Ended March 31, 2022

Amount in Rs.

29 **Supplementary information**

Payments to auditors (excluding GST)

Particulars	**March 31, 2022**	**March 31, 2021 (Recast)**
As Auditors		
- Audit fees	**10,00,000**	9,00,000
- Tax audit fees	**4,00,000**	3,00,000
- Reimbursement of expenses	**36,000**	46,000
	14,36,000	**12,46,000**

30 **Leases**

a **In case of assets taken on lease**

The Company has entered into lease agreements for premises, which expire at various dates over the next 6 years. Certain agreements provide for increase in rent. All lease agreements are cancellable except in case of few agreements wherein there is a lock in period in the range of 11 months to 3 years.

The Company also has certain leases of premises for outlets with lease terms of 12 months or less. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the period:

Refer note : 3c

b **Carrying amounts of lease liabilities and the movement during the period**

	March 31, 2022	**March 31, 2021 (Recast)**
Opening	**4,42,53,482**	**6,64,85,721**
Additions	2,99,33,568	1,14,07,694
Accretion of interest *	47,89,336	58,92,613
Payments	(2,91,86,497)	(3,01,57,477)
Rent Concession	(34,12,115)	(93,75,069)
Closing	**4,63,77,774**	**4,42,53,482**
Current	2,13,75,040	2,50,80,740
Non current	2,50,02,734	1,91,72,742

*Accretion of interest is net off impact of unwinding discount on security deposit.

The maturity analysis of lease liabilities is disclosed below:

Maturity analysis of contractual undiscounted cash flow	**Rs.**
Less than 1 year	2,13,75,040
1 to 2 years	1,30,93,557
2 to 3 years	64,29,561
3 to 4 years	53,44,414
4 to 5 years	56,11,645
More than 5 years	21,72,396
Total undiscounted lease liabilities	**5,40,26,613**

c **Total cash outflow**

The Company has a total cash out flows for leases of Rs.3,38,70,789 in March 31, 2022 (March 31, 2021 - Rs.3,08,50,297). The Company also had non cash additions to right to use assets and lease liabilities of Rs.2,99,33,568 in March 31, 2022 (March 31, 2021 - Rs. 1,14,07,694).

d **Lease commitments for leases accounted as short term lease**

The company is committed to Rs.53,05,545 (March 31, 2021- Rs. 6,49,358) for short term leases.

In case of assets given on lease

The Company has leased out few of its premises on operating lease for part of the year. Lease rent income for the year ended March 31, 2022 was Rs. NIL (March 31, 2021 – Rs. 16,538).

31 **Capital Commitments**

Particulars	**As at March 31, 2022**	**As at March 31, 2021 (Recast)**
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Other commitments (Refer note 30d)	53,05,545	6,49,358
	53,05,545	**6,49,358**

JYOTHY FABRICARE SERVICES LIMITED

Amount in Rs.

32 Contingent Liabilities

	As at March 31, 2022	As at March 31, 2021 (Recast)
Liability where Outflow of economic resources is not probable :		
i) Custom duty for F.Y 2007-08 to F.Y 2009-10	-	1,11,143
	-	1,11,143

33 Micro and Small Enterprises

The disclosure pursuant to the said Act is as under :

Particulars	As at March 31, 2022	As at March 31, 2021 (Recast)
Principal and interest amount remaining unpaid	41,31,824	18,90,766
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

34 Earning Per Share (EPS)

Amount in Rs.

	As at March 31, 2022	As at March 31, 2021 (Recast)
Loss as per statement of Profit and Loss	(16,92,69,410)	(35,88,20,234)
Less - Dividend on Cumulative preference share	(4,950)	(4,950)
Net Profit & Loss for calculation of EPS	(16,92,74,360)	(35,88,25,184)
Weighted average number of equity shares outstanding during the year in calculating basic EPS	2,05,50,000	1,31,39,589
Weighted average number of equity shares in calculating diluted EPS *	2,05,50,000	1,31,39,589
Basic & Diluted EPS (Rs.)	(8.24)	(27.31)

* Potential Equity Shares are anti-dilutive.

35 Details of investments in partnership firm

	Share in Profit /Loss (%)	
Name of Partner	**As at March 31, 2022**	**As at March 31, 2021 (Recast)**
Jyothy Fabricare Services Limited	75.00%	75.00%
Jyothy Labs Limited	25.00%	25.00%
Total capital of the firm	2,97,74,740	18,08,843

36 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

JYOTHY FABRICARE SERVICES LIMITED *

36 Significant accounting judgements, estimates and assumptions (Continued)

a Impairment of non-financial assets, Investment in subsidiaries and Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in

c Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other long term leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables . Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

37 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Amount in Rs.

	Carrying values / Fair values	
	Amortised Cost	**Total**
As at March 2022		
Financial Assets		
Deposits	1,73,46,697	1,73,46,697
Total	**1,73,46,697**	**1,73,46,697**
Financial Liabilities		
Borrowings	1,01,42,82,384	1,01,42,82,384
Total	**1,01,42,82,384**	**1,01,42,82,384**
As at March 2021		
Financial Assets		
Deposits	1,66,00,582	1,66,00,582
Total	**1,66,00,582**	**1,66,00,582**
Financial Liabilities		
Borrowings	91,29,74,214	91,29,74,214
Total	**91,29,74,214**	**91,29,74,214**

The management assessed that fair value of cash and cash equivalents, trade receivables, current loans to subsidiaries, current deposits and other financial assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long-term receivables/advances given are evaluated by the Company based on parameters such are interest rates and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The same would be sensitive to a reasonably possible change in the forecast cash flows or the discount rate.

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38 Financial risk management objectives and policies

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The senior management is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

A. Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2022 and March 31, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

For long term borrowings, the Company has a continuing support from its holding company to provide financial guarantees to the lenders. This ensures that appropriate refinancing options are available on the respective due dates.

Amount in Rs.

Particulars	Less than 1 Year	1 to 5 years	5 years and above	Total
As at March 31, 2022				
Borrowings *	1,01,42,82,384	-	-	1,01,42,82,384
Lease liabilities	2,50,02,734	2,13,75,040	-	4,63,77,774
Other financial liabilities	82,39,158	-	-	82,39,158
Trade and other payables	2,30,27,293	-	-	2,30,27,293
	1,07,05,51,569	**2,13,75,040**	-	**1,09,19,26,609**
As at March 31, 2021				
Borrowings *	91,29,74,214	-	-	91,29,74,214
Lease liabilities	1,91,72,742	2,50,02,734	-	4,41,75,476
Other financial liabilities	26,56,435	-	-	26,56,435
Trade and other payables	2,01,37,422	-	-	2,01,37,422
	95,49,40,813	**2,50,02,734**	-	**97,99,43,547**

* The above disclosure has been made as per the contractual due dates of the borrowings, however, due to put option available to the holder (Note 13), the same has been presented as current maturity in the financial statements.

B Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk exist mainly on account of borrowings of the Company. The exposure to change in interest rate is insignificant.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Price risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

JYOTHY FABRICARE SERVICES LIMITED

38 Financial risk management objectives and policies *(Continued)*

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables (refer Note 10).

Movements of loss allowance

Trade receivables	**As at March 31, 2022**	**As at March 31, 2021**
Balance as at beginning of the period	**(11,28,006)**	(11,28,006)
Arising during the year	-	-
Provision no longer required write back	**2,09,358**	-
Balance as at end of the period	**(9,18,648)**	**(11,28,006)**

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

The Company maximum exposure to credit risk as at March 31, 2022 and March 31, 2021 is the carrying value of each class of financial assets.

39 Capital management

For the purpose of the Company capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt which is calculated as borrowing less cash and cash equivalent and other bank balances.

Amount in Rs.

Particulars	**March 31, 2022**	**March 31, 2021 (Recast)**
Borrowings (Note 13)	1,01,42,82,384	91,29,74,214
Less: cash and cash equivalents, other bank balances	(3,42,60,150)	(2,26,83,254)
Net debt	**98,00,22,234**	**89,02,90,960**
Equity	(75,27,31,195)	(58,15,95,122)
Total capital	**(75,27,31,195)**	**(58,15,95,122)**
Capital and net debt	22,72,91,039	30,86,95,838
Gearing ratio	431%	288%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

Gearing ratio has increased due to increase in debt and losses of current year. The Company has taken various steps as stated in note 2.1 to reduce this in future. Also the company has identified some idle assets for sale to reduce the gearing ratio.

40 Income Tax

For the year ended March 31, 2022 and March 31, 2021, the Company has a taxable loss and a book loss and accordingly current tax is Nil. Further, the Company has recognised deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilised. MAT credit recognised in prior years has been written off considering that a reasonable estimate cannot be made of when this will be utilised. Accordingly, deferred tax assets (net) as at the balance sheet date is Rs.NIL as at March 31, 2022 and Rs. 2,42,699 as at March 31, 2021.

JYOTHY FABRICARE SERVICES LIMITED

41 Additional Regulatory Information

(a) Relationship with struck off company
The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(b) Undiclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(c) Utilisation of borrowings availed from banks
The borrowings obtained by the company from banks have been applied for the purposes for which such loans were was taken.

(d) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(e) Willful defaulter
The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(f) Compliance with number of layers of companies
The company has complied with the number of layers prescribed under the Companies Act, 2013.

(g) Compliance with approved scheme(s) of arrangements
Scheme of arrangement is recoreded in the books of accounts is in accordance with the accounting standards.

(h) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(i) Utilisation of borrowed funds and share premium
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) Valuation of PPE, intangible asset and investment property
The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(k) Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(l) Corporate social responsibility
As per section 135 of Companies Act, 2013, CSR is not applicable to the company.

JYOTHY FABRICARE SERVICES LIMITED

Notes to standalone financial Statements (Continued)
for the Year Ended March 31, 2022

41 Additional Regulatory Information (Continued)
(m) Key Ratio

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021 (Recast)	% Variance	Reason for Variance for +/(-) 25% variation
a. Current Ratio	Current Assets	Current Liabilities	0.09	0.05	85.2%	Current assets have increased due to classification of property as assets as held for sale.
b. Debt Equity Ratio	Total Debt	Shareholder's Equity	(1.35)	(1.57)	-14.2%	
c. Debt service coverage ratio	Earning available for debt service	Debt Service	(0.04)	(0.83)	-95.2%	Due to principal repayment of forth coming short term borrowing.
d. Return on Equity	Net profits after taxes.	Average Shareholder's	25.4%	31.1%	-18.5%	
e. Inventory turnover ratio	Cost of goods sold Or Sales	Average Inventory	8.82	7.70	14.5%	
f. Trade receivables turnover ratio	Net Sales	Closing Debtors	39.32	43.75	-10.1%	
g. Trade payables turnover ratio	Net Purchases	Closing Trade Payable	1.04	0.77	35.1%	Impact due to Covid in previous year and higher component of service in current year, Increase due to outsourcing service arrangement.
h. Net capital turnover ratio	Net Sales	Working Capital	(0.28)	(0.21)	29.4%	Current assets have increased due to classification of property as assets as held for sale and revenue has improved post Covid disruption.
i. Net profit ratio	Net profits after taxes.	Net Sales	-62.8%	-183.2%	-65.7%	The ratios have improved due to reduction in finance cost post conversion of Optionally convertible Non- Cumulative Preference shares (OCNPS) into Equity shares.
j. Return on capital employed	Earning before Interest and taxes	Capital Employed	-43.0%	-38.9%	10.5%	
k. Return on investment			NA	NA	NA	There is no income on investments.

JYOTHY FABRICARE SERVICES LIMITED *

42 Unrecognised deferred tax assets as at the reporting dates are as given below:-

Amount in Rs.

a Movement in above mentioned deferred tax assets and liabilities

Particulars	As at 31st March 2020	Recognised in statement of profit and loss and other comprehensive income	As at 31st March 2021(Recast)	Recognised in statement of profit and loss and other comprehensive income	As at 31st March 2022
Deferred tax assets /(liability)					
Depreciation	(1,47,51,960)	68,43,458	(79,08,502)	49,27,623	(29,80,879)
Deferred Tax Assets					
Provision for Gratuity	47,38,047	(6,45,150)	40,92,897	10,08,082	51,00,979
Provision for Bonus	8,22,899	(4,88,752)	3,34,147	(40,185)	2,93,962
Provision for Leave Encashment	29,35,702	(4,42,779)	24,92,923	20,135	25,13,058
Provision for doubtful debts and advances	6,58,403	(27,326)	6,31,077	(3,87,751)	2,43,326
Unabsorbed depreciation and business losses	4,67,30,733	(18,83,645)	4,48,47,088	(97,57,916)	3,50,89,172
Deferred tax assets/(liabilities)(net)*	**4,11,33,824**	**33,55,806**	**4,44,89,630**	**(42,30,012)**	**4,02,59,618**

* Net deferred tax asset is not recognised, as utilization of these assets is not readily ascertainable and therefore there is no charge or credit taken to statement of profit or loss in both years.

b Effective tax reconciliation

Particulars	As at 31st March 2022	As at 31st March 2021(Recast)
Loss before tax	(16,90,26,711)	(35,88,20,234)
Tax rate	**26.00%**	**26.00%**
Expected tax expense (A)	**(4,39,46,945)**	**(9,32,93,261)**
Tax on non deductible expenses for tax purpose	2,12,29,265	1,64,12,349
Tax on expenses deductible for tax purpose	(74,78,441)	(97,22,672)
Tax effect on IND AS adjustments	(4,42,231)	4,18,52,372
Tax on income from income under other heads	(44,50,820)	(88,937)
Deferred tax on unabsorbed depreciation and business loss not recognised	3,50,89,172	4,48,40,149
Total adjustments (B)	**4,39,46,945**	**9,32,93,261**
Actual tax expense (C=A+B)	-	-
Tax expense recognised in statement of profit and loss (D)	-	-

c Summary of unrecognised deferred tax assets

Particulars	As at 31 March 2022		As at 31 March 2021 (Recast)	
	Gross Amount	**Tax**	**Gross Amount**	**Tax**
Tax Losses	**1,51,41,22,948**	**39,36,71,967**	1,59,13,79,477	41,37,58,665

d Breakup of tax losses & unabsorbed depreciation

Particulars	As at 31 March 2022 Gross amount	As at 31 March 2022 Unrecognised Tax effect	Expiry Date (Assessment Year)	As at 31 March 2021 (Recast) Gross amount	As at 31 March 2021 (Recast) Unrecognised Tax effect	Expiry Date (Assessment Year)
Brought forward losses (allowed to carry forward for specific period)	16,68,63,129	4,33,84,414	2023-24	21,22,14,881	5,51,75,869	2022-23
Brought forward losses (allowed to carry forward for specific period)	10,22,85,491	2,65,94,228	2024-25	16,68,63,129	4,33,84,414	2023-24
Brought forward losses (allowed to carry forward for specific period)	11,33,64,913	2,94,74,877	2025-26	10,22,85,491	2,65,94,228	2024-25
Brought forward losses (allowed to carry forward for specific period)	13,47,44,635	3,50,33,605	2026-27	11,33,64,913	2,94,74,877	2025-26
Brought forward losses (allowed to carry forward for specific period)	15,15,06,749	3,93,91,755	2027-28	13,47,44,635	3,50,33,605	2026-27
Brought forward losses (allowed to carry forward for specific period)	14,39,17,155	3,74,18,460	2028-29	15,15,06,749	3,93,91,755	2027-28
Brought forward losses (allowed to carry forward for specific period)	14,11,69,583	3,67,04,092	2029-30	14,39,17,155	3,74,18,460	2028-29
Brought forward losses (allowed to carry forward for specific period)	10,87,18,847	2,82,66,900	2031-31	14,11,69,583	3,67,04,092	2029-30
Unabsorbed depreciation	45,15,52,446	11,74,03,636	NA	42,53,12,941	11,05,81,365	NA
	1,51,41,22,948	**39,36,71,967**		**1,59,13,79,477**	**41,37,58,665**	

JYOTHY FABRICARE SERVICES LIMITED

43 Ind AS 115 : Revenue from Contracts with Customers

a Reconciliation the amount of revenue recognised in the statement of profit and loss

Amount in Rs.

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021 (Recast)**
Gross Sales	**(30,60,93,897)**	(22,53,73,765)
Less : Schemes and Discounts	**3,66,74,981**	2,94,79,738
Net Sales	**(26,94,18,916)**	(19,58,94,027)

b Disaggregation of revenue-Segment wise

Based on management approach as defined in Ind AS 108 - Operating Segments, the company operates in only one reportable segment, thus the disclosure requirement with respect to in disaggregation of revenue under Ind AS 115 Revenue from Contracts with Customers is not applicable.

44 Scheme of Arrangement ('The Scheme')

A The National Company Law Tribunal, Mumbai Bench has sanctioned the Scheme of Amalgamation between Four Seasons Drycleaning Company Private Limited (FSDC) (Second Transferor Company) with Jyothy Fabricare Services Limited (the Transferee Company) vide their order dated February 16, 2021 and Hon'ble National Company Law Tribunal, Bench, Bangalore sanctioned the Scheme of Amalgamation between Snoways Laundrers & Drycleaners Private Limited (Snoways) (First Transferor Company) with Jyothy Fabricare Services Limited (the Transferee Company) vide their order dated December 8, 2021. In accordance with the requirements of para 9(iii) of appendix C of Ind AS 103, the financial results of the company in respect of prior periods have been recast for all the periods starting from 1st April, 2019. Both the Transferor Companies being wholly owned subsidiaries of the Transferee Company are engaged in the similar business activities as of Transferee company and hence no purchase consideration was given at the time of merger as both are 100% subisidiaries of Transferee company. Increase / (Decrease) in the previous period published numbers are as below.

B FSDC & Snoways owns intectual property rights (IPR) which are licence to the company.

The merger of FSDC & Snoways with the company would have inter alia, the following benefits:

- a Reduction of shareholding layers, overheads, facilitates administrative convenience, enables cost savings and ensures optimum utilization of resources.
- b Simplification of corporate structure through absorption of the Transferor Companies by the Transferee Company.
- c It will provide the benefit of operational synergies to the combined entity, which can be put to the best advantage of the stakeholders.
- d Enables optimum utilization of funds and resources.
- e Improved organizational capability and leadership to compete successfully in an increasingly competitive industry. Greater efficiency in cash management and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.

C **Accounting treatment of the arrangement**

Business combination is accounted for using the 'pooling of interests' method as per Appendix C of Ind AS 103 - Business Combinations as notified under Section 230 to 232 of the Companies Act, 2013 which involves the following:

- a The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the business combinations are accounted with effect from April 1 2019.
- b The Company has recorded the asset and liabilities of the Merged Undertakings vested in it pursuant to this Scheme at the respective book values appearing in the books of the Merged Undertakings.
- c The value of investment in the Merged Undertaking in the books of the Company has been cancelled.
- d No adjustments are made to reflect fair values, or recognise any new assets or liabilities
- e The difference between the net assets of the Merged Undertaking transferred to the Company, after making adjustment specified in (c) and (d) has been adjusted in 'Goodwill' / 'Capital Reserve' of the Company.

Identifiable assets acquired and liabilities assumed

	Particulars	**Snoways Rs.**	**FSDC Rs.**
(a)	Property, plant and equipments	1,27,43,834	-
	Cash and Cash equivalents	19,646	21,365
	Income tax assets (net)	-	13,575
	Other Current Assets	-	31,787
	Total Assets	**1,27,63,480**	**66,727**
	Total Net Assets acquired	**1,27,63,480**	**66,727**
(b)	**Goodwill / (Capital Reserve)**		
	Cost of investment	1,98,61,770	-
	Less: Total Net Assets acquired	1,27,63,480	66,727
	Less : Elimination of Intercompany balances	(59,03,235)	11,00,000
	Net Transfer to retained earnings	**1,30,01,525**	**(11,66,727)**
	Less : Balance in General Reserve	7,53,182	5,44,687
	Less : Balance in Retained Earnings	23,86,573	4,79,46,086
	Goodwill / (Capital Reserve)	**98,61,770**	**(4,96,57,500)**

B S R & Co. LLP

JYOTHY FABRICARE SERVICES LIMITED

44 Scheme of Arrangement ('The Scheme') *(Continued)*

(c) Reconciliation of Cash flow

Amount in Rs.

Particulars	**Before Merger**	**After Merger**	**Impact due to merger**
Net cash used in operating activities	(1,48,68,885)	(1,31,04,381)	(17,64,505)
Net Cash generated from/ (utilised in) investing activities	26,97,485	26,97,485	-
Net cash (used in) financing activities	1,75,95,941	1,70,56,179	5,39,762
Net (decrease) /increase in cash and cash equivalents	54,24,542	66,49,284	(12,24,743)
Cash and cash equivalents at the beginning of the year	1,50,50,936	1,37,85,182	12,65,754
Cash and cash equivalents at the end of the year	2,04,75,478	2,04,34,467	41,011

(d) Reconciliation of total Equity as at March 31st, 2021 and As at April 1st, 2020

Particulars	**As at 31st March, 2021**	**As at 31st March, 2020**
Shareholder's Equity before amalgamation	(81,80,79,137)	(1,88,82,24,595)
Less : Retained earnings	5,03,75,616	5,03,75,616
Less : General Reserves	12,97,869	12,97,869
Add : Capital Reserves	4,96,57,500	4,96,57,500
Shareholder's Equity After amalgamation	(82,00,95,122)	(1,89,02,40,580)

45 There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

46 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

47 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year classification.

Particulars	**Note no.**	**Amount as per previous period financials**	**Adjustments**	**Revised amount for previous year**
Balance Sheet				
Loans - Non Current		99,93,705	(99,93,705)	-
Other financial assets - Non Current	5	11,91,225	99,93,705	1,11,84,930
Other financial liabilities - Non Current		1,91,72,742	(1,91,72,742)	-
Other financial liabilities - Current	17	2,87,12,642	(2,50,31,077)	36,81,565

Notes 1 to 47
As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 24th May, 2022

For and on behalf of the Board of Directors of
Jyothy Fabricare Services Limited
CIN : U17120MH2008PLC180246

M. P. Ramachandran
Chairman and Managing Director
DIN - 00553406

K. Ullas Kamath
Director
DIN - 00506681

Mayank Patwa
Company Secretary
M.No. A42480

Pinkesh Bansal
Chief Financial Officer

Place: Mumbai
Date: 24th May, 2022

JYOTHY FABRICARE SERVICES LIMITED