Date: August 21, 2023

To, **BSE Limited ("BSE")**, Corporate Relationship Department, 2nd Floor, New Trading Ring, P.J. Towers, Dalal Street, Mumbai – 400 001.	To, **National Stock Exchange of India Limited ("NSE")**, "Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.
BSE Scrip Code: 543426	**NSE Symbol: METROBRAND**
ISIN: INE317I01021	**ISIN: INE317I01021**

Sub: Regulation 34(1) read with Regulation 30 - Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of the 46th Annual General Meeting ("AGM") of Metro Brands Limited ("Company") along with the Annual Report for the Financial Year ended March 31, 2023

Dear Sir/Madam,

This is to inform that the 46th Annual General Meeting ("**AGM**") of the Company is scheduled to be held on **Wednesday, September 13, 2023 at 03:00 P.M. (IST)** through Video Conferencing/Other Audio Visual Means (**"VC/ OAVM"**) in compliance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and various circulars issued there under.

Pursuant to Regulation 34 read with Regulation 30 of SEBI Listing Regulations, we are enclosing herewith the following:

1. Annual Report for the Financial Year 2022-23
2. Notice of the AGM

The aforesaid documents have been sent today i.e. August 21, 2023 by e-mail to all the eligible Members whose e-mail addresses are registered with the Company / Depositories.

The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all resolutions (as set out in the AGM notice) to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. **Wednesday, September 6, 2023**. The remote e-voting shall commence on **Sunday, September 10, 2023 (9:00 a.m. IST) and ends on Tuesday, September 12, 2023 (5:00 p.m. IST)**.

The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 7, 2023, to Wednesday, September 13, 2023** (both days inclusive) for the purpose of AGM and for payment of Final Dividend for Financial Year 2022-23, if declared at the AGM.

The said Annual Report and the Notice is also uploaded on the Company's website at www.metrobrands.com

We request you to take the same on record.

Thanking you,

Yours Faithfully,
For Metro Brands Limited

DEEPA SOOD Digitally signed by DEEPA SOOD Date: 2023.08.21 16:28:01 +05'30'

Deepa Sood
VP Legal, Company Secretary & Compliance Officer
Membership No. 16019

Encl: As Above

FEET ON THE GROUND.
EYES ON THE FUTURE.

46th ANNUAL REPORT METRO BRANDS LIMITED

Contents

To view this report online and to know more about us, please visit:
www.metrobrands.com

** After the end of FY, the name of the wholly owned subsidiary was changed from Cravatex Brands Limited to Metro Athleisure Limited*

Feet on the Ground
Eyes on the Future

At MBL, our remarkable journey of over six decades is anchored in our core values of customer centricity, deep operational and financial rigour, prudent capital allocation and strong corporate governance. Our focus on practicality and having a realistic understanding of the challenges and opportunities has ensured that we stay grounded even as we pursue new goals.

Retailing footwear is ingrained in our DNA. With an eye to shaping India's complete footwear wardrobe, we provide footwear for the entire family, for every season, occasion and across price points. Taking another step forward in this pursuit, we added Fila – a globally renowned sportswear brand - to our portfolio. We also acquired the ownership rights for Proline, another prominent sportwear brand in India. These additions have broadened the choices we offer to our customers, opening new growth avenues.

As we set our sight on the future, we are aggressively expanding our store network across all our brands, penetrating the new cities that are tomorrow's growth engines. Simultaneously, we are strengthening our e-commerce presence to cater to evolving customer preferences, while product premiumisation is enabling us to fulfil growing aspirations. Our future-focus also inspires us to embrace sustainable practices across our ecosystem.

Our feet will always be on the ground while our eyes will always be on the future. This harmonious balance is our mantra for striding ahead with confidence, meeting the expectations of our stakeholders, and thriving today and beyond.

Company Snapshot

Delving into our story

Metro Brands Limited (MBL) is among India's leading and fastest-growing footwear retailers. We offer a wide range of aspirational brands across product categories, age-groups and market segments, making us a one-stop shop for all footwear needs.

With a rich heritage and a deep commitment to excellence, we have been fulfilling the diverse footwear needs of Indian customers since 1955. We retail footwear under our own brands as well as select third-party brands, making them accessible through our extensive nationwide store footprint as well as fast-growing online presence. We also offer accessories such as belts, bags, socks, wallets, foot care and shoe care products.

Headquartered in Mumbai, India, MBL went public in 2021 and operates as a listed company. We have a subsidiary, Metmill Footwear Private Ltd., which operates shop-in-shop counters and distributes third-party brands. Additionally, our joint venture, M.V. Shoe Care Private Limited, specialises in the manufacturing and sale of shoe care and foot care products under its own brand. We recently acquired Cravatex Brands* Limited, a retailer and distributor of footwear, apparel and accessories for Fila and Proline brands.

Our Vision

To be India's largest specialty footwear and accessories retailer

Our Values

- Strong Customer Relationship and Service
- Passion for Perfection
- Respect and Empowerment of Individuals
- Differentiation through Constant Innovation
- Integrity

Our Purpose

Get everyone on their feet

** After the end of FY, the name of the wholly owned subsidiary was changed from Cravatex Brands Limited to Metro Athleisure Limited*

BRAND PORTFOLIO

IN-HOUSE

METRO SHOES

MOCHI SHOES & ACCESSORIES

WALKWAY Footwear & Accessories

PROLINE

THIRD-PARTY

crocs™

fitflop

FILA

Company Snapshot

Our story in numbers

COMPANY FACTS

65+ years
Industry experience

31
States and Union Territories

5
Store formats

12+ million
Loyalty membership
(across Metro, Mochi and Crocs)

739
Stores

250+
Footwear vendor partners

174
Cities

5,204
Employees
(On a standalone basis
(including those on payroll,
contract, apprentices etc.)

Note: These numbers excludes data for Fila and Proline

PERFORMANCE IN FY 2022-23

₹2,127 crores
Revenue from operations in FY 2022-23, our highest-ever (↑58% year-on-year)

74%
Revenue contribution of in-house brands at Multi Brand Outlets (MBOs) in FY 2022-23

₹681 crores
EBITDA in FY 2022-23, our highest-ever (↑66% year-on-year) (32.0% EBITDA margin)

₹365 crores
PAT in FY 2022-23, our highest-ever (71% year-on-year) (17.2% PAT margin)

115
Net store additions across all formats, the highest-ever

↑48%
Growth in our e-commerce revenue on a year-on-year basis

↑400 basis points
Increase in revenue contribution from premium products (above ₹ 3,000) on a year-on-year basis

All data is as of March 31, 2023, unless otherwise mentioned

Our Brand Portfolio

The story of our brands

Our brand portfolio includes innovative home-grown brands renowned for their exceptional quality and style. Additionally, we offer carefully chosen third-party brands like Crocs, FitFlop and Skechers that bring a unique proposition, adding value to the customer journey.

IN-HOUSE BRANDS

METRO SHOES

278 Metro MBOs across **150 cities**

Mid and Premium Market Segment

Metro is a modern Indian brand that provides fashionable footwear, featuring the latest designs and styles for every occasion. Alongside footwear, Metro offers an extensive selection of handbags, belts, wallets and other accessories. The brand's footwear collection is thoughtfully curated to cater to diverse regional preferences across India.

MOCHI SHOES & ACCESSORIES

199 Mochi MBOs across **100 cities**

Mid and Premium Market Segment

Mochi is a footwear and accessories brand that focusses on the youth while also catering to the entire family. The brand offers a wide range of footwear for the youth, meeting their day-to-day, work, evening and party needs, as well as special occasions including weddings.

WALKWAY Footwear & Accessories

63 Walkway MBOs across **45 cities**

Value Conscious Market Segment

Walkway is a family-oriented brand that offers fast fashion footwear and accessories in the mass market segment. Providing affordable footwear for men, women, and kids, Walkway has become synonymous with everyday fashion.

PROLINE

Majorly sold through Large Format Stores and online marketplaces

Value Conscious Market Segment

Established in 1983, Proline is India's first home-grown activewear brand with a 35-year legacy. The brand boasts a robust connection to fitness and sports, having had several sportspersons as brand ambassadors in the past. It operates across various sub-brands at diverse price points.

Key features of product-

- Shape retention
- Breathable fabric
- Permanent comfort

THIRD-PARTY BRANDS

Active brand management drives our success, with each brand format functioning as a standalone strategic business unit (SBU). The dynamic leadership within each SBU reinforces our confidence in seizing opportunities.

crocs™

195 Crocs Exclusive Brand Outlets (EBOs) across **89 cities**

Premium Market Segment

Crocs is renowned worldwide for its iconic clog silhouettes. The brand's primary focus is on delivering comfortable, casual, colourful, and innovative footwear styles for women, men and children. We have entered into a non-exclusive retail agreement with Crocs, granting MBL the right to sell Crocs products in India at approved stores and kiosks. Additionally, we have been given the right of first refusal for any proposed retail store, kiosk, or outlet openings in India as per the Crocs Agreement.

fitflop

4 FitFlop EBOs across **4 cities**

Premium Market Segment

FitFlop is renowned for offering shoes designed for all-day wear, incorporating a blend of biomechanics, comfort and fashion. We have established an exclusive strategic partnership with FitFlop, encompassing the entire distribution in India, including EBOs, MBOs, distribution channels, online marketplaces, and the web store. This partnership builds upon our prior four-year experience of selling FitFlop products at our MBOs.

FILA

24 Fila stores, across **20 cities**

Mid and Premium Market Segment

Fila is one of the fastest-growing global sportswear brands and has a rich heritage of 110 years. The sportswear brand designs shoes and apparel focussed on mid and premium segments. It operates in ~70 countries through licensing deals. In China, it is one of the largest premium sports brand with over 2,000 outlets.

Business Capabilities

Grounded strengths for a sustainable future

INDIA'S FOREMOST RETAILER WITH A STRONG BRAND PORTFOLIO

We are a leading footwear retailer in India with a strong presence in metro cities and tier 1, 2, and 3 cities. Our aspirational brands cater to customers seeking quality and stylish footwear. Leveraging our market position and brand portfolio, we are well-positioned for sustained business growth.

Pan-India presence

739 stores located in
174 cities spread across
31 States and Union Territories in India (as of March 2023)

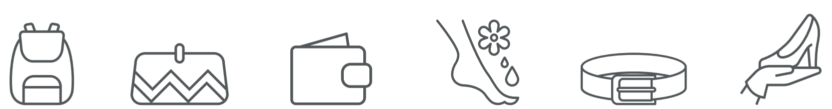
ROBUST ASSORTMENT OF BRANDS AND PRODUCTS

Our footwear brand portfolio caters to all price points and occasions, serving the entire family. This broad coverage enhances customer loyalty and expands our market reach.

One-stop shop for footwear

Present Across Market Segments	Economy	Mid-Premium	Premium	
Catering to all footwear needs	Casual	Formal	Sportwear	
Catering to entire family	Men	Women	Unisex	Kids

Creating adjacent revenue stream from accessories



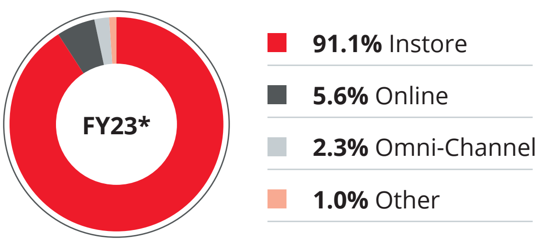
Bags Clutches Wallets Foot Care Belts Shoe Care

Revenue distribution across footwear categories and accessories

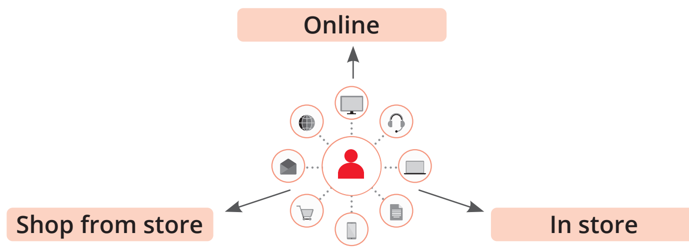
ESTABLISHED PLAYER ACROSS FORMATS AND CHANNELS

Our physical retail network comprises both MBO and EBO formats. In addition, our brands have a strong online presence through our own websites and collaborations with leading marketplaces. We leverage various social media platforms to effectively market our products. Our online and omnichannel strategy enhances the reach and accessibility of our brands, enabling us to unlock new opportunities.

Revenue Breakup - Instore & E-commerce



Omni-Channel Experience



Customer engagement through home visits and instant messaging channels such as WhatsApp

**As a % of Standalone Revenue from Operations*
Note: Numbers and percentages rounded off; Revenue is net of returns and discounts

CAPITAL-LIGHT BUSINESS

We adopt an asset-light approach, partnering with trusted third-party vendors for all our footwear and product sourcing. Rather than pursuing costly backward integration into manufacturing, we prioritise offering a diverse range of products in various designs, colours and sizes across different footwear categories. Additionally, our scale of operations and strong supplier network enable us to leverage better margins with our vendors and enter into arrangements with third-party brands on favourable terms.

250+
Footwear Vendor Partners dealt with over the last 3 fiscal years.

50+ years
of relationship with certain vendors, providing the flexibility to collaborate with specialised vendors for specific footwear segments.

32.0%
of asset-light model consistently drives high EBITDA margins, which translates into robust return ratios.

OPERATIONAL EFFICIENCY

We optimise store operations through efficient store size, layout, and long-term leases. Store managers' compensation is linked to sales, ensuring store-level margin protection. Our strong supplier network and scale of operations result in better margins and favourable terms with third-party brands. We efficiently manage our extensive vendor network and supply chain through a demand-driven inventory replenishment method.

Our Theory-of-Constraint-based supply chain maximises capital efficiency and minimises dead stock.

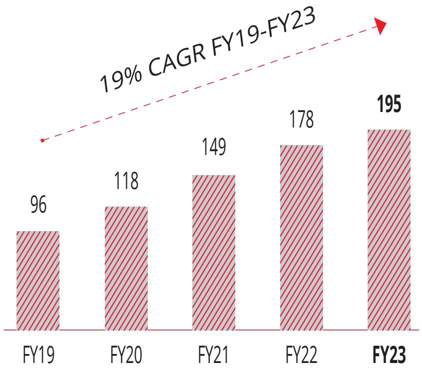
Superior store economics, with a payback period of less than two years.

PLATFORM OF CHOICE FOR THIRD-PARTY BRANDS

With our extensive experience in footwear retailing, wide retail reach, and successful track record of nurturing and expanding retail brands, we have become the platform of choice for both national and international third-party brands. Our nationwide operations provide valuable insights into evolving customer preferences, further enhancing our appeal as a partner for brands looking to establish and grow their presence in India.

In 2015, we entered into a non-exclusive retail license agreement with Crocs, a global brand renowned for its innovative casual footwear offerings for women, men and children. Since then, our successful efforts have propelled the expansion of Crocs-branded EBOs across the nation. Furthermore, we have strategically partnered with FitFlop, a footwear brand that seamlessly blends style with world-class science, for its sales and distribution within India. This partnership grants us exclusive rights for FitFlop's sale and distribution across all formats, encompassing EBOs, MBOs, airport stores, distribution, online marketplaces and webstore. In April 2022, we introduced the inaugural FitFlop EBO store, and subsequent to its launch, we have added three more stores, buoyed by positive customer experiences and strong sales traction.

Number of Crocs EBOs



PROVEN FINANCIAL PERFORMANCE

We have demonstrated strong financial discipline and growth trajectory over the years backed by our asset-light model and efficient ways of operating. As a result, our realisation per unit, gross margins and EBITDA margins are among the highest across footwear retailers in India. Further, our business has strong cash flow generation, enabling business expansion primarily through funds generated from our operations.

> 90% of our products are sold at full-price

Steady increase in Average Selling Price (ASP) through focus on premiumisation

Consistently delivering among the highest RoE and RoCE in the industry

COMPETENT MANAGEMENT

MBL is guided by seasoned promoters with extensive experience in the footwear industry. Their strategic vision has propelled us to become a leading organisation known for growth, integrity and respect. Our management team comprises of skilled professionals who drive operational efficiency, ensure exceptional customer experiences, identify lucrative opportunities and execute our business strategies with precision.

Our Journey

2022

Acquisition of Cravatex Brands Ltd

- Exclusive license for FILA
- Owns sportswear brand PROLINE

2021

- Exclusive tie up with fitflop
- Hits 600 stores
- Listed on BSE, NSE

2015

crocs™ ties up with METRO

2012

Hits 200 stores

2010

Launch of E-commerce,
Hits 100 stores

2009

Launch of WALKWAY MBO

2000

Launch of MOCHI MBO

1977

Incorporation of the Company

1955

Started first METRO SHOES Store

Chairman's Communique'

Dear Shareholders,

I am pleased to present the 46th Annual Report for Metro Brands Limited for the financial year 2022-23, marking the first full year of operations as a listed entity. The transition from private to public ownership has been seamless, and with appropriate governance frameworks and effective organisational structures in place, your Company is now firmly positioned to continue its journey of long-term value creation for all stakeholders.

MBL has a long history of stability and profitable growth, built on the foundation of strong brands, exceptional products, a robust physical presence and excellent service. Throughout FY 2022-23, your Company made significant strides in advancing its strategic priorities, resulting in a solid performance across both financial and non-financial indicators. With the threat of Covid-19 finally behind, your Company's stores saw normalised operations for the entirety of the year, enabling customers to fully benefit from its total retail network. Further, the record addition of new stores during the year and foray into emerging cities, along with consolidation of presence in existing markets, puts your Company in a stronger position to reach out to more customers across the country.

Consistent investments in developing digital capabilities have enabled your Company to respond to the growing preference for online purchases. One of the most notable achievements of your Company as a listed entity is the successful transformation of its business model, offering customers a choice of easy and convenient, digital-led shopping channels, in addition to the enjoyable experience of shopping in its wide-spread physical stores, served by friendly and knowledgeable staff. Your Company's e-commerce business continues to go from strength to strength, a testament to the underlying appeal of its product offering, as well as the successful adoption of the latest digital tools for delivering a personalised experience.

With a legacy spanning over six decades, your Company has carved a rich heritage as a trusted family footwear store. Over time, new brands, both in-house and from third parties, have been strategically introduced to cater to an ever-expanding customer base and enhance their shopping experience. The past year was particularly eventful, with the addition of renowned sportswear brands Fila and Proline to the brand portfolio, following the successful acquisition of Cravatex Brands Limited.

Moving forward, the outlook for India's retail industry is promising. The dynamic consumption landscape, bolstered by favourable demographics, a burgeoning middle class, rising disposable incomes, urbanisation, and growing aspirations, sets a strong foundation for the growth of India's retail sector.

To advance its high-growth ambition, your Company has been strengthening its leadership team and organisational structure. With the successful integration of sportswear brands into its portfolio, your Company's Board appointed Ms. Alisha Malik as the President of the Sports Division. This appointment adds to her existing role as the President of E-commerce and Customer Relationship Management, where her expertise in digital and data has been instrumental in driving positive transformation. The Board has full confidence that under her capable leadership, the Sports Division will play a pivotal role in contributing to the overall business performance.

Moving forward, the outlook for India's retail industry is promising. The dynamic consumption landscape, bolstered by favourable demographics, a burgeoning middle class, rising disposable incomes, urbanisation, and growing aspirations, sets a strong foundation for the growth of India's retail sector. Moreover, the increasing preference for branded products, synonymous with the organised segment, is reshaping the industry dynamics. The expanding digital connectivity in India is also propelling the e-commerce sector to new heights. As India's leading footwear retailer, catering to diverse customer segments across platforms, your Company is poised to capitalise on these unfolding opportunities.

Your Company is deeply committed to maintaining a delicate balance between the interests of its customers, employees, suppliers, shareholders, society and the environment. Fostering sustainable lifestyles is a key focus, and your Company's long-term vision is to recycle a pair of shoes for every pair sold. I am delighted to share that significant progress was made in this regard during the year. Building on a successful pilot project in FY 2021-22, where 100 tonnes of footwear were recycled, your Company processed approximately 900 tonnes (equivalent to about 2 million pairs) of old and discarded footwear in an eco-friendly manner in FY 2022-23. Your Company is also working with trusted suppliers to expand its range of sustainable footwear products. Other areas of focus include harnessing solar energy at the warehouses, empowering weaker sections of the community and supporting the cause of education among underprivileged children.

In conclusion, FY 2022-23 marks an immensely satisfying year for your Company. Through well-thought-through strategic steps, your Company is committed to maintaining this momentum. Backed by a strong balance sheet, your Company possesses the resources and agility to invest in opportunities for growth while ensuring disciplined, long-term returns. The business focus remains on footwear retailing, as your Company works towards realising its vision of becoming India's largest specialty footwear and accessories retailer.

Personally, and on behalf of the Board, I would like to thank all the employees and supplier partners of your Company for their hard work and dedication. I extend my heartfelt appreciation to the customers for their continued patronage. I am also grateful to all the investors for their belief in MBL's story and potential. Your Company looks to the future with ambition and remains determined to growing the business for the long-term benefit of all stakeholders.

With regards,

RAFIQUE A. MALIK

Chairman

Q&A with the Managing Director

MS. FARAH MALIK BHANJI
Managing Director

provides valuable insights into the Company's performance and potential, addressing key questions from stakeholders.

Q Please share your thoughts on the Company's performance for the year.

It has been a year of robust financial performance for MBL. We attained our highest-ever revenue, EBITDA and PAT, driven by strong growth in volume and value. Our growth was broad-based across all formats, tiers, regions and price points. Improvement in overall sales mix and lower contribution of discounted sales helped to generate higher margins.

It has also been a good year in terms of operational performance. We maintained an aggressive pace for store expansion, opening a record 115 net new stores across all formats, excluding Fila and Proline, which are our latest additions following the acquisition of Cravatex Brands Limited. This acquisition is an important milestone in our journey towards becoming India's largest specialty footwear and accessories retailer, filling up the sports and athleisure whitespace in our product portfolio.

We achieved a stellar 48% revenue growth in our e-commerce division, despite the reopening and growth of our brick and mortar stores post the pandemic. This demonstrates that the investments being made in developing our digital capabilities are paying off, and we are able to elevate the customer experience by driving personalisation and convenience. Our e-commerce expansion is taking place with a focus on omni-channel growth, wherein customer orders are being serviced from offline stores.

Another important development for the year was the increase in contribution of our premium products – those priced above ₹ 3,000 – to overall sales. This increased from 34% in FY 2019-20 to 44% in FY 2022-23. Our premiumisation strategy is thus on track, which will enable us to drive higher sales and margins in the coming years.

Q Do you believe that this performance is sustainable?

Yes, I firmly believe that our performance is sustainable. Our achievements have not been the result of one or two years' efforts but our consistent focus on operating with financial discipline and operational rigour. The success of companies hinges on their ability to excel in various aspects. Through diligent attention, we have prioritised multiple areas which will play a pivotal role in driving long-term growth.

First, we have built strong in-house brands, nurtured over the years, to cater to customers across market segments. Complementing these in-house brands, we have third-party brands that offer unique propositions, completing the customer journey. Strategic Business Unit (SBU) frameworks have been established for all our brand formats, each guided by capable leadership. The proactive management of each brand, ensuring selection of the right products and their precise placement, is driving the performance of every brand under our portfolio.

Secondly, our expansion efforts have extended across the country, allowing us to connect with a broader customer base. In particular, our store expansion strategy has been targeted at reaching smaller towns and cities, which are witnessing increasing demand for products and services. This focus on untapped regions serves as a key driver of our future growth.

Additionally, we have successfully transitioned from being primarily an offline retailer to becoming an omni-channel enabled company. This strategic move allows us to offer our customers the best of both worlds – the friendly service of our physical stores, combined with the convenience of our online channels. As a result, we ensure our continued relevance in the digital era, meeting the evolving needs of our customers seamlessly.

Another aspect we are highly conscious of is the way we are growing our e-commerce business. Our focus is not merely on driving growth through discounts; rather, we prioritise selling full-price products. To achieve this, we are making substantial investments in technology, ensuring effective capitalisation of the expanding e-commerce market while safeguarding our margins.

Finally, by maintaining our focus on driving product premiumisation, enhancing customer experience, fostering strong vendor partnerships and pursuing operational excellence initiatives, we are confident in our ability to deliver consistent performance in the years to come.

Q This year saw the highest number of stores being added in a single financial year. What is your store expansion strategy and the future plans in this area?

FY 2022-23 has been a highly successful year for our brick-and-mortar expansion. As the pandemic's impact abated and customer sentiments improved, we recognised it as the opportune moment to accelerate store openings. Consequently, we surpassed our initial guidance of 80-85 stores and opened 115 net new stores.

Like in everything we do, we maintain a disciplined approach while pursuing store expansion. This disciplined approach is built on three key pillars: firstly, a cluster-based store rollout where same format stores are opened within the existing area/city but at a reasonable distance so that it does not cannibalise existing stores; secondly, backfilling, which involves adding another format in the city where we have already seen success; and thirdly, venturing into new cities to broaden our market presence.

When entering a new city, we start with our flagship Metro store; once it establishes itself, we introduce other formats like Mochi and Crocs. This step-bystep approach allows us to gauge demographics and understand the city's dynamics, ensuring the subsequent stores' success. Our impressive track record of low store closures is a testament to our deep understanding of regional preferences, prudent site selection and efficient store operations.

Moving ahead, our target is to open 200 stores in the next two fiscal years across Metro, Mochi, Walkway, FitFlop and Crocs; in addition, Fila will have its own stores. Moreover, we have only scratched the surface in terms of taking our brands to Tier 2 cities and beyond. Currently, we are present in 174 cities, including Tier 1 and other cities. We have mapped more than 200 new cities where we see a high potential for our brands. Thus our strategy is to continue growing our store presence with a strong focus on penetrating smaller towns and cities.

Q What are the growth opportunities in the domestic market for the Indian footwear industry and, specifically, what is the opportunity for organised players like MBL?

India stands as the world's second-largest consumer of footwear, just behind China, based on the number of pairs purchased. However, the average annual per capita footwear consumption in India is approximately 1.9 pairs, lower than China's average of 3.3 pairs and the global average of 3.2 pairs. This indicates headroom for growth, with expectations of India's annual footwear consumption reaching 2-2.1 pairs by FY 2024-25.

For organised players like MBL, the growth opportunities are even more promising. The unorganised footwear segment is estimated to grow at a CAGR of ~12-14% from FY 2021-22 to FY 2024-25; however, the organised footwear segment is expected to outpace this growth, with a CAGR of ~20-22% over the same period, reaching a market share of 36%-40%.

Several factors are fuelling the growth of the organised footwear segment, synonymous with branded offerings. These factors include steady urbanisation, an expanding middle-class segment, rising discretionary incomes, increasing participation of women in the workforce, rapid expansion of e-commerce and exposure to global fashion trends. As a result, aspirations are on the rise, and consumer preferences are shifting in favour of branded products over unbranded offerings.

Q What is the business outlook for FY 2023-24?

Looking forward, we do anticipate a normalisation of business over the 2 quarters of the new fiscal as we offset the fluctuations caused by pent-up demand, wardrobe refreshes and office re-openings from last year. This, however, does not indicate a slowdown in the economy. Our belief in the India growth story remains as strong as ever, and these short-term variances are a result of higher base year numbers rather than a medium-term trend.

In a significant development, starting from January 1, 2024, the footwear industry will come under the purview of the Bureau of Indian Standards (BIS). We perceive these changes as a progressive step for the industry, driven by the fundamental objective of ensuring quality standards and safeguarding customers' rights. While there may be initial disruptions in the supply chain, we anticipate these challenges will gradually subside as the industry becomes more familiar with the new standards. To adeptly manage these transitions, we may maintain our inventory levels at a slightly elevated state based on the prevailing circumstances. Moreover, we remain committed to collaborating with our vendors, guiding them through the product testing process to ensure adherence to the BIS guidelines.

For the full year, we remain fairly confident in our ability to deliver a strong performance. Our optimism emanates from our aggressive store expansion strategy, the addition of newer formats and channels, higher mix of premium products in our portfolio and an expanding portfolio of accessories and adjacent categories.

CEO's Letter

Dear Shareholders,

As I look back on FY 2022-23, I am extremely proud of the many accomplishments achieved by our team. We delivered outstanding financial results and opened our highest-ever number of stores. Another significant feat was the addition of exciting sports and athleisure brands to our portfolio. Enabling us to further increase the breadth of the footwear wardrobe we command for our customers, this strategic action complements our overall vision of becoming India's leading specialty footwear and accessories retailer.

For the full year, we achieved a record level of sales at ₹ 2,127 crores, reflecting a remarkable 58.4% increase on an annual basis.

PERFORMANCE REVIEW

Entering FY 2022-23, the return of employees to offices and the full-fledged celebration of festivities created favourable conditions for retail businesses. Pent-up demand, travel, wardrobe refreshes, the significant number of weddings in India (3.2 million weddings from mid-November to mid-December 2022) and repeat purchases further bolstered demand for footwear products.

However, the year was not without challenges. The Indian economy experienced sustained inflation, particularly notable in the first half of the year, due to worldwide supply chain disruptions, quantitative tightening, and high inflation and interest rates following Russia's invasion of Ukraine. We effectively addressed these challenges by strategically front-loading inventory and intensifying our focus on premiumisation.

For the full year, we achieved a record level of sales at ₹ 2,127 crores, reflecting a remarkable 58.4% increase on an annual basis. This growth was driven by improved assortments, increased volumes and higher average selling prices. Additionally, we reached our highest-ever EBITDA and PAT at ₹ 681 crores and ₹ 365 crores, respectively, representing year-on-year growth rates of 65.9% and 70.6%. Improvement in overall sales mix and lower contribution of discounted sales helped to generate higher margins.

ACQUISITION OF CRAVATEX BRANDS LIMITED

The past year brought significant portfolio enhancements through the complete acquisition of Cravatex Brands Limited (CBL). We secured the exclusive long-term licence for the esteemed Italian sportswear brand Fila and added CBL's in-house sportswear brand Proline to our offerings with this takeover.

This is a very exciting and synergistic acquisition, as it aligns seamlessly with our expertise in footwear retailing and addresses the sports and athleisure whitespace in our brand portfolio. It also perfectly complements our strategy of having an EBO and online presence, where the sportswear category thrives. Moreover, our growth strategy emphasises product premiumisation; the inclusion of Fila with its higher average selling price pairs well with our objectives.

Our first priority is to establish Fila quickly in the Indian market. Drawing upon our extensive experience in brand-building, we are confident of establishing Fila as a significant player in the Indian athletic branded space in the medium term. Another exciting aspect is that, in addition to distributing global Fila products, we also have a licensing agreement to manufacture certain categories of Fila products for the Indian market.

To unlock Fila's full potential, we will demerge Fila from CBL.

We will be rationalising the current distribution network of Fila, having acquired 24 Fila EBO stores as part of the CBL deal. After store rationalisation, we will commence Fila's store expansion, primarily under the company-owned and company-operated (COCO) model.

Once Fila becomes part of the MBL ecosystem, it will enable us to leverage costs and operational synergies and will facilitate a more focussed management approach to pursue revenue growth. In FY 2023-24, our focus will be on liquidating the surplus inventory that does not align with Fila's envisioned direction. Simultaneously, we will introduce new products sourced from a mix of global and local vendors, always ensuring they meet international quality standards. These products will be available in our existing EBOs and on Metro and Mochi's digital channels. We are confident this strategy will open substantial opportunities for Fila's penetration in the Indian market.

We will be rationalising the current distribution network of Fila, having acquired 24 Fila EBO stores as part of the CBL deal. After store rationalisation, we will commence Fila's store expansion, primarily under the company-owned and company-operated (COCO) model.

Our core brands' presence has been successfully scaled up using the COCO model, and we are confident of replicating this success for Fila as well.

While our core focus continues to be on the footwear segment, we are cognisant of the opportunities that lie in integrating the apparel and accessories of our acquired brands into our stores. Partnering with a renowned global brand like Fila will provide us with deeper knowledge in these new areas, enabling us to develop a more robust business in adjacent categories.

GROWTH STRATEGIES

With record store expansions across our brand portfolio during the year, our physical footprint, excluding Fila, now stands at 739 stores across 174 cities. We remain dedicated to expanding our store count to seize the immense opportunity offered by India's retail footwear segment. Our goal is to open 200 new stores over the next two fiscal years across Metro, Mochi, Walkway, FitFlop and Crocs formats. Additionally, to cater to the growing demand from Tier 2 cities and beyond, our store expansion will prioritise these emerging markets while also consolidating our presence in existing geographies.

We are committed to the growth of our e-commerce business. To achieve this, we will continue driving greater integration of our physical and digital sales channels, creating a seamless shopping experience for our customers. Additionally, by adopting digital tools and leveraging our integrated customer data platform, we gain valuable insights into customer preferences. This enables us to personalise content, products and experiences, driving not only our e-commerce business but also supporting higher full-price sales, thereby safeguarding our margins.

The contribution of our premium segment to overall sales has been steadily increasing in recent years, reaffirming the effectiveness of our premiumisation strategy. We will continue to drive product premiumisation to capture the growing demand for more premium products. Furthermore, we remain focussed on tapping into inorganic opportunities to accelerate our growth trajectory, assessing and adding brands that strategically align with our portfolio.

BUSINESS OUTLOOK

While inflation has been a concern, there are indications that it may have reached its peak, and price stability is on the horizon. In the medium-term, the market drivers remain robust for India's retail sector. The expanding middle class segment, characterised by increased affluence and aspiration, along with the emergence of smaller cities and towns as new hotspots in India's socio-economic landscape, will drive strong demand. Moreover, the rise of the digital economy and the increased acceptance of digital payments are propelling the growth of e-commerce businesses, expanding brands' reach to new markets and customers.

With the solid foundation we have built and our commitment to pursuing growth strategies, MBL is well poised to capitalise on the favourable demand environment and deliver sustained profitable growth. Our strong balance sheet and underlying cash generation will allow us to continue investing in further strengthening our business.

In closing, I would like to take this opportunity to thank the MBL team for their hard work throughout the year. I would also like to express my gratitude to the Board Members for their guidance and support. Finally, I offer my sincere appreciation to our customers, business partners, shareholders and the wider community for the trust they have placed in our Company. MBL remains committed to delivering on its goals and creating greater value for all stakeholders.

With regards,

NISSAN JOSEPH

Chief Executive Officer

Letter From Chief Human Resource Officer

Focus on Creating Employee Experience

MBL is known for its customer service and experience, and this cannot be achieved if our employees do not have a great experience. We at MBL are constantly working towards ensuring we support and empower our people so that we enable them to perform their best and thereby drive and better customer experience and business growth.

Keeping the above in mind, we have been working relentlessly to enhance the employee experience through the entire employee lifecycle, right from fostering professional growth, to championing inclusion and diversity, enhancing employee benefits, promoting engagement, and streamlining HR processes. Our endeavour has been to create a happy and productive work environment that not only propels our employees in their personal career aspirations but also ensures that we, as an organization, possess the right capabilities to thrive in the future. Sharing with you some of our key initiatives -

Hiring the right talent

To meet the demands of a dynamic market and our ambitious growth plans, we're recruiting external expertise and nurturing our internal talent pool. With this approach we now have a good blend of old and new talent at various levels and has helped us to not only fortify our existing leadership foundation but have also enriched our overall capabilities.

Building a Diverse workforce

In our pursuit of a diverse and inclusive work environment, we are actively working to enhance female representation within our corporate office and mall stores. We take immense pride in the fact that we have 35% women in our leadership team, which is basically 7 women of the 20-member leadership team.

Apart from this we have made a conscious effort to increase the diversity in our HO. We have hired 3 times more female employees over last year. The only criteria we use for hiring is capability, subject matter expertise and culture fitment. Gender, disability, caste, color, creed etc have no relevance in our hiring process.

Creating an Entrepreneurial Culture

One of the key pillars of MBL has been to create a spirit of entrepreneurship amongst the employees especially for customer facing roles so that decisions become faster and customer experience improves. An empowered employee takes faster decisions. We have hence set up processes that can help our frontend team to take quick decisions and also keep them motivated to service our customers and thereby grow the business.

Enhanced employee benefits

People are the backbone of an organization and taking care of their well-being and security becomes critical. We have strengthened our employee benefit scheme by enhancing the Group Personal Accident Insurance Coverage introducing slabs, introducing Group Term Life Insurance and extending Group Medical Coverage to family through a floater policy and also a topup benefit. Apart from this we have also introduced a salary advance facility for our employees in case they have any emergencies.

Strengthening Employee Policies to be at par with Industry

With companies thinking of ways to keep their employees engaged while ensuring adherence to compliance, we felt the need to review all our HR Policies and align them to industry standards. We have therefore strengthened our leave and attendance policy introducing Paternity leave, optional leave, flexi working hours. We have introduced need-based approvals for critical leaves and work from home keeping in mind the challenges an employee faces with smaller families and no support system. We have strengthened our travel policy based on feedback from employees and post benchmarking policies of other companies.

Automation in HR

While we talk about automation and AI across all walks of life, in an organization automation is used to simplify processes and reduce manual intervention as this is prone to more errors with low scope for standardization and consistency. Keeping this in mind we have recently migrated to a new age HCM (Human Capital Management) system called Akrivia which we have internally branded as **emPort** (employee portal), which not only has the entire employee lifecycle mapped, it also has an internal communications platform like facebook, automated rewards system and Chatbot. We are sure that this new system is going to enhance our employee experience and also streamline many of our HR processes that are manual.

We have also automated our signature program called Potential Manager program through a platform called **Frontlyne**. This program has been built with the philosophy that we will develop potential store managers from our existing front-end staff. We have now automated the entire process which has helped us reduce the travel cost, stay cost as well as any loss of commission for front-end employees. Apart from this, the process is now standardised and it will help us manage any scale. Moreover, it churns out many more managers than we ever thought possible through the manual process. We call this program “PACE.”

The surge in post-COVID travel has made manual expense management a hassle for employees. That’s why we recently implemented **DICE**, our automated travel and expense management system. With DICE, handling travel arrangements and expense tracking will be much easier for employees. It’s a step towards streamlining our travel process. We are also working on automating learning journeys for the Corporate employees with blended learning for Retail.

We are constantly working on taking employee feedback and working on it to build a culture where employees are not just happy but are also highly empowered to take accountability and drive results so that they grow along with the company.

Nandini Mehta

CHRO

Message from the President - Sports Division, E-Commerce and CRM

We have always kept the customer at the centre of our decision-making process. By carefully curating our product range to align with local trends and sizes, we ensure that our offerings resonate with the unique preferences of each customer we serve.

We have always kept the customer at the centre of our decision-making process. By carefully curating our product range to align with local trends and sizes, we ensure that our offerings resonate with the unique preferences of each customer we serve. Our commitment to meeting customer needs go beyond just offering products; it encompasses paying attention to the things that matter to them, such as quality and service – principles deeply ingrained in our values.

To keep pace with the ever-evolving landscape of retail, we are harnessing the power of data to glean insights into customer preferences and changing trends. This knowledge empowers us to craft more personalised and targeted messaging, enhancing our ability to connect with our customers on a deeper level.

Through our integrated customer data platform, we gain a holistic understanding of customer behaviour across our brands, analysing both online and offline shopping preferences. These insights are instrumental in enhancing our customer loyalty program. This is substantiated by our distinction as one of the top Indian footwear brands with the highest accumulation of loyalty points among our customers. Around 55% of our sales come from repeat purchases by members of our loyalty programs, underscoring the genuine value we provide to our steadfast patrons.

We use data from every touchpoint to deepen our customer knowledge, evaluate the performance of our stores and brands, and identify opportunities for sales enhancement. The adoption of AI and our presence on social media is also providing us with a better understanding of customer interests. Additionally, machine learning helps us discern the tonality of customer queries, enabling us to prioritise and address urgent and important queries promptly.

We recognise that in order to continue growing in the digital age, it is necessary to offer a seamless omnichannel shopping experience. Our enhanced omnichannel capabilities integrate our entire inventory across stores and warehouses, enabling sales through our websites and various marketplaces. This ensures that our customers can find what they need whenever and wherever they prefer to shop. By analysing omnichannel orders and the cities they originate from, we are poised to unlock new expansion opportunities in different regions.

As we look ahead, our focus remains on building enduring customer relationships through delivering superior experiences. Our continuous efforts to understand the evolving needs and shopping patterns of our customers will enable us to increase shopping frequency across all our platforms and store formats.

MS. ALISHA RAFIQUE MALIK

President - Sports Division, E-Commerce and CRM


FILA

Cravatex Brands Acquisition

Eyes on owning India's footwear wardrobe

The addition of sportswear brands, including Fila and Proline, with the acquisition of Cravatex Brands Limited (CBL), has expanded the breadth of the footwear wardrobe we curate for our consumers.

A PERFECT FIT

Meeting all the footwear needs of our customers remains central to our growth strategy. In line with this approach, we successfully acquired Cravatex Brands (CBL) in the past year. CBL is a retailer and distributor of footwear, apparel and accessories under various brands, including Fila and Proline. This acquisition fits our strategic vision to expand our presence in the sports and athleisure space in India.

THE GROWTH OPPORTUNITY

The sports and athleisure (S&A) market is witnessing robust growth, driven by factors such as increased adoption of athleisure wear and the casualisation of wardrobes. This trend is further fuelled by the blurring lines between work and leisure attire due to evolving work environments. Additionally, fitness and sports are now integral components of lifestyle, extending beyond physical activities to encompass dietary choices and appearances. Sports-inspired fashion is becoming a favoured wardrobe choice, combining functionality with trendy designs. The market's rapid growth is also bolstered by the influence of social media and the rise of e-commerce platforms.

S&A market perspective

Globally the fastest-growing industry Growth rate of **40%** last year	China S&A market valued at ₹ **4 lakh crore** Grown at a CAGR of **12-14%** over the past ten years	India S&A market expected to grow at **13.5%** CAGR Projected growth is **~2x** of global market

At MBL, our sports category has achieved remarkable revenue growth, with a 59% increase in FY 2022-23 compared to the previous year, maintaining a strong 15% CAGR over the past five years. Our newly acquired brands, especially Fila, hold broad appeal, positioning us to further capitalise on India's growing S&A market.

OUR NEW BRANDS

Fila

Among the fastest growing global sportswear brands, Fila boasts a rich heritage spanning 110 years. Fila designs shoes and apparel focussed on mid and premium segments. It operates in ~70 countries through licensing agreements. In China, it occupies a significant position as one of the largest premium sports brands, boasting a network of over 2,000 outlets.

Proline

Established in 1983, Proline is India's first home-grown activewear brand with a 35-year legacy. The brand boasts a robust connection to fitness and sports, having had several sportspersons as brand ambassadors in the past. It operates across various sub-brands at diverse price points. The brand stands out for its features of shape retention, breathable fabric and permanent comfort.

Powered by our new brands, our product portfolio within the S&A categories has gained remarkable depth, encompassing the entire consumption spectrum from value to premium segments.

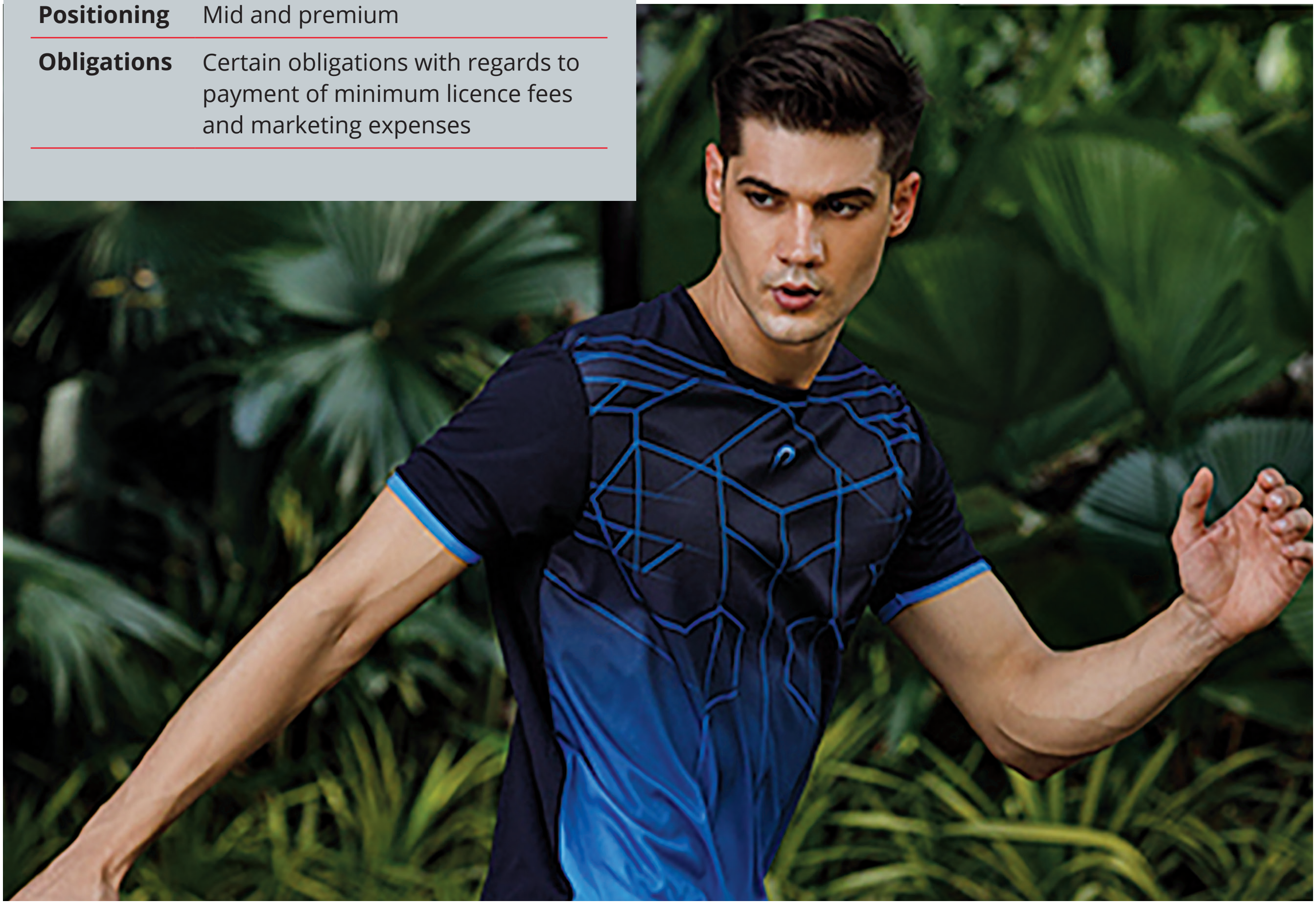
FEATURES

Fila

Rights	Master Licensee with sub-licensing right
Tenure	Long-term licence
Territories	India, Sri Lanka, Bangladesh, Pakistan, Nepal and Bhutan
Design	Free to design products as per India's needs
Sourcing	100% flexibility on sourcing
Pricing	Full pricing freedom
Positioning	Mid and premium
Obligations	Certain obligations with regards to payment of minimum licence fees and marketing expenses

Proline

Rights	Owned brands
Design	Experienced inhouse design team
Sourcing	100% outsourced
Pricing	Full flexibility for pricing
Positioning	Value



VALUE PROPOSITION

Capable leadership team

We have an experienced management team with separate business heads assigned for Fila and Proline. These professionals have extensive expertise in the S&A industry. A significant development in this endeavour is the appointment of Ms. Alisha Malik as the President of Sports Division. Her concurrent role as President of E-commerce and Customer Relationship Management, leveraging her proficiency in digital strategies and data utilisation, has been pivotal in driving positive transformations.

Lean and agile supply chain

Our new brands are based on asset-light model with 100% outsourcing manufacturing. Our supplier base is diversified, built on robust relationships. We will continue to closely work with reputed vendors across product categories, selected based on capability, capacity and cost. Rigorous quality assurance and control processes are in place to drive product excellence.

New product development capabilities

A Development and Design Centre in Bengaluru serves as the nucleus of our expertise in new product development. This centre leverages cutting-edge techniques for design and production, channeling a distinct edge into our products. Further, we have separate design teams assigned for Fila and Proline, ensuring focussed and specialised attention to each brand's creative direction.

Leverage sales across all formats

We will harness the sales potential across various formats, including EBOs, MBOs, airport stores, distribution, online marketplaces and webstores, for these brands.

OUR PRIORITIES

Brand repositioning

We believe that an exceptional experience commences by giving customers relevant products and ensuring meaningful interactions across the customer journey. Our Fila products will be sourced from a mix of global and local vendors, while always ensuring they meet global quality standards. Introducing new products into the Fila portfolio will commence in the second quarter of FY 2023-24, with the repositioning process, including clearing old inventory and stocking new products aligned with the brand's new direction, set to conclude by the end of the fiscal year.

Leveraging MBL strengths

With the repositioned Fila products, we will extend its availability to over 400 multi-brand outlets of Metro and Mochi. Our strong emphasis on customer service, coupled with our store teams' commitment to go the extra mile, will ensure a delightful shopping experience. We will also drive online sales through our digital presence and capabilities, unlocking substantial opportunities for Fila's penetration in the Indian market.

CBL integration

The integration of CBL within the MBL ecosystem is progressing smoothly. CBL has effectively transitioned to the "SAP S4 HANA" ERP system starting from April 1, 2023.

Liquidation of excess inventory

In FY24, we aim to liquidate surplus inventory within CBL's ecosystem through various channels and initiatives.

Improve store performance

CBL has 24 FILA EBO stores across various formats (COCO, COFO, FOFO). We are undertaking various measures to improve store performance and profitability.

Launch margin-accretive products

We will be introducing margin-accretive products across channels. For Fila, these products will be sourced from domestic vendors as well as through imports, while upholding stringent global quality standards.

Store Expansion

Eyes on tomorrow's growth markets

As New India emerges, tier 2-3 cities hold incredible dynamism and potential that cannot be overlooked. We are staying focussed on these markets to fulfil the aspirations of customers living here, while strengthening our presence in existing markets.

Amidst India's fast-changing landscape, tier 2-3 cities have emerged as powerful drivers of economic and social transformation. Within these cities, the ascent of the aspirational class is propelled by increased exposure to diverse brands via digital connectivity. This rise in aspirations is steering a transition towards organised and branded fashion offerings. We are strategically expanding our presence in these vibrant markets while maintaining our stronghold in metro and tier 1 cities to tap into the immense potential for growth.

Over the last fiscal year, we achieved a remarkable milestone by opening 115 net new stores across all our brands, representing the highest-ever addition in any financial year. As of March 31, 2023, our total store count reached 739 stores (excluding Fila and Proline stores). While Crocs and FitFlop are retailed through Exclusive Brand Outlets (EBOs), Metro, Mochi, and Walkway operate as Multi Brand Outlets (MBOs).

STORE ADDITION ACROSS FORMATS IN FY 2022-23

TOTAL	METRO SHOES	MOCHI SHOES & ACCESSORIES	WALKWAY Footwear & Accessories	crocs™	fitflop
115	+ 47	+ 37	+ 10	+ 17	+ 4

With a keen eye on tomorrow's growth markets, we strategically expanded our footprint to tier 2 and tier 3 cities. Our brand is now accessible in 174 cities, a significant increase from the 142 cities in FY 2021-22. This strategic expansion into new markets, combined with our strong presence in metros and tier 1 cities, has positively impacted our sales performance. Moreover, our extensive presence spans across the north, south, east, and west regions, ensuring a well-distributed pan-India network of stores.

PAN-INDIA PRESENCE WITH 739 STORES | 174 CITIES | 31 STATES AND UTs (AS OF MARCH '23)

Zone-wise[1]

- **30%** West
- **14%** East
- **25%** North
- **31%** South

Tier-wise[1]

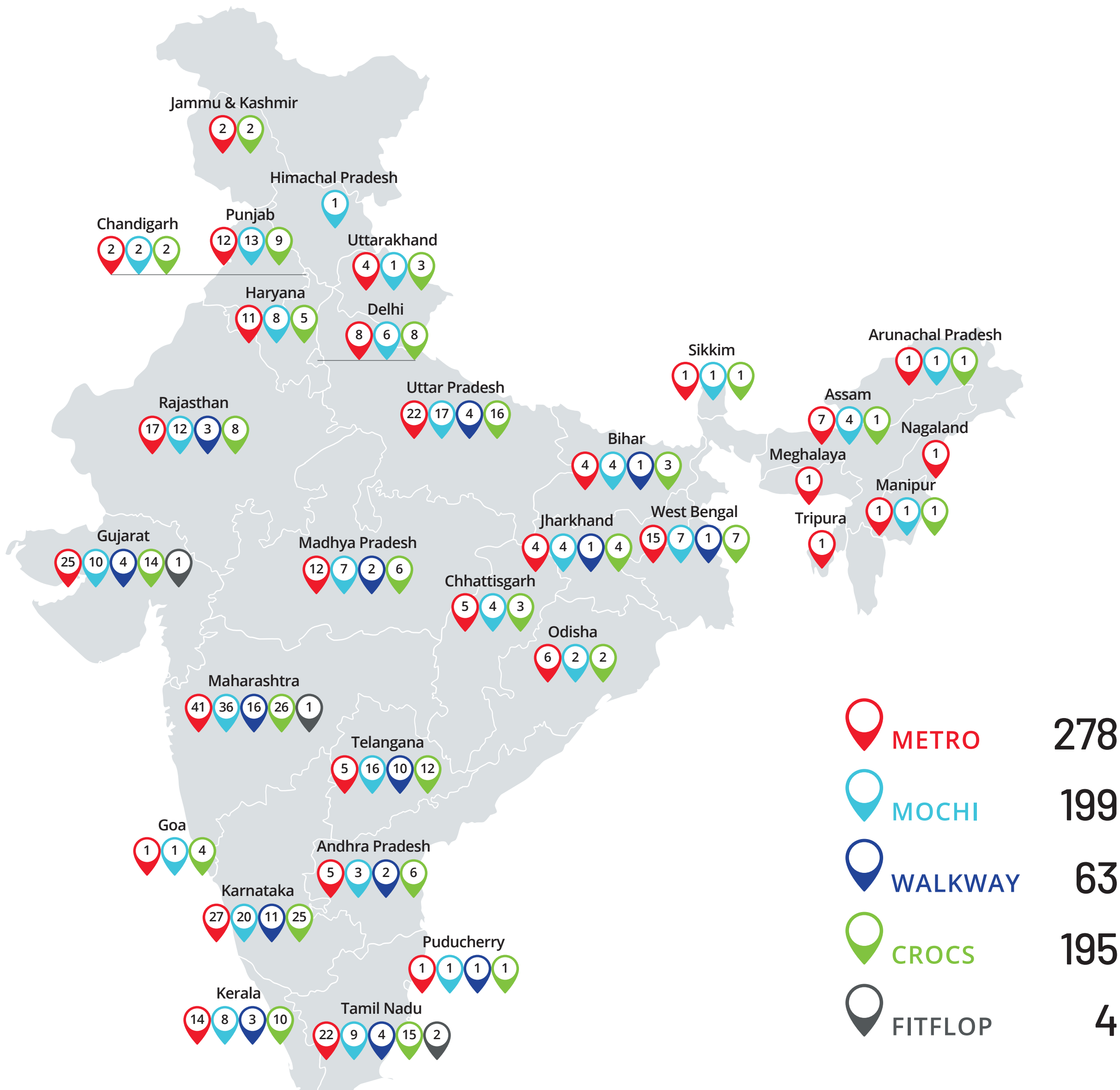
- **30%** Metro Cities
- **30%** Tier I
- **26%** Tier II
- **14%** Tier III

Location-wise[1]

- **54%** High Street
- **45%** Malls
- **1%** Airports

[1] *Total Store Split as of March 2023*

OUR PRESENCE



The above map is not to scale and is for illustrative purposes only.

Moving forward, we have set our sights on opening 200 new stores in the next two fiscal years, excluding, Proline and Fila stores. Moreover, we have identified more than 200 new cities as part of our addressable town universe. This ambitious store expansion and market penetration into untapped cities present an exciting platform for future growth opportunities.

The majority of our stores operate under the COCO (company-owned and company-operated) model. This retail approach has proven highly successful, demonstrated by our stores' consistent strong performance and a significant number of repeat customers. We will continue to follow the COCO model for store expansion, enabling us to provide customers with a superior experience within our retail chain.

Moreover, in India, developers are enhancing the size of their upcoming malls by 30-40% in comparison to existing ones. This expansion of retail space is anticipated to attract higher customer footfall, aligning well with our strategic preference for establishing stores within malls.

Other Focus Areas

Eyes on emerging trends

The retail industry is more dynamic than ever. As a forward-thinking footwear retailer, our focus is on identifying and adapting to the trends that will shape the industry's future. Proactively taking action, we ensure our continued success as we embrace the next chapter of retailing history.

E-COMMERCE RAMP-UP

With the accelerating adoption of mobile - India's smartphone penetration exceeds 70% today and is projected to reach 96% in 2040 - digital commerce is poised to explode. Embracing this digital wave, we are committed to leveraging our existing capabilities to scale up our e-commerce (online and omnichannel) business. In this context, our omnichannel sales model refers to online sales serviced through our physical stores.

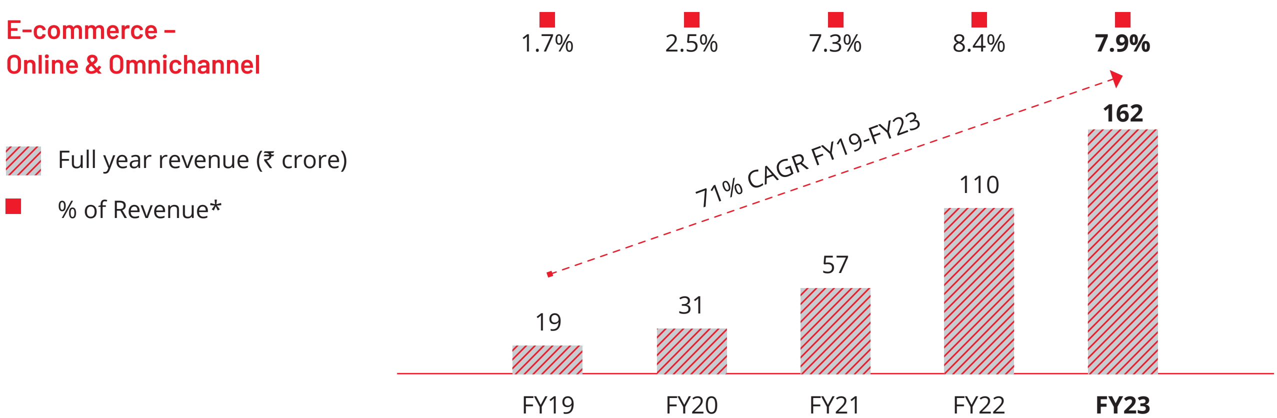
At the core of our strategy is the vision to become a digitally relevant brand, driving e-commerce growth while minimising the need for heavy discounting. To achieve this, we are making substantial investments in cutting-edge technology to capitalise on the expanding e-commerce market. Our e-commerce operations are fully owned and operated by us, providing us with complete control over the customer journey.

To enhance our capabilities, we have invested in an e-commerce specific warehouse management system, seamlessly integrating our store network with our online platform. This innovative system optimises order management, product picking, packaging, and shipment processes, offering our customers a seamless omnichannel experience.

A substantial portion of our online sales is driven by our presence on six major e-commerce marketplaces, where our brands have gained significant traction. Additionally, we manage dedicated websites for our own brands, Metro, Mochi, and Walkway, as well as third-party brand FitFlop. Through these strategic initiatives, we anticipate our e-commerce sales to grow in tandem with our overall sales.

In FY 2022-23, even as our brick and mortar stores achieved strong sales, our e-commerce division clocked an impressive 48% growth. Further, over the past five years, our e-commerce channel has witnessed exponential growth with a CAGR of 71%. This compelling trajectory reaffirms that our proactive actions are propelling us forward in the ever-evolving realm of e-commerce.

E-commerce – Online & Omnichannel



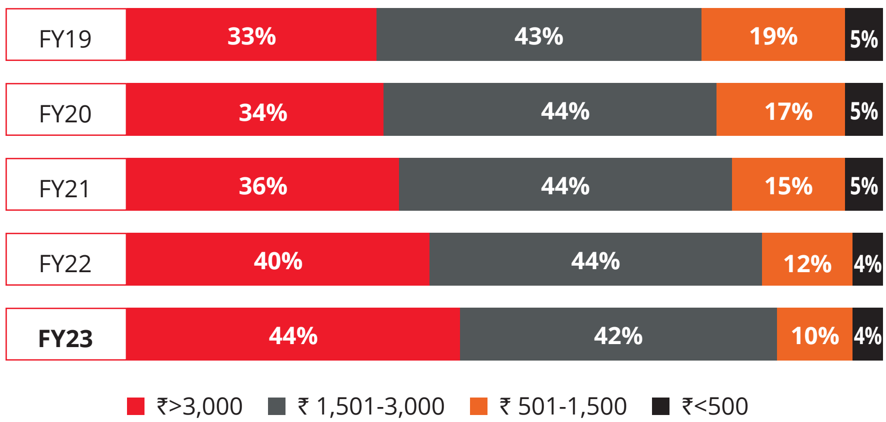
*Note: *As a % of Standalone Revenue from Operations*
Revenue is net of returns and discounts

CAPTURING THE DEMAND FOR BRANDED AND PREMIUM PRODUCTS

The evolving consumer landscape is marked by a resounding preference for fashion, quality and comfort. This, coupled with the burgeoning inclination of the youth towards branded products, is steering the transition towards organised retail. Moreover, as India's per capita income rises, the shift towards premium brands presents a significant opportunity.

We are strategically capitalising on this trend by positioning ourselves in the mid and premium categories. To align with our profit and growth objectives, we consistently improve our average selling prices (ASPs). In FY 2022-23, our premiumisation strategy yielded positive results, with sales of products priced above ₹3,000 increasing from 40% to 44% compared to the previous year.

Rising contribution of premium segment



Looking ahead, we anticipate that the growing middle-class segment, along with the vibrancy of tier 1 and tier 2 cities, and the sustained demand for branded premium products, will provide a strong impetus for our continued growth.

LEVERAGING DIGITAL TECHNOLOGY

As customer preferences shift towards digital media, we are adapting our customer outreach strategies to align with this trend. Our marketing campaigns now find a more focussed presence on social media giants like Facebook and Instagram, which resonate strongly with our target audience. This strategic approach has significantly expanded our reach and deepened our brand connection.

To further engage with our valued customers, we have leveraged instant messaging channels such as WhatsApp, fostering real-time communication and building lasting relationships. By embracing these dynamic digital channels, we ensure that our customers stay connected, informed, and engaged, empowering us to deliver an unparalleled customer experience in this rapidly evolving digital landscape.

Our integrated customer data platform equips us with a comprehensive perspective on customer shopping behaviour. Digitising our loyalty programs, including Club Metro, My Mochi, and Crocs Club, has also opened up a treasure trove of valuable insights into customer preferences and emerging trends.This data-driven approach empowers us to curate the perfect product mix, ensuring that we offer precisely what our customers desire.

Testimonials

Hardeep Singh

Current Position: Area Manager

Years of Association with MBL: 16

Our collective achievements over the past 16 years are a testament to the nurturing environment that MBL provides.

Joining as a salesman 16 years ago, my journey with MBL has transformed significantly. In just 1.5 years, I was promoted to store-in-charge at Amritsar. Today, I proudly serve as an Area Manager overseeing multiple states. The words of the manager who interviewed me still resonate with me: integrity and dedication forge a successful career at Metro.

MBL has progressed immensely over the years, and along with it, the employees. From introducing latest software for skill training to guiding us on personal grooming, the Company's support for fostering professional growth has been remarkable. What truly sets MBL apart is our collective journey of growth. The brand's expansion into new cities and markets reflects our own transformation.

Working at MBL has reshaped my work ethics. Excellence defines our culture – work is a priority, while employee well-being is equally valued. Respect for each member and acknowledgment of their contributions foster a deep sense of belonging. What I truly value in my colleagues is the opportunity to learn. My mentors instilled the value of recognising and appreciating colleagues' dedication. Mutual respect, motivation and learning have been foundational to a successful team dynamic.

Among my cherished memories is the celebration of my birthday, which coincidentally often involves meetings at the head office. My peers and higher-ups remember and celebrate this day, making it feel like a home away from home.

For 26 years, I have been with MBL, a Company known for customer centricity, innovation and expertise. Its personalised approach and consistent track record of delivering results truly set it apart. One particularly notable experience was leading a team of 500 skilled artisan associates to achieve the highest monthly sales record in our manufacturing history. Moreover, employing creative thinking to effectively address customer needs has made my work exceptionally fulfilling.

MBL's culture emphasises collaboration and innovation, enabling us to overcome challenges and devise solutions together. Since becoming a part of the MBL ecosystem, my capabilities have grown, empowering me to engage in more meaningful conversations, thereby driving customer centricity and personal growth.

Vendor: M/s Shoe Style Pvt. Ltd.

Years of Association with MBL: 26

Jairaj Kapoor

Current Position: Regional Manager

Years of Association with MBL: 38

MBL treats us as partners, not just employees. This sense of ownership has defined my journey.

When I joined in 1985, the Metro format had 8-10 stores. Today, the brand proudly stands with 278 stores. Over these years, my journey has taken me from a salesman to store manager, then to the dual responsibility of manager and city manager. In 2011, I achieved the role of Regional Manager, overseeing multiple states. MBL's growth and my own journey within the Company fill me with pride and contentment. Winning the 'Best Regional Manager Award' during the celebration of the 200-store milestone remains one of my most cherished memories.

I have always seen myself as a partner of this brand, where ownership paved the way for rewards. Our pay linked to performance meant every store's success was a shared achievement. I played a vital role in store development, venturing into new markets. Each successful new store felt like a fulfillment of our mission. Starting from Delhi, we now extend our reach to every city in the North region that was once our aspiration.

MBL's core values of respect and opportunity have anchored me here for almost four decades. I have never considered seeking another job. My seniors continuously encouraged, trained and guided me. This knowledge was then imparted to my subordinates, many of whom now work as Store Managers, while some have advanced to Area Managers. This progression brings immense satisfaction, as I firmly believe that individual growth fortifies our entire team, nurturing a collaborative work environment.

Amir Ali Hamid

Current Position: Mochi-Business Head

Years of Association with MBL: 33

Hard work and dedication never goes unrewarded at MBL; my progressive journey, from being a salesman to becoming a business head, stands as a testament to this.

I joined MBL way back in 1990. Even at that time, people eagerly awaited the opportunity to join MBL; such was the value of brand. Since then, I have worked diligently, progressing from a salesman to the business head of Mochi. Guiding this brand has been a highly fulfilling chapter in my career.

During my tenure, three factors have continuously energised me - my dedicated team, the supportive work culture and the management's unwavering trust in my capabilities. One of my fondest memories is learning the business intricacies from three generations - Malik Sir, who mentored me in Kachhi language, and now Rafique Sir and Farah Ma'am, where English is the medium, but the goal remains the same - driving business growth.

Looking ahead, I have a firm conviction in a future of shared growth. We are growing as an organisation and I firmly believe that when a company grows, each individual grows with it. The key lies in sustained diligence and maintaining the momentum we have established.

Business Sustainability

Eyes on a greener and inclusive future

Sustainability should always be in style, which is why we maintain a deep commitment to environmental protection. Our belief in an inclusive future drives our social efforts, empowering underprivileged youth and adults to live with pride and dignity.

SOCIAL WELLBEING

Through TeamLease, we supported the enhancement of employability for about 243 trainees (unemployed youth). This was achieved by offering them practical exposure through on-the-job training at MBL, effectively honing their skills and equipping them for future employment.

In partnership with Sociallab Ventures Pvt. Ltd, we are working to empower 150 Mumbai Railway Station-based shoe shiners. Our focus includes improving their livelihoods, offering healthcare assistance and providing financial literacy training.

We extended support to Fidai Girls Education Institute for covering the educational expenses of 72 children from underprivileged families in the Maharashtra and Gujarat regions.

Our financial support to Focus Humanitarian Assistance India enabled 82 needy people to receive free medical treatment.

PROCESSING OF OLD, DISCARDED FOOTWEAR (ODF) IN AN ECO-FRIENDLY MANNER

Through systematic sorting and cutting procedures, we segregate different materials for appropriate treatment. Plastic components are sent to recycling facilities, while rubber materials are processed at pyrolysis plants to yield reusable oil. Even completely worn-out parts find sustainable disposal avenues: they are repurposed in cement kilns or used as an alternative to coal in power-generating units, aligning with eco-conscious practices. These endeavours have earned us eco-friendly disposal certificates for the implemented processes.

In FY 2022-23, our efforts expanded significantly, processing 900 tonnes of old, discarded footwear, equivalent to around 21 lakh pairs.

Problem statement

After its first and second reuse, old, discarded footwear are either dumped in landfills or in oceans thereby harming the environment.

Solution

Eco-friendly processing of old, discarded footwear

Project details

In collaboration with our implementing partners, we have established and operated this project with the following key elements:

The project involved sourcing old, discarded footwear from various channels, including rag-pickers, waste management agencies, waste aggregators, and landfills.

Awards

Eyes on delivering excellence

The many awards won by our organisation and leadership team during the past year endorse our ongoing commitment to strive for excellence and deliver results.

IMAGES RETAIL AWARDS

Most Admired Retailer – Footwear, 2022

IMAGE BUSINESS OF FASHION

Fashion Brand Icon, 2022 –
Nissan Joseph, CEO

MAPIC INDIA RETAIL AWARDS

Most Admired Retailer of the Year, Footwear Category, 2022

INDIA RETAIL CHAMPIONS AWARD

Retailers Association of India, Footwear Category, 2022

ECONOMIC TIMES AWARDS

Iconic Brands of India Award, 2022

PETA INDIA –
VEGAN FASHION AWARDS

Best Vegan Shoe Line, 2022

DMA ASIA SPARKIES AWARDS

Best Conversion Campaign –
SEO, 2022

MYNTRA –
TECH THREADS AWARD

Best Women's Footwear Brand, 2022

RECOGNITION: LEADERSHIP

Nissan Joseph, CEO featured in
Entrepreneur Magazine Most
Daring CEO, 2022

TECHNOLOGY EXCELLENCE
AWARDS

Best Use of Cloud Services –
Ecommerce, 2022

Financial Highlights

10 YEARS FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22	2022-23
No. of Showrooms*	281	290	317	362	419	504	551	586	624	739
Revenue from Operations	668.03	732.32	803.09	954.64	1,085.30	1,217.07	1,285.16	800.06	1,342.93	2,127.10
Increase over previous years	13.99%	9.62%	9.66%	18.87%	13.69%	12.14%	5.60%	-37.75%	67.85%	58.39%
Earnings before Interest, tax and Depreciation (EBITDA)	120.48	130.98	142.31	154.66	226.41	337.33	353.51	172.08	410.41	680.78
Profit Before Tax	113.00	124.74	133.19	148.41	214.90	228.13	218.42	84.51	283.14	489.09
Profit After Tax (PAT)	74.95	82.19	87.41	97.69	142.28	152.73	160.57	64.62	214.20	365.39
Dividend Payout (%)#	25.28%	25.79%	25.35%	24.50%	20.56%	25.15%	24.80%	61.64%	28.52%	29.75%
Equity Share Capital	14.72	14.72	14.73	14.73	14.73	132.77**	132.77	132.77	135.75	135.87
Net Worth	279.09	339.26	404.68	479.25	591.78	669.38	830.76	847.43	1,287.14	1,574.10

KEY INDICATORS

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22	2022-23
Gross margins (%)	50.77%	51.00%	51.41%	49.33%	55.19%	54.91%	55.60%	54.94%	57.86%	58.07%
EBITDA margins (%)	18.04%	17.89%	17.72%	16.20%	20.86%	27.72%	27.51%	21.51%	30.56%	32.00%
PAT Margins (%)	11.22%	11.22%	10.88%	10.23%	13.11%	12.55%	12.49%	8.08%	15.95%	17.18%
Return on Capital Employed (%) (ROCE)	40.03%	36.76%	32.77%	30.61%	35.96%	25.89%	20.07%	9.63%	17.75%	23.17%
Return on Equity (%) (ROE)	26.85%	24.23%	21.60%	20.38%	24.04%	22.82%	19.33%	7.63%	16.64%	23.21%

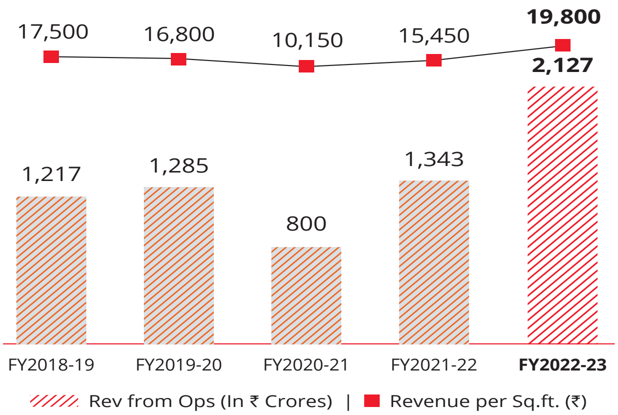
^ Restated Consolidated Financial Information are prepared by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

** Stores count for MBL Standalone.*

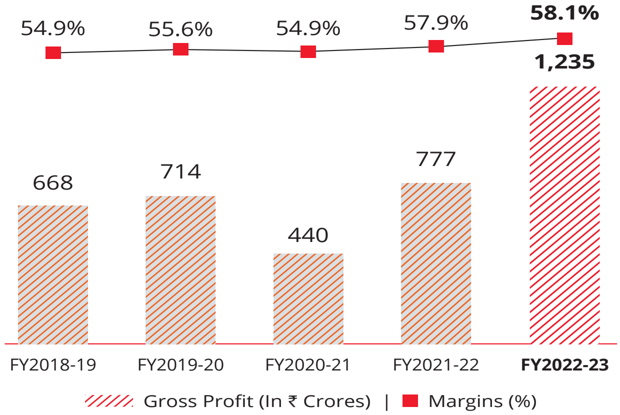
*** Bonus issue in the Ratio 8:1 in Financial year 2018-19*

 # Computed basis dividend declared for particular financial year.

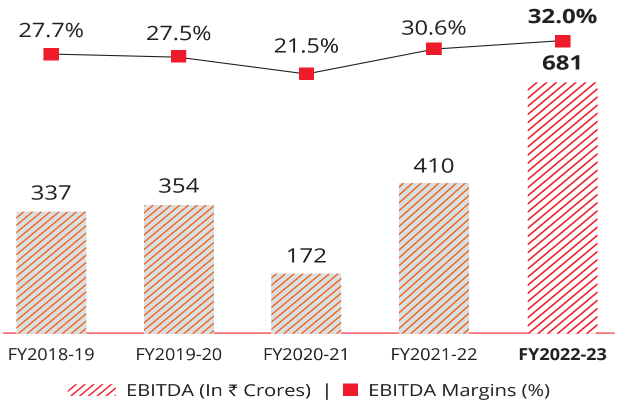
REVENUE FROM OPERATIONS



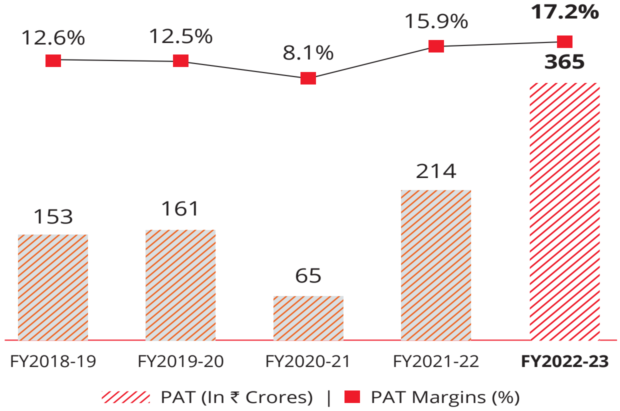
GROSS PROFIT & GROSS MARGINS



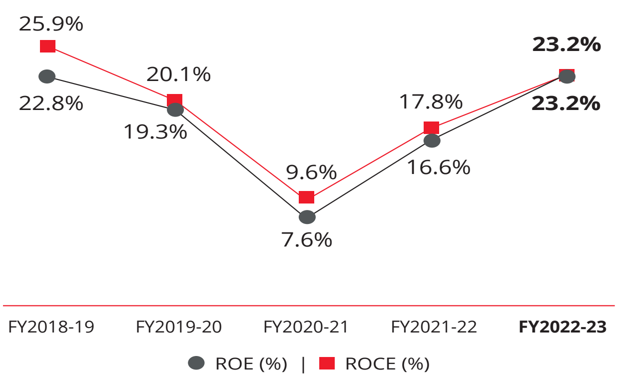
EBITDA & EBITDA MARGINS



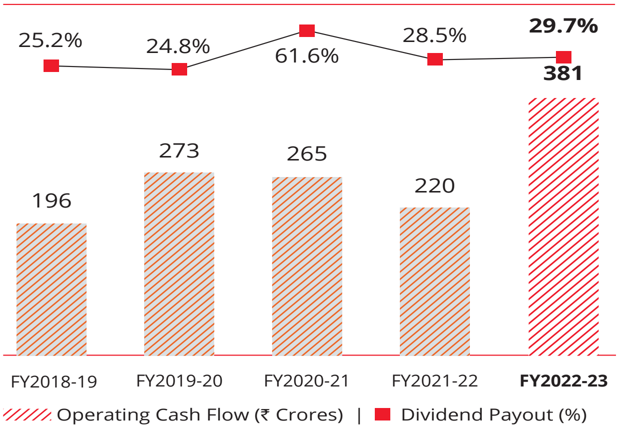
PROFIT AFTER TAX (PAT) & PAT MARGINS



ROE & ROCE



OPERATING CASH FLOW AND DIVIDEND PAYOUT



Note: Numbers are rounded off; Figures are post Ind AS 116; ROE is calculated as profit after tax for the year divided by total equity; ROCE is calculated as EBIT divided by Capital Employed (Total Assets less Current Liabilities); Gross Margin is calculated as revenue from operations less purchases, changes in inventories of stock-in-trade.

Board of Directors

Mr. Rafique Abdul Malik
Chairman

Mr. Rafique A Malik holds a Bachelor's Degree in Commerce and has attended the Owner/President Management Program at the Harvard Graduate School of Business. He has over 50 years of experience in the field of footwear retail and has been associated with the Company since January 1977.

Ms. Farah Malik Bhanji
Managing Director

Ms. Farah Malik Bhanji holds Bachelor's Degrees in Arts and BBA from the University of Texas at Austin and has attended the Owner/President Program at the Harvard Graduate School of Business. She has over 20 years of experience in the field of footwear retail and has been associated with the Company since December 2000.

Mr. Mohammed Iqbal Hasanally Dossani
Whole Time Director

Mr. Iqbal Hasanally Dossani holds a Bachelor's Degree in Commerce, Financial Accounting and Auditing. He was previously associated with M/s. Workforce Media Network and Schefata Pharmaceutical & Development Laboratories.

Mr. Utpal Hemendra Sheth
Non-Executive Director (Nominee)

Mr. Utpal Hemendra Sheth is a Cost Accountant and Chartered Financial Analyst from ICFAI, Hyderabad and holds a Bachelor's Degree in Commerce. He is currently serving as the CEO of Rare Enterprises.

Ms. Aruna Bhagwan Advani
Independent Director

Ms. Aruna Bhagwan Advani holds a Bachelor's Degree in Science from University of Sussex, UK. She has previously served as the Executive Chairman of Ador Welding Ltd.

Mr. Arvind Kumar Singhal
Independent Director

Mr. Arvind Kumar Singhal holds a Bachelor of Engineering Degree from IIT-Roorkee and an MBA from the University of California, USA. He is presently serving as the Chairman of Technopak Advisors Pvt. Ltd.

Mr. Manoj Kumar Madangopal Maheshwari
Independent Director

Mr. Manoj Kumar Maheshwari holds a Bachelor's Degree in Science. He is the Chairman and Director of Maheshwari Investors Pvt. Ltd. and serves on the Boards of Mahindra CIE Automotive Ltd., R.J Investment Pvt. Ltd. and RPG Life Sciences Ltd.

Mr. Srikanth Velamakanni
Independent Director

Mr. Srikanth Velamakanni holds a Bachelor's Degree in Electrical Engineering from IIT Delhi and PGDM from IIM Ahmedabad. He is a Whole-time Director and Member of Fractal Analytics Pvt. Ltd.

Mr. Vikas Vijaykumar Khemani
Independent Director

Mr. Vikas Vijaykumar Khemani is a Fellow Member of ICAI, a CFA Charter Holder and Member of ICSI. He currently serves on the Boards of Carnelian Asset Advisors Pvt. Ltd., BSAS Infotech Ltd., Tibbs Foods Pvt. Ltd., Course5 Intelligence Ltd. And Zicom SaaS Pvt. Ltd.

Management Team

Ms. Farah Malik Bhanji
Managing Director

Ms. Farah Malik Bhanji holds a Bachelor's Degree in Arts and BBA from the University of Texas at Austin and has attended the Owner/President Program at the Harvard Graduate School of Business. She has over 20 years of experience in the field of footwear retail and has been associated with the Company since December 2000.

Mr. Nissan Joseph
Chief Executive Officer

Mr. Nissan Joseph holds a Master's Degree in Business Administration. He was previously associated with Payless Shoes Pty Ltd, Hickory Brands Inc., Crocs, MAP Active & Planet Sports Inc.

Mr. Kaushal Khodidas Parekh
Chief Financial Officer

Mr. Kaushal Khodidas Parekh holds a Bachelor's Degree in Commerce, Financial Accounting and Auditing (Special) and is a qualified Chartered Accountant and Company Secretary. He was previously associated with Ernst & Young, PwC and N. M. Raiji & Co.

Ms. Alisha Rafique Malik
President Sports Division, E-Commerce and CRM

Ms. Alisha Rafique Malik holds a Bachelor's Degree in Arts (Finance) from University of Northumbria conducted at Welingkar Institute of Management Development and Research. She has been associated with the Company since July 2009.

Corporate Information

BOARD OF DIRECTORS

Mr. Rafique Abdul Malik
Chairman

Ms. Farah Malik Bhanji
Managing Director

Mr. Mohammed Iqbal Hasanally Dossani
Whole time Director

Mr. Utpal Hemendra Sheth
Non-Executive Nominee Director

Ms. Aruna Bhagwan Advani
Non-Executive Independent Director

Mr. Arvind Kumar Singhal
Non-Executive Independent Director

Mr. Manojkumar Madangopal Maheshwari
Non-Executive Independent Director

Mr. Srikanth Velamakanni
Non-Executive Independent Director

Mr. Vikas Vijaykumar Khemani
Non-Executive Independent Director

CHIEF EXECUTIVE OFFICER

Mr. Nissan Joseph

CHIEF FINANCIAL OFFICER

Mr. Kaushal Khodidas Parekh

COMPANY SECRETARY

Ms. Deepa Sood

CIN NO.

L19200MH1977PLC01944

REGISTERED AND CORPORATE OFFICE OF THE COMPANY

401, Zillion, 4th Floor, LBS Marg and
CST Road Junction, Kurla (West),
Mumbai - 400070

STATUTORY AUDITORS

S R B C & CO LLP Chartered Accountants
The Ruby, 12th Floor, 29 Senapati Bapat
Marg, Dadar (W), Mumbai 400028

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited, C-101,
First Floor, 247 Park, Lal Bahadur Shastri
Marg, Vikhroli (West), Mumbai - 400083
Tel No: 022 - 49186000
E-mail: rnt.helpdesk@linkintime.co.in

BANKERS

ICICI Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
State Bank of India

WEBSITE

www.metrobrands.com

INVESTOR GRIEVANCE EMAIL ADDRESS

Investor.relations@metrobrands.com

Management Discussion & Analysis

GLOBAL ECONOMY

According to the International Monetary Fund (IMF), the global economy expanded by 3.4% in 2022 and is projected to decline to 3.0% in 2023. The major forces that shaped the world economy in 2022 seem to continue into 2023 but with changed intensities. Accordingly, 2023 will reflect the negative implications of geopolitical tensions in Europe amid the Russia-Ukraine war, supply chain disruptions, stubbornly high inflation, and tighter monetary conditions. On a positive note, Asia- Pacific will be the most dynamic of the world's major regions in 2023, predominantly driven by the buoyant outlook for India and China. Further, global inflation is projected to decline from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024 with the central banks' efforts to tame inflation by substantial tightening of monetary policy.

INDIAN ECONOMY

India emerged as the shining beacon in a grim global scenario and continues to be among the fastest growing economies in the world. Despite strong global headwinds, India's real GDP grew by 7.2% in FY 2022-23 as against 9.1% in FY 2021-22 and reflects underlying economic resilience, relatively robust domestic consumption and lesser dependence on global demand. Further, the fiscal deficit for FY 2022-23 is in control and narrows to 6.4% of the GDP. India has surpassed the United Kingdom as the fifth largest economy in the world and as per the Reserve Bank of India (RBI), India will become a US$ 3.7 trillion economy in 2023 and will continue to maintain its lead over the United Kingdom in 2023. Following the gradual normalisation of global supply chains, softening of global commodity prices, and successive hikes in the policy repo rate by 250 basis points in FY 2022-23, the RBI has projected the CPI inflation at 5.2% for FY 2023-24 as against 6.75% in FY 2022-23 (April-February).

The IMF projects the Indian economy to advance steadily at 6.1% in FY 2023-24 supported by strong domestic consumption, abating of inflation, a conducive domestic policy environment, technology-enabled development, and revival in credit growth among others. Further, the results of growth-enhancing policies and schemes such as production-linked incentives (PLI) scheme and the government's push toward domestic manufacturing and self-reliance and increased infrastructure spending will lead to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency, leading to accelerated economic growth. With its strong fundamentals, massive demographic strengths, and multiple growth levers in place, the Indian economy is expected to sustain the growth momentum in the long term.

BUSINESS REVIEW

Incorporated in 1977, Metro Brands Limited (MBL) is one of the largest footwear and accessories specialty retailers in India. The Company has a pan-India presence through 739 stores located in 174 cities spread across 31 states and union territories as of March 31, 2023. Its wide range of brands and products across multiple categories through own and third-party brands cater to all occasions across age groups.

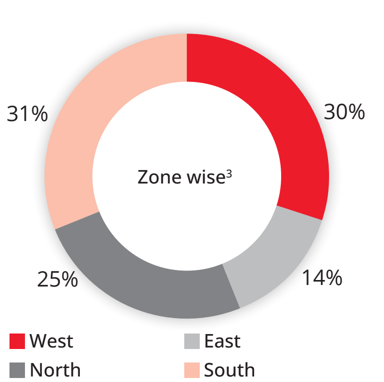
The Company has continued to achieve strong growth in FY 2022-23, both in terms of volumes and value, across all its formats and tiers, led by higher sales and store count, improved gross margin and cost optimisation. The Company primarily follows the Company Owned and Company Operated (COCO) model of retailing. In FY 2022-23, the Company expanded its reach and scalability and opened highest ever 144 new stores, closed 29 stores and relocated 13 stores to better locations.

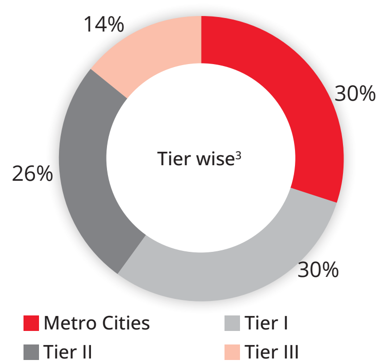
BRIEF OVERVIEW

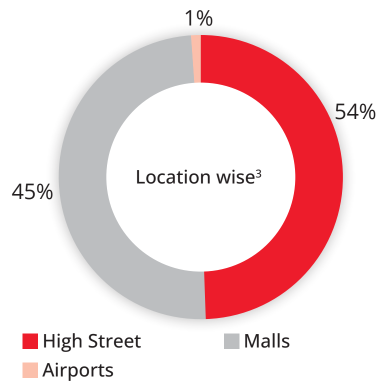
One-Stop Shop for all Footwear Needs

	METRO SHOES	MOCHI SHOES & ACCESSORIES	crocs	WALKWAY Footwear & Accessories	fitflop
As of March 2023/FY 2022-23	(MBO)	(MBO)	(EBO)	(MBO)	(EBO)
Target Customer	Family	Youth	Premium	Value Format	Premium
No. of Stores (count contribution %)	278 (38%)	199 (27%)	195 (26%)	63 (9%)	4 (1%)
Cities	150	100	89	45	4
Price Range (₹)[1]	1,000 - 10,000	1,000 - 10,000	1,500 - 6,000	350 - 3,500	5,000 - 10,000
Avg. Realization per Unit (₹)[2]	1,600	1,600	1,700[6]	700	5,700
Size (sq. ft)	1,600	1,550	600	1,400	550

Pan-India Presence with 739 Stores | 174 Cities | 31 States and Union Territories (As of March 2023)

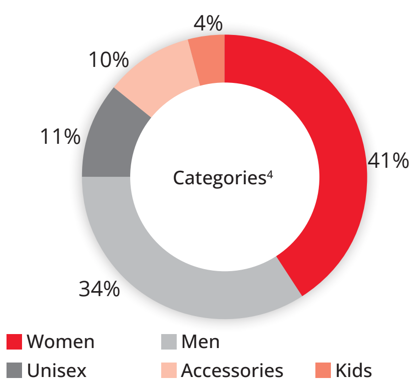


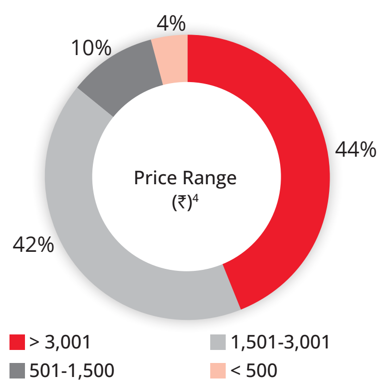


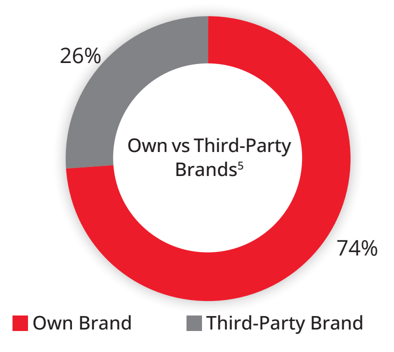


Primarily follows "Company Owned and Company Operated" (COCO) model of Retailing

Products for entire family with focus on Mid and Premium Segment (FY 2022-23)



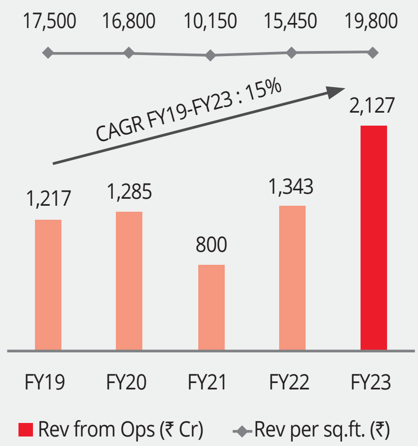




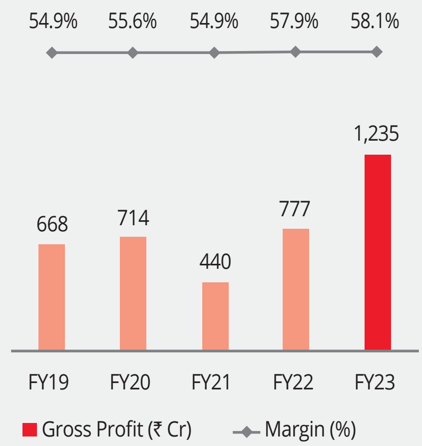
Note: Numbers / Percentages are rounded off; 1 Price Range refers MRP of the inventory and represents 85% of the total inventory value for the relevant customer segment. 2 Average Realization per unit includes accessories. 3 Total Store Split as of March 2023. 4 Split of Total Store Product Sales for FY 2022-23 on standalone basis. 5 Split of Total Store Product Sales on standalone basis for FY 2022-23 at MBOs. 6 Average realization per unit for Crocs EBO footwear excluding Jibbitz is INR 2,750 for FY 2022-23 (INR 2,650 for FY 2021-22)

The Company recorded robust growth in FY 2022-23 with a total income of ₹ 2,181.51 crores, a growth of 55.6% compared to the previous year. Net profit for the fiscal year stood at ₹ 365.39 crores, recording a growth of 70.6% as against ₹ 214.20 crores the previous year. Growth has been driven by robust store openings, better assortments, higher pricing, less discounting and greater volumes. The Company saw an improvement in gross margins at 58.1% in FY 2022-23 due to lower contribution of discounted sales, improvement in the overall sales mix and cost optimisation.

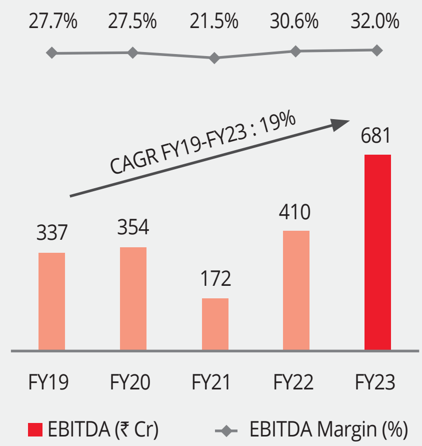
Revenue from Operations



Gross Profit and Gross Margins



EBITDA and EBITDA Margins



On a standalone basis, the Company's digital channels posted high double-digit growth of 48.1% in FY 2022-23. The contribution of e-commerce sales (including omni-channel) was 7.9% of total revenue from operations in FY 2022-23. Online sales grew at a CAGR of 71% in the last four years.

As of FY 2022-23, 74% of the total stores product sales at MBOs was from in-house brands and 26% from third-party arrangements. Third-party brands also include Crocs, Fitflop and Fila with which the Company has strategic long-term agreements.

One of the key developments for FY23, was acquisition of Cravatex Brands Limited. The Company acquired 100% capital of Cravatex Brands Limited (now known as Metro Athleisure Limited) on December 1, 2022 and it became a wholly-owned subsidiary of the Company. Cravatex Brands Limited holds an exclusive long-term license for the Italian sportswear brand FILA and owns the Indian sportswear brand Proline. This acquisition fits the strategic vision of MBL to expand its presence in the sports and athleisure space in India and serve the growing need of consumers in the sports and athleisure category. The Company looks forward to elevate the sportswear landscape in India and address significant white space in its product portfolio as of date.

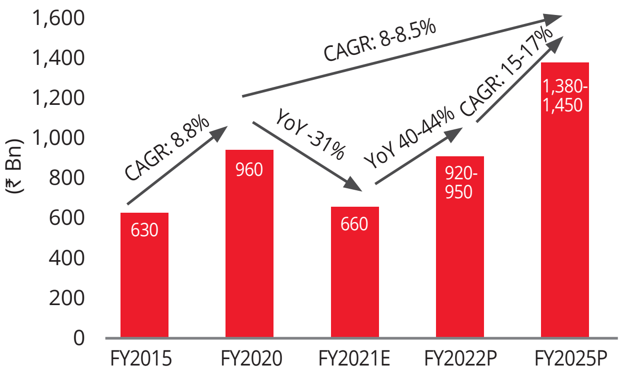
INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian footwear industry is one of the top employment generating industries in the nation. Footwear is also one of the largest retail segments in India. The organised footwear segment is estimated to grow at a CAGR of ~20-22% from FY 2021-22 to FY 2024-25, reaching a market share of 36%-40% by the end of this period. The unorganised footwear segment is estimated to grow at a CAGR of ~12-14% from FY 2021-22 to FY 2024-25. Sales of the organised footwear segment is estimated to have grown by 34% in FY 2022-23 compared to the previous year.

The organised footwear retail segment is expected to outpace the growth of the unorganised footwear retail for several reasons. First is the growth of retail in India due to overall economic growth, favourable demographics, increasing disposable income, steady urbanisation, growth of rural consumption, the popularity of digital payment and changing consumer preferences. The second major growth driver is the shift in perception of footwear from a utilitarian commodity to a fashion statement, higher aspiration levels, increasing participation of women in the workforce, rising demand for branded footwear, exposure to global fashion brands and digital penetration. Further, the expansion of exclusive brand outlets in Tier II and small towns and increased share of e-retail are also propelling the growth of the organised footwear sector.

India ranks as the second-largest consumer of footwear globally, following China, in terms of the number of pairs purchased. Still, India's annual per capita consumption of footwear stands at approximately 1.9 pairs, lower than the global average of 3.2 pairs. This indicates significant potential for growth in the future, with expectations of the annual footwear consumption in India reaching 2-2.1 pairs by FY 2024-25.

Indian footwear market size (in value)



Source: CRISIL Research Note: P: Projected

The sports and athleisure (S&A) segment in the footwear market in India is growing rapidly. The demand for sports and athleisure footwear is expected to increase due to heightened focus on health and fitness globally. Further, increase in discretionary income and growing infrastructure to support sports and physical activities will encourage participation in sports. As a result, consumers are expected to allocate more spending towards athleisure and sportswear. The sports footwear segment in India is estimated to grow at a CAGR of 25% from FY 2020-21 to FY 2024-25.

OPPORTUNITIES AND STRENGTHS

The Indian footwear market is poised for robust growth in the coming years, driven by factors such as preference for branded products, digital penetration, the rapid expansion of e-commerce, the influence of social media, and exposure to global fashion trends. Notably, Tier II and Tier III cities are emerging as key growth hubs for the footwear industry. The various opportunities for growth are discussed below:

Rising Middle-Class Income and Aspirations: The growing disposable income of the Indian middle class has led to changing consumer preferences. Value-oriented and brand-conscious, consumers now seek high-quality footwear that aligns with their aspirations. This shift in behaviour has fuelled demand for branded footwear, with consumers steadily pivoting towards products in the premium range.

Preference of Known Brands in Tier II and Tier III Cities: The Indian footwear market is witnessing strong demand in Tier II and Tier III cities, with a growing preference for branded products. As consumers become more fashion-conscious and globally aware, they seek well-known brands that match their style preferences. This trend is reshaping the retail landscape and offering significant growth opportunities for companies in this segment.

Impact of New Malls in Tier II and Tier III: The emergence of new malls in Tier II and Tier III cities has played a pivotal role in bolstering the physical presence of footwear brands and retailers. With the growing footfalls at these malls, businesses are finding fresh avenues to connect with customers in these regions.

Digital Impact and Social Media Influence: With the rapid penetration of digital technology, consumers are gaining access to a plethora of information on footwear trends, styles and brands. Social media platforms are also engaging consumers and informing their purchase decisions. Both these factors combined are reshaping consumers' footwear preferences.

Growing Adoption of Digital Payments: With the rising adoption of digital payment methods, especially in Tier II and III markets, e-commerce platforms have witnessed a surge in sales of footwear products. The convenience and security offered by digital payment options is also contributing to the growing popularity of online footwear shopping.

Opportunity in Sportswear and Athleisure: The rising focus on healthy lifestyles, especially after the pandemic, has driven significant growth in the demand for sports and athleisure footwear. Consumers now seek comfort and functionality, creating a lucrative opportunity for retailers to cater to the increasing demand for fitness-oriented and casual footwear.

With a portfolio of aspirational brands, a robust network expansion strategy focused on penetrating smaller towns and cities, a fast-growing online business, and strategic tie-ups with international retailers, MBL is well-positioned to capitalise on the abundant opportunities in the Indian footwear retail segment. Moreover, the recent acquisition of Cravatex Brands Limited, adding sportswear brands like Fila and Proline to its portfolio, positions the Company to tap into India's growing sportswear and athleisure market more effectively.

Key Strengths:

1. **Strong brand value with wide reach:** MBL is one of India's established and largest footwear specialty retailers with a Pan-India presence and catering to customers of different ethnicities and markets.

2. **Multi-channel retail platform:** The Company is focused to leverage its omni-channel presence across its Exclusive Brand Outlets (EBOs), Multi Brand Outlets (MBOs), and e-commerce platforms.

3. **Asset-light business model:** It has adopted an asset-light business structure with an efficient operating model for sustained profitable growth.

4. **Vast product portfolio:** It is one-stop-shop family retailer with an extensive range of brands and products at varied price points, catering to all occasions across age groups and market segments resulting in strong customer loyalty.

5. **Product premiumisation:** The Company is registering a rising percentage of revenue contribution from products priced above ₹ 3,000, demonstrating its success in offering premium products to the market. This growth in premium product sales is expected to lead to higher gross margins and enhanced profitability.

6. **Vendor engagement and robust supplier network:** The Company follows an efficient operating model through deep vendor engagements with 250+ vendors and Theory of Constraints (TOC) based supply chain which enable it to leverage better margins with the vendors.

7. **Preferred partner for third-party brands:** MBL is the platform of choice for third-party brands looking to expand in India. The healthy mix of own and third-party brands allows it to improve variety in the product segment.

8. **Experienced promoters and management:** The Company continues to derive strength from strong leadership and the vast experience of its promoters and management team with a proven track record of remarkable growth, profitability and financial discipline.

THREATS AND CONCERNS

The Company is exposed to certain risks and challenges. However, it has robust mitigation strategies to overcome adverse situations which may arise on account of foreseeable risks. The key risks and their corresponding mitigation measures are depicted below:

Implementation of BIS: The Department for Promotion of Industry and Internal Trade (DPIIT) issued BIS Quality Control Order (QCO) for footwear, which was mandatory from July 2023. The implementation date is now deferred to 1st January 2024 for most categories of footwear. Though implementation of BIS is beneficial for the entire industry from long term point of view, we expect this to cause supply chain disruptions in the short-term. Hence, MBL has proactively front-loaded inventory buying to navigate any potential supply chain disruptions. The Company also remains committed to collaborating with its vendors, providing guidance and support throughout the process of testing products to ensure full compliance with the BIS guidelines.

Vendor concentration risk: The Company's reliance on vendors centralised in certain areas for product sourcing may impact the business. However, the Company has long-standing relationships with its vendors and engaged with over 250 vendors across India to reduce the concentration risk. Continual engagements with different sets of vendors have led to product efficiency and seamless supply.

Third-party manufacturing risk: The Company sources all its products through outsourcing arrangements with third parties. Any disruptions at such third-party manufacturing facilities or failure of such third parties to adhere to the relevant quality standards may negatively affect the reputation, business and financial condition of the Company. However, the Company has made its outsourcing arrangements efficient over the years and all in-house products are received at two warehouses in Bhiwandi for quality inspection to ensure superior quality. Moreover, its asset-light business model has led to sustained profitable growth.

Competition risk: Footwear retailing is a highly competitive and fragmented space with a large number of unorganised retailers leading to pressure on margins. The situation is further aggravated by the competition from national and international organised retailers. However, the Company's value proposition which lies in it being a family store and its wide product portfolio give it a competitive advantage. Further, it has diversified its sales channels and markets its products on various leading B2C and B2B marketplaces, its websites and dedicated pages in major Indian e-commerce platforms. Moreover, the Company enjoys a strong loyal customer base and its high repeat customers ensure a steady stream of business in the future.

Margin risk in online sales: The Company may face margin pressure due to promotions and discount competition on online platforms to increase sales. However, the Company considers its online retail business as an additional avenue to the offline mode of sale and not as cannibalistic to brick-and-mortar business. As a mitigation measure, the Company may offer discounts online, while keeping discounts to a minimum to protect margin.

Fast-changing trends: The Company is sensitive to fast-changing consumer trends and the inability to respond to customer expectations can adversely impact the business. However, as a one-stop shop, the Company is prepared to take on this challenge and consistently updates its product portfolio to remain abreast with emerging trends. Its wide range of brands and robust product portfolio in both mid and premium segments cater to all occasions across age groups, gender and market segments. Moreover, the Company is focused on digital campaigns for brand building and growing customer interest in the brand and its products. With the growing adoption of digital platforms, the Company has been increasingly leveraging e-commerce channels to cater to evolving customer preferences.

Future third-party brand acquisitions: Inability to successfully develop and integrate any future brand acquisitions with the Company is a risk. Currently, 74% of the Company's products are sold under in-house brands– Metro, Mochi and Walkway. The Company brings in new brands only when they complete the customer journey and provide them with a better experience in their stores.

OUTLOOK

Growth of the Indian economy along with growth across key employment-generating sectors is expected to have a cascading effect on overall per capita income levels and consumer sentiment. This will drive consumption expenditure and boost the growth and expansion of the footwear industry.

MBL is poised to deliver strong growth in the years ahead on the back of economic development and the growth of the retail and footwear industry in India. It is strategically positioned to capitalise on the expanding middle class, surging aspirations and spending, shifting consumer preference towards fashionable and premium products and rising demand for higher ASP (average selling price) segments in the footwear industry. The Company is focusing on premiumisation and digitisation to maximise revenue potential through all channels and strengthen its position in the market. Its expertise in brick and mortar and e-commerce retail, combination of superior store economics and strong runway of growth will allow it to garner rich valuations.

Key Business Strategies:

The Company follows the following key organic and inorganic strategies:

- **Store expansion plans:** The Company intends to expand its footprint and is targeting to open 200 stores, net of closed stores, under various formats over the next 2 years.

- **Leverage omni-channel platforms:** The Company is focused to maximise revenue potential through all channels. It intends to build on the successful expansion of Crocs/FitFlop/Fila and leverage the platform to evaluate similar opportunities.

- **E-Commerce expansion:** The Company aims to leverage existing capabilities to increase e-commerce operations with an increasing focus on omni-channel segment, expand revenue, generate channels, and become a digitally relevant brand.

- **Expansion of accessories portfolio and growth in allied business:** The Company is eyeing growth in allied businesses like accessories, shoe care and foot care to augment its portfolio.

- **Inorganic opportunities:** The Company will evaluate targets for inorganic growth within the footwear and accessories space based on strategic fit, targeted returns, operational scale and diversification criteria.

CAUTIONARY STATEMENT

The Management Discussion and Analysis may contain some statements describing the Company's objectives, plans, projections, estimates, and expectations which may be 'forward-looking statements' within the meaning of applicable laws and regulations and are based on informed judgments and estimates. Actual results may differ materially from those expressed or implied.

Directors' Report

Dear Members,
Metro Brands Limited

Your Directors are pleased to present the 46th (Forty-sixth) Annual Report together with the Audited Financial Statements, prepared in compliance with Indian Accounting Standards of Metro Brands Limited ('your Company') for the Financial Year (FY) ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS & PERFORMANCE SUMMARY

The standalone and consolidated Financial Statements for the FY ended March 31, 2023, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") and other recognized accounting practices and policies to the extent applicable. Necessary disclosures regarding Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the FY under review as compared to the previous FY is summarized below:

(₹ in Lacs)

Particulars		Standalone		Consolidated	
		2022-23	2021-22	2022-23	2021-22
	Gross Sales	**240,887**	**1,53,712**	**249,544**	**1,57,464**
Less:	Taxes	35,768	22,527	36,900	23,239
	Sales (Net of Tax)	**205,119**	**1,31,185**	**212,644**	**1,34,225**
	Profit before depreciation & Tax	67,351	41,137	67,010	41,737
Less:	Depreciation & amortisation	17,522	13,383	18,101	13,424
	Profit Before Tax	**49,830**	**27,754**	**48,909**	**28,314**
Less:	Provision for tax	13,565	7,526	13,685	7,525
Less:	Deferred Tax Liability	(1,083)	(590)	(1,132)	(562)
Less:	Tax pertaining to earlier years	30	55	21	55
Add:	Share of profit of Joint Venture	-	-	203	124
	Profit After Tax	**37,318**	**20,764**	**36,539**	**21,420**
Add/ (Less):	Other comprehensive income/(Loss) (net of taxes)	(164)	51	(194)	41
	Total Comprehensive Income	**37,153**	**20,815**	**36,344**	**21,460**
Less:	Total Comprehensive Income attributable to Non-Controlling Interest	-	-	395	258
	Total Comprehensive Income attributable to Owners of the Company	**37,153**	**20,815**	**35,949**	**21,202**

Standalone Financial Results

Your Company has a strong track record of revenue growth and profitability. During the FY 2022-23, your Company recorded the Gross Turnover of ₹ 2,408.87 Crore representing a growth of 56.71% as compared to Gross Turnover of ₹ 1,537.12 Crore during the previous FY.

The Profit before Tax increased by 79.54% to ₹ 498.30 Crore during FY 2022-23 as compared to ₹ 277.54 Crore in the previous FY. The Profit after Tax was higher at ₹ 371.53 Crore compared to ₹ 208.15 Crore in the previous FY, representing a growth of 78.49%.

Consolidated Financial Results

During the FY 2022-23, the Company recorded Gross Turnover of ₹ 2,495.44 Crore as against the Gross Turnover of ₹ 1,574.64 Crore during the previous FY, representing an increase of 58.48%.

The Profit before Tax was ₹ 489.09 Crore compared to ₹ 283.14 Crore in the previous FY, higher by 72.74%. The Profit after Tax was higher at ₹ 365.39 Crore compared to ₹ 214.20 Crore in the previous FY, representing a growth of 70.58%.

Your Company marked its presence in Top 200 Listed Companies

This FY has been a time of revival after the challenges posed by the Covid pandemic. As everyone adjusted to the 'new normal', our business and customers experienced a significant paradigm shift. Embracing technology, your Company became more data and digital driven. Today, your Company stands as a more consistent, competitive, profitable, and responsible organization, which has resulted in our market capitalization placing us among the Top 200 Companies in the market during the reviewed FY.

According to the market capitalization list released by the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), your Company's ranking is 199 and 200, respectively, as of March 31, 2023. This achievement reflects the efforts and adaptability of our team in navigating through these unprecedented times and emerging stronger in the market.

2. SIGNIFICANT ACTIVITIES AND DEVELOPMENTS

(i) Acquisition of Metro Athleisure Limited (formerly known as Cravatex Brands Limited) ("MAL")

Your Company has acquired 100% stake in MAL w.e.f. December 1, 2023. Consequently, it became a wholly owned subsidiary of the Company from the aforesaid date.

MAL holds exclusive long-term license for the Italian sportswear brand FILA & owns the Indian sportswear brand Proline. This acquisition fits the strategic vision of the Company to expand its presence in the sports and athleisure space in India. Your Company looks forward to elevating the sportswear landscape in India and address significant white space in its product portfolio as of date. In addition, your Company will also be able to leverage sales across all formats i.e. Exclusive Brand Stores, Multi Brand Stores, Airport Stores, Distribution, Online Marketplaces and Webstores for these brands.

With an intention to leverage costs, operational synergies and focused management approach for pursuing revenue growth and value unlocking for improved cash flows, the Board of Directors in their meeting held on March 23, 2023, approved the Scheme of Arrangement between MAL and the Company for demerger of "FILA business" into the business of the Company. The same is pending at National Company Law Tribunal, Mumbai for approval.

(ii) Investment in Thaely Private Limited:

As part of the Company's commitment to promoting sustainable footwear, your Company has made an investment in Thaely Private Limited ('Thaely'), acquiring Compulsory Convertible Preference Shares resulting into approximately 2.72% of its Share Capital on a fully diluted basis in the first tranche of investment. Your Company intends to acquire an overall approximate 5.02% of Thaely's share capital on a fully diluted basis, subject to fulfillment of the conditions as per the agreement entered into with Thaely.

True to its name, "Thaely" is a brand that creates sneakers using waste plastic bags, which are transformed into a strong and flexible fabric known as ThealyTex, resembling leather. Thaely is actively engaged in marketing and selling sustainable sneaker shoes not only in the United States and Europe but also in Dubai, India, and several other countries.

3. THE STATE OF THE COMPANY'S AFFAIRS AND BUSINESS OPERATIONS

During FY 2022-23, your Company continued its expansion plan and opened 144 new stores including relocation of 13 existing stores. The total number of stores reached 739 at the end of the FY.

Your Company prioritizes its customers, maintaining a strong customer-centric approach, and offers loyalty programs such as Club Metro, My Mochi, and Crocs Club. These loyalty programs have provided valuable insights into customer preferences and trends over the years, enabling the Company to customize its product offerings accordingly. Continuous innovation in products remains a key strategy to attract and retain customers, contributing to the Company's overall success.

Furthermore, your Company has experienced robust growth in ecommerce sales, successfully transforming into an omni-channel footwear retailer. In the fiscal year, ecommerce sales, including omni-channel sales, reached ₹ 162 Crore, showcasing a remarkable 48% year-on-year growth. The momentum in online sales, including omni-channel, continues to be strong. In FY 2022-23, online sales (including omni-channel) accounted for 7.9% of the overall sales, as compared to 2.5% in FY 2019-20, 7.3% in FY 2020-21, and 8.4% in FY 2021-22. This shift demonstrates the Company's adaptability to changing consumer behavior and its ability to embrace modern retail trends.

4. UTILIZATION OF PROCEEDS OF INITIAL PUBLIC OFFERING ("IPO")

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("SEBI Listing Regulations"), a statement in the use of proceeds of IPO is herein given below:

Particulars of Issue	Shares Issued	Amount Raised	Deviation(s) or Variation(s) in the use of proceeds of issue if any
IPO	59,00,000 equity shares of face value of ₹ 5/- (Rupees five only) each by way of fresh issue through IPO of the Company.	₹ 295 Crores only	There were no instances of deviation(s) or variation(s) in the utilization of proceeds as mentioned in the objects stated in the Prospectus dated December 15, 2021 in respect of the IPO issue of the Company.

The proceeds of IPO were utilized for the objects as disclosed in the Prospectus, the details are mentioned as below:

(₹ in Crore)

Sl. No.	Name and brief description of the Object	Amount as proposed in Offer Document (₹)	Amount utilized (₹)	Total unutilized Amount (₹)
1.	Expenditure for the New Stores	225.37	85.60	139.77
2.	General Corporate Purposes	61.94	61.94	-
	Total	**287.31**	**147.54**	**139.77**

5. METRO STOCK OPTION PLAN 2008 (ESOP 2008):

ESOP 2008 is administered by the Nomination, Remuneration and Compensation ("NRC") Committee and is in compliance with the Act and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). During the FY under review, there has been no material changes in the ESOP 2008.

In September 2021, the Company granted 18.78 Lacs options to eligible Employees. Building on this, during FY, your Company has granted an additional 2.93 Lacs options. These options entitle the grantees to exercise one Equity share of ₹ 5/- each for every option exercised.

The total number of options granted now accounts for approximately 0.80% of the total equity capital. This move reflects the Company's commitment to recognizing and rewarding its Employees' contributions while aligning their interests with the Company's growth and success.

During the FY under review, 225,795 Equity shares of ₹ 5 each were exercised and allotted under the ESOP 2008. The disclosure required pursuant to clause 14 of the SEBI SBEB Regulations is uploaded on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/06/ESOP-details-Website-V3_02062023-Clean.pdf

6. SHARE CAPITAL

As on March 31, 2023, the Authorised Equity Share Capital of the Company was ₹ 1,50,00,00,000 comprising of 30,00,00,000 Equity Shares of ₹5 each; and the Paid-up Equity Share Capital of the Company was ₹1,358,666,105 comprising of 271,733,221 Equity Shares of ₹5 each.

After the end of the FY under review, the Company has allotted 1,835 Equity Shares of ₹ 5 each upon exercise of ESOP options. As on date, the Paid-up Capital of the Company is ₹ 1,358,675,280 comprising of 271,735,056 Equity Shares of ₹5 each.

7. PUBLIC DEPOSITS

During the FY under review, your Company has not accepted any deposits within the meaning of Section 73 and 76 of the Act read with Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2023, there were no deposits lying unpaid or unclaimed. As the Company has not accepted any deposit during the FY under review, there is no non-compliance with the requirements of Chapter V of the Act.

8. DIVIDEND AND APPROPRIATIONS

The Board of Directors of your Company in its meeting held on January 17, 2023 had declared and paid an Interim Dividend of ₹2.50/- per Equity Share of the face value of ₹5/- per share (50%). Keeping in view the strong performance, your Directors were pleased to recommend a Final Dividend of ₹1.50/-per Equity Share of face value ₹ 5/- per Equity Share (30%) for the FY 2022-23 in its Meeting held on May 23, 2023. Total Dividend payout for the FY 2022-23 would be 30%, which is the same level as previous FY. The Dividend declared and paid / proposed to be declared during the FY is in accordance with the Dividend Distribution Policy, as approved and adopted by the Board of Directors of the Company and dividend will be paid out of the profits for the FY. Total Dividend payment for FY 2022-23 would be ₹ 108.69 Crores.

As per Regulation 43A of the SEBI Listing Regulations, the Company has a Dividend Distribution Policy duly approved by the Board. The policy is available on the Company's website and can be accessed at https://metrobrands.com/wp-content/uploads/2022/03/Dividend-Distribution-Policy_Metro-Brands-Ltd.-BM-dtd-070322.pdf

Based on the guidelines outlined in the Dividend Distribution Policy, the Board has recommended the dividend for the FY 2022-23.

9. TRANSFER TO RESERVES

The Board of Directors of your Company have decided to not transfer any amount to the reserves for the FY under review.

10. FINANCE

Your Company has been financing its operations and expansions through internal accruals. Your Company retained highest credit rating A1+ for short term and AA for long term by CARE, a leading rating agency. Details of the same are provided in the Corporate Governance Report.

11. MATERIAL CHANGES AND COMMITMENT – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FY TILL THE DATE OF THIS REPORT

There has been no material change in commitment, affecting the financial performance of the Company which occurred between the end of the FY of the Company to which the financial statements relate and the date of this Report.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the FY under review, as stipulated under Regulation 34(2)(e) of the SEBI Listing Regulations, forms part of the Annual Report.

13. SUBSIDIARIES AND ASSOCIATE COMPANY

(i) MAL

On December 1, 2022, your Company acquired 100% equity share capital, optionally convertible debentures and compulsorily convertible preference shares of MAL. During the four-month period under review, MAL has reported Gross Sales of ₹ 36.95 Crores and loss after tax of ₹ 24.16 Crores.

Pursuant to Section 129(3) of the Act, read with Rule 5 of the Companies (Account) Rules, 2014 a separate statement containing the salient features of the financial statement of MAL in the prescribed format AOC - 1 is attached as **Annexure - 4** to this Report.

The Audited Consolidated Financials of your Company for the FY ended March 31, 2023 prepared in compliance with the provisions of IND AS 27 issued by the Institute of Chartered

Accountants of India and notified by the Ministry of Corporate Affairs (MCA), Government of India also forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company and separate audited financial statements in respect of wholly owned subsidiary, are available on the website of the Company at https://metrobrands.com/group-company/.

After the end of FY under review, the name of the wholly owned subsidiary was changed from Cravatex Brands Limited to Metro Athleisure Limited pursuant to the Certificate of Incorporation dated July 14, 2023.

(ii) Metmill Footwear Private Limited

Metmill Footwear Private Limited ("Metmill"), a 51% subsidiary of your Company, was incorporated on September 16, 2009, and currently has a paid-up capital of ₹ 1,25,00,000/- (Rupees One Crore Twenty-Five Lacs only). In the FY under review, Metmill has achieved commendable results, with Gross Sales reaching ₹54.02 Crores, marking an impressive growth of 28.37% compared to the previous FY. Furthermore, the Profit after Tax for the same period stands at ₹7.89 Crores, representing a substantial increase of 79.32% compared to the previous FY.

Pursuant to Section 129(3) of the Act, read with Rule 5 of the Companies (Account) Rules, 2014 a separate statement containing the salient features of the financial statement of Metmill in the prescribed format, AOC - 1 is attached as **Annexure - 4** to this Report.

The Audited Consolidated Financials of your Company for the FY ended March 31, 2023 prepared in compliance with the provisions of IND AS 27 issued by the Institute of Chartered Accountants of India and notified by the MCA also forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, the standalone and consolidated financial statements of the Company and separate audited financial statements in respect of subsidiary, are available on the website of the Company at https://metrobrands.com/group-company/

The Company's policy on determining the material subsidiaries, as approved by the Board is uploaded on the Company's website at https://metrobrands.com/wp-content/uploads/2022/07/Policy-on-Material-Subsidiary-Final-ver-dtd-07032022-1.pdf

(iii) M.V. Shoe Care Private Limited

M.V. Shoe Care Private Limited ("MVSC") is an Associate Company in which your Company holds 49% of Equity Shares. For the FY under review, MVSC has reported impressive Gross Sales of ₹48.32 Crores, reflecting a substantial increase of 86.64% compared to the previous FY. Additionally, the Profit after Tax for the same period has shown remarkable growth, amounting to ₹4.85 Crores, indicating a significant increase of 136.34% compared to the previous FY.

Pursuant to Section 129(3) of the Act, read with Rule 5 of the Companies (Account) Rules, 2014, a separate statement containing the salient features of the financial statement of MVSC in the prescribed format, AOC - 1 is attached as **Annexure - 4** to this Report.

During the FY under review, there were no companies which has become/ceased to become an Associate Company / Joint Venture.

14. BOARD OF DIRECTORS

Your Company's governance structure is multi-tiered, comprising the Board of Directors, Board Committees, the Managing Director (MD), Chief Executive Officer (CEO), Chief Financial Officer (CFO), and the Executive Committee.

The Board holds a strong commitment to upholding sound principles of Corporate Governance within the Company. Its primary responsibility lies in overseeing how the management serves the short and long-term interests of Shareholders and other stakeholders. During its meetings, the Board deliberates and makes decisions on strategic issues, including policy reviews, financial matters, discussions on business performance, and other critical aspects for the Company. It receives able support from the Board Committees, the CEO and MD.

The Committees established by the Board are dedicated to specific areas of focus, taking informed decisions within their delegated authority and responsibilities. These Committees provide specific recommendations to the Board regarding matters under their purview.

Subsequently, the decisions and recommendations of the Committees are presented before the Board for careful consideration and approval, as required.

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Non-Independent Director and Non-Executive Independent Directors including Women Director in accordance with the provisions of Act and Regulation 17 of SEBI Listing Regulations. All the Directors possess extensive experience and specialized knowledge in various sectors, encompassing law, finance, accountancy, and other relevant areas.

As on March 31, 2023, the Board of your Company consists of nine (9) Directors as follows:

Executive Directors

1. Mr. Rafique Abdul Malik (DIN: 00521563),
2. Ms. Farah Malik Bhanji (DIN:00530676),
3. Mr. Mohammed Iqbal Hasanally Dossani (DIN:08908594)

Non-Executive Directors:

Non-Independent Director (Nominee Director)

1. Mr. Utpal Hemendra Sheth (DIN:00081012)

Independent Directors

2. Mr. Manoj Kumar Maheshwari (DIN:00012341),
3. Ms. Aruna Bhagwan Advani (DIN:00029256),
4. Mr. Arvind Kumar Singhal (DIN:00709084),
5. Mr. Vikas Vijaykumar Khemani (DIN:00065941),
6. Mr. Srikanth Velamakanni (DIN:01722758)

The Chairman of the Company is an Executive Director.

Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594), retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Considering the integrity, relevant knowledge, expertise, and experience, as well as the contribution made by Mr. Vikas Vijaykumar Khemani (DIN: 00065941) during his current tenure as an Independent Director, the Board of Directors proposed re-appointment of Mr. Khemani as an Independent Director of the Company for a further period of five (5) consecutive years, on the expiry of his current term of office, i.e., with effect from March 12, 2024 to March 11, 2029, subject to Shareholders' approval. The Company has received the necessary declaration from Mr. Khemani that he continues to fulfil the criteria of independence as prescribed under the relevant provisions of the Act and the SEBI Listing Regulations.

The Board recommends their re-appointment for approval of the Members and the same forms part of the notice of the ensuing Annual General Meeting. The information about the Directors seeking their re-appointment as stipulated under Para 1.2.5 of Secretarial Standards on General Meetings and Regulation 36 of the SEBI Listing Regulations has been given in the notice convening the Annual General Meeting.

None of the Directors of the Company have incurred any disqualification under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Directors have confirmed that they are not debarred from accessing the capital market as well as from holding the office of Director pursuant to any order of Securities and Exchange Board of India or MCA or any other such regulatory authority. In view of the Board, all the Directors possess the requisite skills, expertise, integrity, competence, as well as experience considered to be vital for business growth.

The composition of Board of Directors and detailed analysis of various skills, qualifications, and attributes as required and available with the Board has been presented in the Corporate Governance Report which forms part of the Annual Report.

15. KEY MANAGERIAL PERSONNEL ('KMP'):

Pursuant to the provisions of Section 203 of the Act, the KMP of the Company as on March 31, 2023, are:

1. Mr. Rafique Abdul Malik, Chairman
2. Ms. Farah Malik Bhanji, Managing Director
3. Mr. Mohammed Iqbal Hasanally Dossani, Whole Time Director
4. Mr. Nissan Joseph, Chief Executive Officer
5. Mr. Kaushal Khodidas Parekh, Chief Financial Officer
6. Ms. Deepa Sood, VP-Legal, Company Secretary & Compliance Officer
7. Ms. Alisha Rafique Malik, President (E-commerce and CRM)

During the FY, there were no changes in the KMP of the Company.

16. SENIOR MANAGEMENT PERSONNEL ('SMP')

Pursuant to the provisions of Regulation 34, read with Schedule V of SEBI Listing Regulations, as amended, the list of the SMP of the Company as on March 31, 2023, along with the changes therein since end of the previous FY are provided in the Corporate Governance Report, which forms part of the Annual Report.

17. DECLARATION BY INDEPENDENT DIRECTORS

There are five Independent Directors on the Board of the Company. Your Company has received declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under Section 149(6) and Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act along with the Code of Conduct for Directors and SMP formulated by the Company as per SEBI Listing Regulations; and
- they have registered their names in the databank of Independent Directors as being maintained by the Indian Institute of Corporate Affairs in terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act, and the rules made thereunder and are independent of the management.

None of the Independent Directors are aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the same and in their opinion, the Independent Directors fulfill the conditions specified in the Act and SEBI Listing Regulations and are independent of the management.

18. NUMBER OF MEETINGS OF BOARD

The Board meets at regular intervals to discuss and decide on Company/Business policy and strategy apart from other Board businesses. The Board and Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

During the FY 2022-23, five (5) Board Meetings were held. The details relating to Board Meetings and attendance of Directors in each Board Meeting held during the FY 2022-23 has been separately provided in the Corporate Governance Report.

19. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION FOR DIRECTORS, KMP AND SMP

The NRC Committee has devised a policy which is in accordance with the Act and the SEBI Listing Regulations for selection, appointment and remuneration of Directors, KMP and SMP. The Committee has also formulated the criteria for determining qualifications, positive attributes, and independence of Directors. The Policy, inter alia, covers the details of the remuneration of Directors, KMP and SMP, their performance assessment and retention features.

The Policy aims to attract, retain, and motivate qualified people at the Board and senior management levels and ensure that the interests of Board Members and senior executives are aligned with the Company's vision and mission statements and are in the long-term interests of the Company. The Policy can be accessed on the Company's website at https://metrobrands.com/wp-content/uploads/2023/04/MBL-Nomination-Remuneration-Compensation-Policy-Clean.pdf

20. ANNUAL GENERAL MEETING

The 45th Annual General Meeting of the Members of the Company was held on September 7, 2022, through video conference/other audio-visual means in accordance with various circulars issued by MCA and Securities and Exchange Board of India to approve Financial Statements and other matters. All the Whole-time Directors were present in the meeting.

21. PERFORMANCE EVALUATION OF THE INDIVIDUAL DIRECTORS, THE COMMITTEES AND THE BOARD

In terms of the requirement of the Act and the SEBI Listing Regulations and in consonance with the Guidance Note on Board Evaluation issued by SEBI and Policy for Performance Evaluation of the Board of Directors, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees. The Board along with the NRC Committee has laid down the criteria of performance evaluation of Board, its Committees and Individual Directors which is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/01/Performance-evaluation-policy.pdf

The Board, on the recommendation of the NRC Committee, carried out an annual performance evaluation of the Board of Directors as a whole, Managing Director, Whole Time Directors, Non-Executive and Independent Directors, Committees, and the Chairman as per the evaluation reports placed at the meeting. The Board also carried evaluation of the performance of its various Committees for the FY under consideration. The performance evaluation of the Directors was carried out by the entire Board, other than the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The evaluation methodology included techniques such as detailed questionnaires covering various parameters relevant for the Board and Committees and one-on-one discussion with the Directors. Separate exercise was carried out to evaluate the performance of individual Directors on various parameters. The Directors expressed their satisfaction over the evaluation process.

A separate meeting of the Independent Directors was held on February 28, 2023, without the attendance of non-independent Directors and Members of the management. All the Independent Directors of the Company attended the said meeting.

22. INDEPENDENT DIRECTORS' INDUCTION AND FAMILIARIZATION

Appropriate familiarization programs and strategy discussions for Directors is a major contributor in maintaining the high corporate governance standards of the Company. These sessions provide a good understanding of the business to the Directors. The management provides such information and training at the meetings of Board of Directors and through other formal & informal meetings. The Independent Directors are made aware of their roles and responsibilities at the time of their appointment and a detailed letter of appointment is issued to them.

The details of such familiarization programmes for Independent Directors are posted on website of the Company at https://metrobrands.com/wp-content/uploads/2023/01/Details-of-Fam-Program-2023-Website-Uploading.pdf

23. COMMITTEES OF THE BOARD OF DIRECTORS

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The constitution of the Board Committees is in compliance with the provisions of the Act and the relevant rules made thereunder, SEBI Listing Regulations and the Articles of Association of the Company.

There have been no instances during the FY where recommendations of the Audit Committee were not accepted by the Board. The brief details of the composition of the Committees, terms of reference, the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

24. BUSINESS RESPONSIBILITY AND SUSTANINBILITY REPORT

The Business Responsibility and Sustainability Report for the FY under review, as stipulated under Regulation 34(2) of the SEBI Listing Regulations, describing the initiatives taken by your Company from Environmental, Social and Governance perspective, forms an integral part of this Annual Report as **Annexure - 6**.

25. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

26. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY ('CSR')

Your Company has adopted and formulated a Corporate Social Responsibility and Sustainability Policy and has also constituted a Corporate Social Responsibility and Sustainability Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. It is committed to ensure the social wellbeing of the communities through its CSR initiatives, in alignment with the Company's key priorities. The Policy is also available on website of the Company at https://metrobrands.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf

The spirit of the Company's CSR projects is the Company's tagline, "We Care". Everything your Company does is driven by this and the Company's focus is to touch the lives of its stakeholders who are in need.

As part of the skilling initiative, your Company provide "On the Job" training to unemployed and uneducated youth at its retail showrooms under the Government of India sponsored National Apprenticeship Promotion Scheme. Through this initiative your Company supported 243 trainees, thus enhancing their skills and making them employable. TeamLease Skill University supports your Company in completing the compliances of this project.

Environmental health and sustainability have also been the Company's focus during the FY under review. Footwear is difficult to decompose naturally. After its normal use and reuse, once discarded, they remain in landfills and oceans for 100s of years. Through the Company's three implementing partners, the Company collected and processed 900 tons i.e., 21 Lacs pairs of discarded footwear in an eco-friendly manner, which is almost 27.5% of the fresh footwear pairs sold in the FY 2022-23.

Education and empowerment have always been your Company's focus and the Company is happy to emphasize it in every way possible. With the Sociallab Ventures Pvt Ltd, your Company is working to empower 150 Mumbai railway station based shoe shiners by covering the aspects of their livelihood, healthcare and financial literacy trainings.

Your Company's traditional CSR projects supported the education costs of 72 underprivileged girls, through Fidai Girls Educational Institute and helped in providing medical treatment to 82 needy people through Focus Humanitarian Assistance India.

The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company for the FY 2022-23, as required under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, and Rule 9 of the Companies (Accounts) Rules, 2014, is attached to this report as **Annexure - 2**.

27. RELATED PARTIES TRANSACTIONS

During the FY under review, all the transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from the Audit Committee is obtained for the related party transactions which are repetitive in nature. All the transactions with related parties entered into during the FY under review were at an arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act and the rules made thereunder, the SEBI Listing Regulations and the Related Party Transactions policy of your Company. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

The policy on related party transactions as approved by the Board can be accessed on the Company's website https://metrobrands.com/wp-content/uploads/2022/04/Related-Party-Transaction-Policy-.pdf. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties.

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

29. RISK MANAGEMENT

Your Company has an elaborate Risk Management procedure and has the Risk Management Policy in place, to identify the risks including those which, in the opinion of the Board, may threaten the existence of the Company, monitor the risks and their mitigating actions.

Risk Management processes have been established across the Company and are designed to identify, assess, and frame a response to threats that can adversely affect the achievement of Company's objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company. The key risks are also discussed at the Audit and Risk Management Committee and Board meetings. The Board has set out a review process to report to the Board the progress on the action plans for the major risks of the Company.

The Company has also formed a Risk Management Committee ('RMC') to monitor the existing risks as well as to formulate strategies for identifying new and emergent risks. The RMC identifies the key risks for the Company, develops and implements the risk mitigation plan, reviews, and monitors the risks and corresponding mitigation plans on a regular basis and prioritizes the risks, if required, depending upon the effect on the business/reputation.

The Risk Management Policy is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/08/Risk-Management-Policy-1.pdf. The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the FY under review, Risk Officer of your Company reviewed risk assessment of Company's operations in discussion with various stakeholders and updated the Risk Register accordingly.

30. INTERNAL FINANCIAL CONTROLS AND SYSTEMS

According to Section 134(5) (e) of the Act, the term 'Internal Financial Control' means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Your Company's internal control systems are commensurate with the nature of its business and the size and complexity of operations. These controls ensure safeguarding of the assets of the Company and deviations, if any, are reported for appropriate action.

Internal audit reports are discussed in the Audit Committee meetings to review adequacy and effectiveness of your Company's internal control environment and necessary action are taken to strengthen the control in the required areas of business operations. The process is in place to monitor the implementation of audit recommendations, including those relating to strengthening of your Company's risk management policies and systems. The control criteria ensure the orderly and efficient conduct of the Company's business, including adherence to its 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.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls system that is operating effectively as at March 31, 2023.

Except one instance of misappropriation of stocks of the Company for personal gains by two Employees of the Company, which was duly intimated to the Stock Exchanges, there were no instances of fraud or material misstatement to the Company's operations which required the Statutory Auditors to report to the Audit Committee and / or to the Board as required under Section 143(12) of the Act and the rules made thereunder.

31. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has in place a Policy for Prevention of Sexual Harassment at workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act').

The Policy aims to provide protection to Employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective to create a healthy working environment that enables Employees to work without fear of prejudice, gender bias and sexual harassment. During the FY under review, Internal Complaints Committee (ICC) has been reconstituted to redress complaints received regarding sexual harassment.

The Policy ensures that all Employees, including those on deputation, temporary, part-time, and others working as consultants or on contract, are covered and protected under its provisions. The Policy extends its safeguards to all individuals associated with the Company in various capacities. During the FY under review, the Company received one complaint related to sexual harassment. The Company took this complaint seriously and conducted a thorough investigation in accordance with the provisions of the POSH Act. Following the completion of the investigation and as per the requirements of the Act, the case was appropriately closed.

To build awareness in this area, the Company has been conducting induction/ refresher programmes in the organisation on a continuous basis. During the FY, your Company organised offline training sessions on the POSH Policy of the Company sensitizing the provisions of the POSH Act to all the Employees of the Company.

32. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules 2014, the Annual Return will be uploaded on the website of the Company for the FY 2022-23 and the same will be available at https://metrobrands.com/annual-return/

33. AUDITORS

Statutory Auditors:

At the 45th Annual General Meeting ('AGM') held on September 7, 2022, the Members approved the appointment of M/s. S R B C & CO LLP, Chartered Accountants, (FRN: 324982E/E300003) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 50th AGM.

M/s. S R B C & CO LLP is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. It is primarily engaged in providing audit and assurance related services to the clients. It is a Limited Liability Partnership Firm incorporated in India with its registered office at 22, Camac Street, 3rd Floor, Block 'B', Kolkata. The firm is part of M/s. S.R. Batliboi & Affiliates network of audit firms.

Internal Auditor:

M/s. Aneja Assurance Private Limited (Chartered Accountants) (CIN: U74999MH2008PTC185702), were re-appointed as the Internal Auditors of the Company for the FY 2022-23 in the Board Meeting held on July 29, 2022, in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014. The auditors have carried out internal audit during the FY 2022-23. Their reports were reviewed by the Audit Committee.

After reviewing the qualifications and experience of various Internal Auditors to commensurate with the size and requirement of the Company, the Audit Committee and the Board of Directors in its meeting held on March 23, 2023 appointed M/s. KPMG Assurance and Consulting Services LLP as the Internal Auditor, in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, for the period of one year with effect from June 19, 2023 for the FY 2023-24 as per scope provided by the Board and the Audit Committee.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, CS A. Sekar, Practicing Company Secretary (COP No. 2450) was re-appointed by the Board of Directors at its meeting held on January 17, 2023 as the Secretarial Auditors of the Company for the FY 2022-23.

34. AUDITORS REPORT

(i) Statutory Audit Report:

The Auditors' Report prepared by the Statutory Auditors both in respect of Standalone Financial Statement and Consolidated Financial Statement of the Company for the FY ended March 31, 2023 does not contain any qualification, reservation, adverse remark or disclaimer.

(ii) Secretarial Audit Report:

The Secretarial Audit Report issued by CS A Sekar does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report in form MR-3 forms part of the annexures to this Directors' Report as **Annexure - 5**.

Pursuant to provisions of Section 143 (12) of the Act, the Statutory Auditors and the Secretarial Auditor have not reported any incident of fraud to the Audit Committee or Central Government during the FY under review.

(iii) Annual Secretarial Compliance Audit Report:

Pursuant to the provisions of Regulation 24A of SEBI Listing Regulations, the Company has undertaken an audit for the FY 2022-23 for all applicable compliances as per SEBI Rules, Regulations, Circulars, Notifications, Guidelines etc. issued thereunder. The Annual Secretarial Compliance Audit Report issued by CS A. Sekar, Practicing Company Secretary (COP No. 2450) has been duly submitted to the Stock Exchanges within the prescribed time and also uploaded on our website https://metrobrands.com/wp-content/uploads/2023/05/Reg24AFiling.pdf

35. COST AUDIT

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to include cost records in their books of account and get its cost accounting records audited by a Cost Accountant and submit a compliance report in the prescribed form.

36. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

The Company has complied with all the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India and notified by MCA.

37. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors/Employees of the Company. The statement containing information forming part of this Directors Report is provided in the **Annexure – 1** to this Report.

The information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time-to-time, forms part in the **Annexure – 1**.

38. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 for conservation of energy, technology absorption, foreign exchange earnings and outgo is provided as **Annexure - 3** to this Report.

39. INSIDER TRADING CODE OF CONDUCT

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons of the Company and their immediate relatives and to formulate a framework and policy for disclosure of events and occurrences that could impact price discovery in the market for its securities as per the requirements under SEBI(Prohibition of Insider Trading) Regulations, 2015. The Company has put in place a mechanism for monitoring the trades done by designated persons of the Company and their immediate relatives as well as generation of system based disclosures in line with the Code of Conduct on Insider Trading. The details of dealing in the Company's shares by designated persons are placed before the Audit Committee for information on quarterly basis. The Code of Conduct has been made available on the Company's website at https://metrobrands.com/wp-content/uploads/2023/04/MBL-Insider-Trading-Policy_clean-copy.pdf

40. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and established the necessary vigil mechanism for Directors and Employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behavior, or actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the directors and Employees, and instances of leakage of/suspected leakage of Unpublished Price Sensitive Information of the Company or violation of the Company's Code of Conduct or Ethics Policy.

The Policy implemented by the Company aims to protect Employees and Directors from any form of victimization when they raise concerns about potential violations of legal or regulatory requirements, as well as any instances of incorrect or misrepresented financial statements and reports. It ensures adequate safeguards are in place for those who come forward with such concerns.

Employees of the Company are provided with the right and option to report their concerns or grievances to the Chairperson of the Audit Committee, particularly in appropriate or exceptional cases. To ensure widespread awareness, information about these reporting channels is communicated to Employees during their mandatory training modules at the time of joining the Company.

The functioning of this reporting mechanism is overseen by the Audit Committee, which ensures its effectiveness and proper implementation. No personnel were denied access to the Audit Committee during the FY under review, reflecting the Company's commitment to providing a safe and supportive environment for reporting concerns.

The details of this Policy are explained in the Corporate Governance Report which forms a part of this Annual Report and available at the website of the Company at https://metrobrands.com/wp-content/uploads/2022/06/Vigil-Mechanism_Whistle-Blower-Policy-Final-BM-dtd-07032022.pdf

There were three instances of such reporting during the FY ended March 31, 2023, which was duly reported to the Board and Audit Committee and resolved during the said FY.

41. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Board of Directors of your Company confirm that,

a) in the preparation of the annual accounts for the FY ended March 31, 2023, the applicable accounting standards had been followed.

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on March 31, 2023 and of the profits of your Company for the period ended March 31, 2023.

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.

d) the Directors had prepared the annual accounts for the period ended March 31, 2023 on a "going concern" basis.

e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

43. AWARDS

During the FY under review, the Company has received the following awards:

- Best Women's Footwear Brand by MYNTRA – Tech Threads
- Best Vegan Shoe Line - Metro Shoes by PETA India
- Best Conversion Campaign – SEO by - DMA Asia Sparkies
- Most Admired Retailer – Footwear IMAGE RETAIL AWARDS – 2022
- Most Admired Retailer of the year 2022 - Footwear Category by MAPIC India Retail Awards
- Best Use Of Cloud Services – Ecommerce by Technology Excellence Awards 2022
- India's Most Admired Retailer IMAGE Fashion Awards
- India's Retail Champions 2022 - Footwear

The Company was also featured as one of the iconic brands of India – By Economic Times (ETEdge).

The name of the CEO of our Company, Mr. Nissan Joseph, was recognized as a Fashion Brand Icon by Image Business of Fashion. He was also honored as the most daring CEO by Entrepreneur Magazine.

After the close of the FY under review, the Company has also received Images Retail Awards 2023 - "Most Admired Footwear Retailer of the Year" in May 2023. The Company's executive also won TRRAIN Retail Award for Customer Impact under Individual Category in April 2023.

These achievements are a testament to the outstanding leadership and innovation within your Company.

44. GREEN INITIATIVES

In commitment to align with green initiatives and surpassing them, the electronic copy of the Notice of the 46th Annual General Meeting of the Company, along with the Annual Report for FY 2022-23, is being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

45. CORPORATE GOVERNANCE AND DISCLOSURES

Maintaining high standards of Corporate Governance has been fundamental to the business of our Company since its inception. The Company's Corporate Governance practices reflect value system encompassing culture, policies, and relationships with the stakeholders.

Pursuant to Regulation 34(3) read with Schedule V of SEBI Listing Regulations a report on Corporate Governance along with a Certificate from the Secretarial Auditors towards compliance of the provisions of Corporate Governance, forms an integral part of this Annual Report and are given in **Annexure – 7**.

The CEO and the CFO have certified to the Board inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee as required under Regulation 17(8) read with Schedule II to the SEBI Listing Regulations.

46. GENERAL DISCLOSURES

The Directors state that no disclosure or reporting is required in respect to the following items as there were no transactions / matters on these items during the FY under review:

i. There was no change in the nature of business of the Company during the FY ended March 31, 2023.

ii. Details relating to deposits covered under Chapter V of the Act.

iii. Issue of equity shares with differential rights as to dividend, voting or otherwise, issue of sweat equity shares and buyback of shares.

iv. Neither the Managing Director nor the Whole-time Director of your Company received any remuneration or commission from any of its subsidiaries.

v. No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

vi. There is no one time settlement done with any bank or financial institution.

vii. No proceedings are filed by the Company or pending against the Company under the Insolvency and Bankruptcy Code, 2016.

47. ACKNOWLEDGEMENT

Your Directors would like to express their gratitude to the esteemed Shareholders for their trust and confidence in the management of the Company. They would also like to place on record their sincere appreciation for the continued cooperation, guidance, support, and assistance extended by bankers, customers, suppliers, local authorities, business associates, government and non-government agencies, and various other stakeholders.

The Board acknowledges and appreciates the support and cooperation the Company has been receiving from its suppliers, distributors, retailers, business partners, and others associated with them. This collaboration has enabled the Company to provide higher levels of consumer delight through continuous improvement.

The Board extends its deep appreciation to all Employees and every Member of the Metro Brands' Family at all levels for their hard work, dedication, and commitment. The enthusiasm and unwavering efforts of the Employees have enabled the Company to remain an industry leader.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR METRO BRANDS LIMITED

Sd/-
Rafique Abdul Malik
Chairman and Executive Director
DIN: 00521563

Place: Mumbai
Date: August 1, 2023

Annexures

The following reports have been annexed and form part of this report.

Annexure 1 – Particulars of Employees

Annexure 2 – Report on CSR Activities

Annexure 3 – Conservation of Energy

Annexure 4 – Statement containing the salient features of the financial statement of MAL, Metmill (Subsidiary Companies) and MVSC (Associate Company) - AOC – 1

Annexure 5 – Secretarial Audit Report (MR – 3) inclusive of Annexure A

Annexure 6 – Business Responsibility and Sustainability Report

Annexure 7 – Corporate Governance Report

ANNEXURE 1 – TO THE DIRECTORS' REPORT

Information pursuant to Section 197 (12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the FY 2022-23, the percentage increase in remuneration of Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary in the FY 2022-23.

Sr No	Name of the Director/ KMP	Designation	Remuneration of Director / KMP for the FY 2022-23 (₹ in Lacs)	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration in FY 2022-23 as compared to FY 2021-22
1	Mr. Rafique Abdul Malik	Chairman	714.9	277.8	10%
2	Ms. Farah Malik Bhanji	Managing Director	298.0	115.8	10%
3	Mr. Mohammed Iqbal Hasanally Dossani	Whole Time Director	54.2*	21.0	12%
4	Mr. Nissan Joseph	Chief Executive Officer	344.7	134.0	12%
5	Mr. Kaushal Khodidas Parekh	Chief Financial Officer	218.7	85.0	12%
6	Ms. Alisha Rafique Malik	President (E-commerce & CRM)	97.0	37.7	12%
7	Ms. Deepa Sood	VP - Legal, Company Secretary and Compliance Officer	68.1	26.5	5**%

** Including perquisites of ₹ 30.6 Lacs pursuant to exercise of Stock Options.*

*** Pro-rated to the date of joining the Company on September 15, 2021.*

2. The percentage increase in the median remuneration of Employees for the FY 2022-23 was 8.00%.

3. The Company has 3,414 permanent Employees on the rolls of Company as on March 31, 2023.

4. Average increase made in the salaries of Employees other than the managerial personnel in the FY 2022-23 was 9.50%. In a post pandemic world, the work force dynamics and employee preferences are changing rapidly with companies facing a very competitive talent market. The Company has taken proactive reward and career related measures to ensure our talent feels valued and maintain our competitiveness.

5. We affirm that the remuneration paid to the Directors and Key Managerial Personnel is as per the Nomination, Remuneration and Compensation Policy of the Company.

Note:

a) The Independent Directors of the Company are entitled to sitting fees and commission as per the statutory provisions and the limits approved by the Board of Directors and Shareholders of the Company.

b) Employees for the purpose above include all Employees excluding Employees working for its subsidiaries and group companies.

Information as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Director's Report for the FY ended March 31, 2023

(also includes the details of top ten Employees of the Company)

A. Employed throughout the year and were in receipt of remuneration of not less than ₹ 1,02,00,000/-(Rupees One Crore Two Lacs only) per annum

S. No	Employee Name	Designation	Remuneration Received (₹ in Lacs)	Qualification	Total Experience (in years)	Date of commencement of employment	Age (in years) Last Employment
1	Mr. Rafique Abdul Malik	Chairman	714.9	B.Com, OPM Harvard, U.S.A.	53	January 19, 1977	72 years Business
2	Mr. Nissan Joseph	Chief Executive Officer	344.7	MBA	23	July 1, 2021	57 years Map Active Philippines
3	Ms. Farah Malik Bhanji	Managing Director	298.0	B.A, B.B.A. in Finance (USA),OPM Harvard, U.S.A.	24	December 5, 2000	46 years Business
4	Mr. Rajgopal Narasimha Nayak	Chief Technology Officer	293.4*	BE, PGDCAM	20	May 4, 2020	46 years Marico Ltd
5	Mr. Kaushal Parekh	Chief Financial Officer	218.7*	B.Com, CA, CS	19	March 28, 2012	43 years Ernst & Young
6	Mr. Tajdin Mohamedali Gilani	Vice President - IT	211.8*	B.Com, DFM, CAN	28	January 16, 1995	63 years Kapol Co-Operative Bank Ltd
7	Ms. Aziza Rafique Malik	President	209.0	B.Com	33	January 2, 1986	72 years Business
8	Mr. Pramod Sutar	Assistant General Manager	180.4*	B.com	27	August 2, 2008	50 years Nil
9	Mr. Maulik Rajendra Desai	Vice President	134.6*	MMM	22	April 22, 2019	47 years Cross Word
10	Mr. Aashish Dipak Mashruwala	Vice President	128.5	B.Sc, MDP	22	October 1,2020	50 years Ecco Shoes India Pvt Ltd

** Includes perquisite value of Stock Options exercised during the FY*

B. Employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹8,50,000/- (Rupees Eight Lac Fifty Thousand only) per month

Sr No	Employee Name	Designation	Remuneration Received (₹ In Lacs)	Qualification	Total Experience (in years)	Date of commencement of employment	Age (in years)	Last employment
Nil								

Notes:

a) The Employees have / had permanent employment contracts with the Company.

b) As per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Alisha Malik, President (E- commerce and CRM) was in receipt of remuneration in excess of that drawn by the whole-time director and holds 3.34% of Equity Shares of the Company.

ANNEXURE 2 – TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility (CSR) activities

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Your Company is committed to ensure the social well being of the communities in the vicinity of its business operations through CSR initiatives in alignment with Schedule VII of the Act. Our CSR Policy aims to provide a dedicated approach to community development in the areas of education, healthcare, women empowerment, environmental sustainability, rural development, skilling, on the job training and upliftment of cobbler community and railway station-based shoe-shiners at large. We contribute to serve the development of people by shaping their future with meaningful opportunities, thereby accelerating the sustainable development of society while preserving the environment, and making our planet a better place today and for future generations.

The objective of the CSR policy is to provide an appropriate roadmap and formulate the procedure and criteria for the Company to participate in organized and transparent manner in the CSR activities within the country while recognizing the interest of all its stakeholders and thereby support in building / strengthening the nation for the coming future. Stakeholders may find the CSR Policy at: https://metrobrands.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR committee held during the FY	Number of meetings of CSR Committee attended during the FY
1.	Ms. Farah Malik Bhanji	Chairperson, Managing Director	4	4
2.	Mr. Arvind Kumar Singhal	Member, Non – Executive Independent Director	4	4
3.	Mr. Srikanth Velamakanni	Member, Non – Executive Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company. –

CSR Policy and CSR projects - https://metrobrands.com/csr/

Composition of CSR committee - https://metrobrands.com/list-of-board-committees/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). –Not Applicable

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

Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding FY (in ₹)	Amount required to be setoff for the FY, if any (in ₹)
Not Applicable			

6. (a) Average net profit of the Company as per section 135(5) - ₹ 17,934.99 Lacs

(b) Two percent of average net profit of the Company as per Section 135(5) – ₹ 358.71 Lacs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous FY – NIL

(d) Amount required to be set off for the FY, if any – NIL

(e) Total CSR obligation for the FY (6b+6c-6d) – ₹ 358.71 Lacs

7. (a) CSR amount spent or unspent for the FY:

Total Amount Spent for the FY(₹ in Lacs)	Amount unspent (in FY 2022-23)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (₹ In Lacs)	Date of transfer.	Name of the Fund	Amount. (₹ In Lacs)	Date of transfer.
352.47	6.24	April 21, 2023	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the FY: -

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project Duration	Amount allocated for the project (₹ in Lacs)	Amount spent in the current FY (₹ in Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	Empowering Railway station-based shoe shiners	Poverty	Yes	Maharashtra	Mumbai	Ongoing	35.44	29.19	6.24	Yes	Sociallab Ventures Pvt Ltd - Phase II	Not applicable
			Total				**35.44**	**29.19**	**6.24**			

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Processing of old, discarded footwear in an eco-friendly manner	Climate action	No	Gujarat	Palghar	19.47	Yes	The Shakti Plastic Industries	Not applicable
2	Provide on the job training to youth under NAPs scheme promoted by GOI	Skilling and Poverty	Yes	Maharashtra	Mumbai	171.89	Yes	-	Not applicable
3	Educating needy girl children	Education	Yes	Maharashtra	Mumbai	25.00	No	Fidai Girls Educational Institute	CSR00008304

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lacs)	Mode of Implementa tion - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
4	Funding treatment cost of the underprivileged people	Healthcare	Yes	Maharashtra	Mumbai	50.00	No	Focus Humanitarian Assistance India	CSR00015098
5	Processing of old, discarded footwear in an eco-friendly manner	Climate action	No	Uttar Pradesh	Ghaziabad	9.00	Yes	Swachh Sustainable Solutions Pvt. Ltd. (ReCircle)	Not applicable
6	Processing of old, discarded footwear in an eco-friendly manner	Climate action	No	Maharashtra	Mumbai	28.47	Yes	Aasra Welfare Association	Not applicable

(d) Amount spent in Administrative Overheads – ₹ **19.44 Lacs**

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

(f) Total amount spent for the FY (7b+7c+7d+7e) – ₹ **352.47 Lacs**

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

Sl. No.	Particular	Amount (₹ In Lacs)
i.	Two percent of average net profit of the company as per section 135(5)	358.71
ii.	Total amount spent for the FY	352.47
iii.	Excess amount spent for the FY [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous FYs, if any	NIL
v.	Amount available for set off in succeeding FYs [(iii)-(iv)]	NIL

8. (a) Details of Unspent CSR amount for the preceding three FYs: -

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lacs)	Amount spent in the reporting FY (₹ in Lacs)	Amount transferred to any fund specifiedunder Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (₹ in Lacs)
				Name of the Fund	Amount (₹ in Lacs)	Date of transfer.	
1	2021-22	35.52	35.14	PM Cares Fund	0.38	21.12.2022	NIL

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

Sl. No.	Name of the Project	Financial Year in which the project was commenced	Project Duration (From date of sanction till date of Payment in days)	Total amount allocated for the project (₹ in Lacs)	Amount spent on the project in the reporting Financial Year (₹ in Lacs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lacs)	Status of the project - Completed /Ongoing
1	Prince Aly Khan Hospital	2021-2022	326	15.00	1.46	14.62	Completed (Bal. ₹ 0.38 Lacs unspent Transferred to PM Cares)
2	K. C Mahindra Education Trust - Nanhi Kali	2021-2022	441	27.00	13.50	27.00	Completed
3	Aasra Welfare Association	2021-2022	190	18.75	12.50	18.75	Completed
4	NAPS – Direct implementation	2021-2022	80	59.70	8.81	59.70	Completed
5	Sociallab Ventures Pvt Ltd - Phase I	2021-2022	266	20.07	19.48	20.07	Completed
	Total			**140.52**	**55.75**	**140.14**	

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the FY (asset-wise details). –

Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5)

Not Applicable

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR METRO BRANDS LIMITED

sd/-
RAFIQUE ABDUL MALIK
CHAIRMAN AND EXECUTIVE DIRECTOR
DIN: 00521563

Place: Mumbai
Date: August 1, 2023

ANNEXURE 3 – TO THE DIRECTORS' REPORT

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

(Information required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014)

A. Conservation of Energy:

The business operation of the Company involves low energy consumption. The Company has already implemented Energy conservation measures. The Company has been using energy efficient LED lights in the showrooms which are very effective in power saving. The Company has also started installing energy efficient VRF Inverter based Air-conditioning systems in the Showrooms which provide substantial saving in terms of monthly energy costs. The efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

The Company has installed rooftop solar system at the Company's warehouse located at Bhiwandi. The Company has switched to renewable energy sources than to depend on non-renewable ones. The Company has installed solar panels as detailed hereunder at its warehouse in Bhiwandi.

No.	Warehouse	Project Capacity	Commissioned on	Solar power generated till March 2023
1	Warehouse 1	110 KW	June 10, 2020	277 MWh
2	Warehouse 2	130 KW	November 19, 2021	178 MWh

B. Technology Absorption:

i. Efforts made for technology absorption & benefits derived: The operations of the Company do not involve any technology absorption. The Company has not imported any technology during the previous FYs and has no technical collaboration with any party.

ii. Details of technology imported during the last three years reckoned from the beginning of the FY: NIL

iii. Expenditure incurred on Research & Development: The Company does not have any specific present or future plan of action for research and development. However, it will continue its efforts to implement innovative ways for customer service and delighting the customers.

C. Foreign Exchange Earnings / Outgo:

(₹ in Lacs)

Sr. No.	Particulars	2022-23	2021-22
1.	**Foreign Exchange Earnings**		
	Sale of Footwear and Accessories	NIL	NIL
2.	**Foreign Exchange Outgo**		
	a) Purchase of Footwear and Accessories including Advance	11473.99	7,394.59
	b) Travelling & Other Expenses	11.05	NIL
	c) Professional & Consultancy Fees	116.47	318.89

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR METRO BRANDS LIMITED

sd/-
RAFIQUE ABDUL MALIK
CHAIRMAN AND EXECUTIVE DIRECTOR
DIN: 00521563

Place: Mumbai
Date: August 1, 2023

ANNEXURE 4 – TO THE DIRECTORS' REPORT

Form AOC-1

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

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES FOR THE FY ENDED MARCH 31, 2023.

(₹ in Lacs)

Sr No	Particulars	Metmill Footwear Private Limited	Cravatex Brands Limited (now, Metro Athleisure Limited)*
1.	The date since when subsidiary was acquired	September 16, 2009	December 01, 2022
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period		Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Yearin the case of foreign subsidiaries		Not Applicable
4.	Share capital	125.00	9783.00
5.	Other Equity	5,275.00	(15,625.00)
6.	Total assets	5,975.36	18,556.00
7.	Total Liabilities	575.16	24,388.00
8.	Investments	0.00	0.00
9.	Turnover	4,615.19	5,079.00
10.	Profit before taxation	901.11	(2,311.00)
11.	Provision for taxation	114.90	(9.00)
12.	Profit after taxation	786.21	(2,302.00)
13.	Proposed Dividend	0.00	0.00
14.	Percentage of shareholding	51%	100%

**Name changed to Metro Athleisure Limited on July 14, 2023.*

Notes:

Names of subsidiaries which are yet to commence operations: Not Applicable

Names of subsidiaries which have been liquidated or sold during the FY: Not Applicable

Part "B": Associates and Joint Ventures

1. Name of Associates or Joint Ventures: M.V. Shoe Care Private Limited
2. Latest audited Balance Sheet Date: March 31, 2023
3. Date on which the Associate or Joint Venture was associated or acquired: August 24, 2016
4. Shares of Associate or Joint Ventures held by the Company on the FY end
    a) Number of shares – 68,60,000
    b) Amount of Investment in Associates or Joint Venture – ₹ 491.51 Lacs
    c) Extent of Holding (in percentage) – 49%
5. Description of how there is significant influence - Control of at least 20% of total share capital
6. Reason why the associate/joint venture is not consolidated – Not Applicable
7. Net worth attributable to shareholding as per latest audited Balance Sheet – ₹ 1,175.14 Lacs
8. Profit or Loss for the year (after other comprehensive income)
    a. Considered in Consolidation – ₹ 200.31 Lacs
    b. Not Considered in Consolidation – ₹ 208.49 Lacs

Note:

1. Names of associates or joint ventures which are yet to commence operations. – Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the FY. – Not Applicable

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
FOR METRO BRANDS LIMITED

sd/-
RAFIQUE ABDUL MALIK
CHAIRMAN AND EXECUTIVE DIRECTOR
DIN: 00521563

Place: Mumbai
Date: August 1, 2023

ANNEXURE 5 – TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FY ENDED MARCH 31, 2023

To
The Members
Metro Brands Limited
401, Zillion, 4th Floor,
LBS Marg and CST Road Junction,
Kurla West
Mumbai – 400 070

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by Metro Brands Limited (hereinafter called the "Company"). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the financial year ended March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place.

I have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year under review, according to the provision of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Portfolio Investments & Investments by Non-Resident Indians

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 to the extent they are applicable to the Company

   (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 and dealing with client;

   (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

(vi) Legal Metrology (Packaged Commodity) Act, 2009

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company

   a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

   c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

I have also examined the compliance with the applicable clauses of the following: -

(i) Secretarial Standards issued by the Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review and the composition is in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on compliance mechanism established by the Company and on the basis of compliance certificates issued by the CEO, CFO & the Compliance Officer and taken on record by the Board of Directors, prima facie there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Also, as informed, the Company has responded appropriately to notices received from various statutory authorities / regulatory authorities including initiating actions for corrective measures, where found necessary.

I further report that during the audit period, the Company has undertaken the following actions having a major bearing on the Company's affairs in pursuance of the above referred laws: -

a) During the financial year under review, 2,25,795 Equity Shares of Rs. 5/- each were allotted consequent to exercise of the options by the employees pursuant to the ongoing Employees Stock Options (ESOPs) scheme namely Metro Stock Option Plan, 2008

b) The Board of Directors of the Company in their meeting held on May 20, 2022 approved the investment of the funds in Thaely Private Limited ("Thaely"), a Company engaged in the business of marketing and selling of sustainable sneaker shoes. The transaction envisages acquisition of approx.5.02% of the paid-up equity share capital of Thaely on a fully diluted basis for a total consideration of Rs. 2.67 Crores and up to the end of the financial year under review, the Company has invested Rs. 1.33 Crores for a stake of 2.72% of the paid-up equity share capital of Thaely.

c) Pursuant to the approvals received in the meeting of the Board of Directors held on October 19, 2022, during the financial year under review, the Company has acquired the entire paid up share capital comprising Equity Shares, Compulsorily Convertible Preference Shares and Optionally Convertible Debentures of Cravetex Brands Limited ("CBL") for a total consideration of Rs. 202.17 Crores. CBL is engaged in the business of importing, trading, selling, marketing, advertising, retailing and distribution of footwear, apparel and accessories under its various brands including "FILA", "Vans" and in house brand "Proline".

d) The Board of Directors of the Company in their meeting held on March 23, 2023 approved the draft Scheme of Arrangement between CBL ("Demerged Company") and the Company and their respective Shareholders and matters related thereto under Sections 230 to 232 and other applicable provisions of the Act ("Scheme"). The Scheme inter alia provides for the demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) involving the 'FILA business', from the Demerged Company into the Company, on a going concern basis. The Scheme is subject to receipt of customary statutory and regulatory approvals, including approvals from the jurisdictional National Company Law Tribunal and the Shareholders and creditors (as applicable) of CBL and the Company involved in the Scheme.

A. SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN: A008649E000354269

Place: Mumbai
Date: May 23, 2023

*This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.*

'Annexure A'

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the Company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013 and other applicable statutes.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

A. SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450

Place: Mumbai
Date: May 23, 2023

ANNEXURE 6 – TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

BRSR Section A: General Disclosures

Details of the listed entity

1. **Corporate Identity Number (CIN):** L19200MH1977PLC019449
2. **Name of the Listed Entity:** Metro Brands Limited
3. **Year of Incorporation:** 1977
4. **Registered Office Address:** 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070
5. **Corporate Address:** 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070
6. **E-mail:** Investor.relations@metrobrands.com
7. **Telephone:** +91 22 6656 0444
8. **Website:** https://metrobrands.com/
9. **Financial Year for which reporting is being done:** FY 2022-23
10. **Paid-up Capital:** ₹ 1,35,86,66,105
11. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**
    (a) Name: Mohammed Iqbal Hasanally Dossani (DIN 08908594)
    Designation: Whole-Time Director

    (b) Name: Aziz Fidai
    Designation: DGM - CSR & Process Assurance
    Telephone number: +91 22 6656 0444
    E-mail id: aziz.fidai@metrobrands.com
13. **Reporting boundary:** Disclosures made in this report are on a Standalone basis

Products / services

14. **Details of business activities (accounting for 90% of the turnover):**

Description of main activity	Description of business activity	% of turnover
Retail sale	Retailer in fashion footwear, bags & accessories	100%

15. **Products / Services sold by the entity (accounting for 90% of the entity's turnover):**

Product / Service	NIC Code	% of total turnover contributed
Fashion Footwear, Bags & Accessories	47713	100%

Operations

16. Number of locations where plants and / or operations / offices of the entity are situated:

Locations	Number of plants	Stores & City covered	Number of offices	Total
National	NA*	739 (174 cities)	2 Warehouses, 1 Office	742
International		Nil**		

** The Company has retail outlets and does not undertake any manufacturing activity*

*** The Company does not have international offices.*

17. Markets served by the entity:

a) Number of locations:

Locations	Number
National (no. of states)	31
International (no. of countries)	Nil

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c) A brief on types of customers:

Metro Brands Limited (MBL) is one of the largest Indian footwear specialty retailers. The Company's retail presence is spread across metro cities and Tier I, II and III cities. Embodying an aspirational quotient, the brand resonates with the evolving needs of customers who seek quality and stylish footwear products. The Company has a diverse brand portfolio straddling price points, enabling it to operate across the economy, mid and premium segments. The Company's store offers footwear for men, women & children, bags & accessories making it one-stop family retailer. Further the Company's wide suite of products enables it to cater to footwear needs for both casual and formal occasions. This ability to serve across age groups, occasions and segments increases customer loyalty and Company's addressable market.

Company's customers broadly fall into two categories i.e., Digital & Walk in customers: -

- Digitally through Owned website and Ecommerce marketplace.
- Directly Walk in at stores.

Employees

18. Details as at the end of FY:

a) Employees and workers (including differently abled):

	No.	% of total
Employees		
Permanent	**3,414**	
Male	3,203	94%
Female	211	6%
Other than Permanent	**1,790**	
Male	1,743	97%
Female	47	3%
Total Employees	**5,204**	
Male	4,946	95%
Female	258	5%

	No.	% of total
Workers*		
Permanent		
Male		
Female		
Other than Permanent	NA	
Male		
Female		
Total Workers		
Male		
Female		

**The Company does not have any workers as defined in the guidance note on BRSR*

b) Differently abled employees and workers:

	No.	% of total
Differently abled employees		
Permanent	**4**	
Male	4	100%
Female	Nil	0%
Other than permanent	**Nil**	
Male	Nil	0%
Female	Nil	0%
Total differently abled employees	**4**	
Male	4	100%
Female	Nil	0%

19. Participation / Inclusion / Representation of women:

	No.	% of total
Board of Directors	**9**	
Female	2	22%
Key Management Personnel	**7**	
Female	3	43%

20. Turnover rate for permanent employees and workers:

	Turnover rate in FY 23	Turnover rate in FY 22	Turnover rate in FY 21
Permanent employees			
Male	21.0%	18.0%	30.8%
Female			
Permanent workers			
Male		NA	
Female			

Holding, Subsidiary and Associate Companies (including Joint Ventures)

21. Names of holding / subsidiary / associate companies / joint ventures:

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Entity (A) participate in the business responsibility initiatives of the listed entity
1	Metmill Footwear Private Limited	Subsidiary	51%	No
2	Metro Atleisure Limited (Formerly known as Cravatex Brands Limited)*	Subsidiary	100%	No
3	M.V. Shoe Care Private Limited	Joint Venture	49%	No

** became wholly owned subsidiary on December 1, 2023*

CSR Details

22. CSR Activities

I. **Whether CSR is applicable as per Section 135 of the Act:** Yes

II. **Turnover:** ₹ 2,05,184 Lacs

III. **Net worth:** ₹ 1,53,295 Lacs

IV. **Amount spent on CSR activities during the FY 2023:** ₹ 333.03 Lacs

Transparency and Disclosures Compliances

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct ('NGRBCs'):

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place	FY 23			FY 22		
	If Yes, then provide web-link for grievance redress policy	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at the end of the year	Remarks
Communities	Yes https://metrobrands.com/investor-contact/	1	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes https://metrobrands.com/investor-contact/	Nil	Nil	-	Nil	Nil	-
Shareholders	Yes https://metrobrands.com/investor-contact/	44	Nil	-	38	Nil	-
Employees and workers	Yes https://metrobrands.com/investor-contact/	828	Nil	-	248	4	Closed in Apr'22
Customers	Yes https://metrobrands.com/contact-us/	23635	Nil	-	14,478	Nil	-
Value Chain Partners	Yes Escalation matrix has been duly communicated to all Value Chain Partners	Nil	Nil	No formal complaints received	Nil	Nil	No formal complaints received
Other	-						

24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications:

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Saving of Electricity at our two warehouses by installing two solar power projects with combined capacity of 240 KW.	Opportunity	Saving of cost and conservation of natural resources (Opportunity)	NA	Cost efficient (positive implication)
The Company is also undertaking an internal assessment to identify sustainability issues pertaining to its business.					

BRSR Section B: Management and Process Disclosures

	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Policy and management processes									
1	**a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs.**	Yes								
	b. Has the policy been approved by the Board?	Yes								
	c. Web Link of the Policies	The policies which are mandatorily required to be uploaded on the website are available at the website of the Company https://metrobrands.com/policies/. Some of the policies which pertain to the employees of the Company are available on intranet.								
2	**Whether the entity has translated the policy into procedures.**	Yes								
3	**Do the enlisted policies extend to your value chain partners?**	Yes. The Company focuses on Corporate Governance. The Board of Directors of the Company have adopted various Policies, which are available on our website such as Code of Conduct, Whistle Blower Policy, and Ethics Policy. These policies are applicable to various parties such as the Board of Directors and SMP, employees, business associates and suppliers, agent, distributor, or joint venture partner, etc.								
4	**Name of the national and international codes / certifications / labels / standards adopted by your entity and mapped to each principle**	The policies generally comply with the basic laws of the nation, general business standards, fair trade practices and good corporate governance. Pyramid Certifications LLP has certified that the Quality Management System of MBL has been assessed against the scope of supply and provision of ISO 9001 :2015. Its next recertification is due by January 4, 2024.								
5	**Specific commitments, goals and targets set by the entity with defined timelines**	The Company is undertaking an internal assessment and is in process of defining its ESG goals.								

6. **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met:**

P1	Not applicable, the Company is in process of defining ESG Goals.
P2	
P3	
P4	
P5	
P6	
P7	
P8	
P9	

7. **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.**

The Company believes that sustainability goals are part and parcel of its financial goals, and the Company has, accordingly, started integrating ESG considerations into its business decisions and operations. The Company has set up two solar power plants, ensures recycling of E-waste and has also started processing of recycling of old, discarded footwear in an Eco-friendly manner. The Company believes in the spirit of giving back to society. One of the key features of CSR projects undertaken by the Company is to focus on our stakeholders based on participatory and collaborative approach to empower the communities and protect the environment around.

In addition, the Company's Secretarial team monitors ESG-related factors in the Company on issues such as managerial remuneration, dividend distribution policies, related party transactions, amongst others.

8. **Details of the highest authority responsible for implementation and oversight of the business responsibility policy (ies):**

(a) Name: Mohammed Iqbal Hasanally Dossani (DIN 08908594)
Designation: Whole-Time Director

(b) Name: Aziz Fidai
Designation: DGM - CSR & Process Assurance
Telephone number: +91 22 6656 0444
E-mail id: aziz.fidai@metrobrands.com

9. **Does the entity have a specified Committee of the board / director responsible for decision making on sustainability related issues? If Yes, provide details.**

Yes. Corporate Social Responsibility & Sustainability Committee

10 Details of Review of NGRBCs by the Company.

	Subject for review	Indicate whether review was undertaken by director / Committee of the board / any other Committee									Frequency (annually / half yearly / quarterly / any other)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a	Performance against above policies and follow up action	Relevant policies of the Company are reviewed by the Board and its Committee s periodically or on a need basis. The necessary changes to policies and procedures are implemented accordingly									Annually / as per Statutory Requirement								
b	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with statutory requirements as applicable.																	

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? If Yes, provide name of the agency.**	CS A Sekar, Secretarial Auditor assess/evaluate the working of Company Policies.								

12 If principles not covered by a policy, provide reasons for the same.

	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a	**The entity does not consider the Principles material to its business**	NA								
b	**The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles**									
c	**The entity does not have the financial or / human and technical resources available for the task**									
d	**Any other reason**									

BRSR Section C: Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the FY:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	5	Prevention of Sexual Harassment at Workplace, Health, Safety & Environment Practices, Code of Conduct, Ethics & Whistle blower, Insider Trading	22%
Key Managerial Personnel	5	Prevention of Sexual harassment at Workplace, Health, Safety & Environment Practices, Code of Conduct, Ethics & Whistle blower, Insider Trading	100%
Employees other than BoD and KMPs	16	1. Bags Category Awareness 2. Biofoot - Foot anatomy and selling skills 3. Gati - To Upgrade Mangerial skills 4. Grow - Retail Managerial Training 5. ISO 2015 Auditor Certification 6. MS Suite 7. New Joinee Induction 8. Sexual Harassment of Women at Workplace 9. Power BI 10. Sewa 11. Team Building-Offsite 12. The Learning Hour 13. Resonance 14. Insider Trading 15. Legal Metrology 16. Strategym	82%
Workers		NA	

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the FY, in the following format:

	NGRBC Principle	Name of the regulatory / enforcement agencies judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred?
Monetary	No material fines were paid in FY2023				
Penalty / Fine					
Settlement					
Compounding fee					
Non-Monetary	None				
Imprisonment					
Punishment					

3. Of the instances disclosed in question 2 above, details of the appeal / revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
None	

4. Does the entity have an anti-corruption or anti-bribery policy? If Yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company Personnel must conduct their activities in connection with the Company's business in full compliance with the Ethics Policy of the Company and the Anti-Corruption Laws. The Company does not pay and does not condone paying bribes or engaging in corruption. Company Personnel are prohibited from offering, directly or indirectly, bribes, kickbacks, or "Anything of Value" as a bribe to any Government Official or to any commercial party or other agent, consultant, customer, or vendor for obtaining improper performance in favour of the Company.

Weblink: https://metrobrands.com/investor-relations/

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 23	FY 22
Directors	No disciplinary action was taken against any Directors/KMPs/employees/workers by any law enforcement agency for charges of bribery/corruption.	
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 23		FY 22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	No complaints received in relation to issues of Conflict of Interest of the Directors /KMPs in the FY 2023.		No complaints received in relation to issues of conflict of interest of the Directors /KMPs in the FY 2022.	
Number of complaints received in relation to issues of conflict of interest of the KMPs				

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

There were no cases of corruption or conflicts of interest which required action by regulators/ law enforcement agencies/ judicial institutions.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the FY:**

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
As and when required, the Company conducts trainings of its Karigar vendors on quality, packaging and code of conduct. In view of applicability of BIS regulation the Company has engaged a consultant to help the vendors and have also arranged training sessions for them		Now approximately 80% - 90% of the regular Karigar vendors would have been covered under these initiatives

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving Members of the Board? If Yes, provide details of the same.**

Yes, the Company has a Policy on related party transactions to identify actual or potential conflict of interest of the Company with its related parties, which may arise during the course of its business activities. The Board of Directors has adopted the said policy in its Board Meeting to mitigate and prevent conflicts of interest that may arise. In addition, the Company maintains the proper Register of Contracts in which Directors are interested and all the relevant details are captured in it.

BRSR Section C: Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current FY (%)	Previous FY (%)	Details of improvements in environmental and social impacts
R&D	-	-	The Company does not have any specific expenditure on research and development in current FY and previous FY.
Capex	0%	100%	During previous FY, the Company has invested in Solar Panel for ₹ 40.75 Lacs for the Warehouse. No investments have been made during current FY.

2. **Does the entity have procedures in place for sustainable sourcing? If Yes, what percentage of inputs were sourced sustainably?**

   The Company is in the process of establishing a sustainable sourcing policy.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste.**

   The Company is into retail business. As a socially and environmentally responsible organization the Company has registered itself with CPCB for Extended Producer Responsibility ('EPR'). For shopping bags in store, instead of plastic bags the Company is using 100% recyclable paper bags.

   As environmentally responsible organization, Company is giving the e-waste to authorized e-waste collectors to be disposed off scientifically.

   Under the CSR, the Company processes old, discarded, footwear in an eco-friendly manner. In FY 22-23, the Company has recycled / co-processed 900 tons of ODF pairs in an eco-friendly manner. As of date our coverage of processing old, discarded, footwear vis-à-vis selling fresh footwear pairs stands at 27.50 %.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If Yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   The Company has received importer and brand owner registration certificate for recycling of plastic materials and the waste collection plan is in line with EPR requisites.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If Yes, provide details in the following format?**

   The Company is not into manufacturing. Hence, no LCA was conducted.

2. **If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable for reason as given above.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable for reason as given above.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.**

	FY 23			FY 22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	0.33 tons	-	-	0.35 tons
Hazardous waste	-	-	-	-	-	-
Other waste (processing of old, discarded, footwear in an eco-friendly manner)	-	-	900 tons (21 Lacs pairs)	-	-	130 tons (3 Lacs pairs)

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Footwear pairs sold in FY 22-23 (78 Lacs pairs)	27.50% (21 Lacs pairs) of old, discarded, footwear pairs processed in an eco-friendly manner.

BRSR Section C: Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1a. **Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	3,203	3,203	100%	3,203	100%	Nil	0%	3,203	100%	Nil	0%
Female	211	211	100%	211	100%	211	100%	Nil	0%	Nil	0%
Total	**3,414**	**3,414**	**100%**	**3,414**	**100%**	**211**	**6%**	**3,203**	**94%**	**0%**	**0%**
Other than Permanent employees											
Male	1,743	1,743	100%	1,743	100%	Nil	0%	1,743	100%	Nil	0%
Female	47	47	100%	47	100%	47	100%	Nil	0%	Nil	0%
Total	**1,790**	**1,790**	**100%**	**1,790**	**100%**	**47**	**3%**	**1,743**	**97%**	**0%**	**0%**

1b. **Details of measures for the well-being of workers:**

Not Applicable as the Company does not have any workers.

2. **Details of retirement benefits, for current FY and previous FY:**

Benefits	FY 23			FY 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	65%	NA	Yes	58%	NA	Yes
Gratuity	66%		Yes	59%		Yes
Employee State Insurance (ESI)	57%		Yes	51%		Yes
Others	-		-	-		-

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company has provision across all Locations.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company do give opportunities as per the Equal Remuneration Act.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Return to work rate	Retention rate
Permanent employees		
Male	100%	100%
Female	80%	80%
Total	90%	90%
Permanent workers	NA	
Male		
Female		
Total		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If Yes, give details of the mechanism in brief:

Category	Details
Permanent Workers	NA
Other than Permanent Workers	
Permanent Employees	Zoho App and the Whistle Blower Policy provides a mechanism to ensure adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, misrepresentation of any financial statement and reports. The employees of the Company have the right/ option to report their concern/ grievance to the Chairperson of the Audit Committee in appropriate or exceptional cases.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

Category	FY 23			FY 22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union(D)	% (D / C)
Total Permanent Employees	There is no employee association that is recognized by management / Company.					
Male						
Female						
Total Permanent Workers	NA					
Male						
Female						

8. **Details of training given to employees and workers:**

	FY 23					FY 22				
	Total (A)	Health and safety measures		Skill upgradation		Total (A)	Health and safety measures		Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees										
Male	4,946	868	18%	3,723	75%	-	-	-	-	-
Female	258	80	31%	470	182%	-	-	-	-	-
Total	**5,204**	**948**	**18%**	**4,193**	**81%**	**-**	**-**	**-**	**-**	**-**
Workers										
Male	NA									
Female										
Total										

9. **Details of performance and career development reviews of employees and worker:**

	FY 23			FY 22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	4,946	4,946	100%	4,411	4,411	100%
Female	258	258	100%	197	197	100%
Total	**5,204**	**5,204**	**100%**	**4,608**	**4,608**	**100%**
Workers						
Male	NA					
Female						
Total						

10. **Health and safety management system:**

a) Whether an occupational health and safety management system has been implemented by the entity? If Yes, the coverage of such system?

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.

d) Do the employees / worker of the entity have access to non-occupational medical and healthcare services?

Due to the nature of the work, there are no critical occupational health risk. For safety risks, the Company has periodic internal communications which are sent out to employees and awareness sessions are conducted on safety related aspects.

Employees of Head Office & Warehouse are given periodic training on fire safety, including evacuation and mock drills are organized on time to time basis. Further firefighting equipment's are installed at respective places.

Also, at our stores, firefighting equipment's are installed, and staff has been trained in how to use the same. Store managers are imparted with training to ensure the safety of staff.

11. Details of safety related incidents:

Safety Incident / Number	Category	FY 23	FY 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	
	Workers	NA	
Total recordable work-related injuries	Employees	Nil	
	Workers	NA	
No. of fatalities	Employees	Nil	
	Workers	NA	
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	
	Workers	NA	

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is emphasising on health of the employees. The Company is running a program called "Doctor on Call" wherein a medical practitioner is visiting our office and warehouse and Employees can connect with their health concerns.

The Company also takes the safety of the workplace with utmost importance. Reporting Managers/ Showroom Managers are empowered to take necessary action to ensure workplace safety. Employees of Head Office & Warehouse are given periodic training on basic and advanced fire safety, including evacuation and mock drills are organized on time to time basis.

13. Number of Complaints on the following made by employees and workers:

	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	No complaints	Nil	Nil	No complaints
Health and Safety	Nil	Nil	No complaints	Nil	Nil	No complaints

14. Assessments for the FY:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
	FY 23	FY 22
Health and safety practices	The Company Warehouses & Head office are assessed by Company's Internal Team.	
Working Conditions		

15. Provide details of any corrective action taken or underway to address safety-related incidents and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

There were no safety related incidents registered. As such, no corrective actions undertaken in this regard.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers?**

   Yes, the Company has a Group Term Life Insurance Policy for eligible employees and Group Personal Accident Policy across Organisation.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The payment to the vendor partners is released basis the statutory dues payment returns provided as a supportive document. This ensures that our vendor partners are adhered to statutory dues.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	FY 23	FY 22
Total no. of affected employees / workers		
Employees	No such Instances	
Workers		
No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
Employees	No such Instances	
Workers		

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?**

   Yes, in the case of retirement the extension of employment has been considered on a case to case basis.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Since the Company has not assessed our value chain partners regarding health and safety practices and working conditions during the current FY, no corrective action has been taken in this regard.

BRSR Section C: Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company defines internal and external stakeholders as:

   - Internal stakeholders are people whose interest in the Company comes through a direct relationship.
   - External stakeholders are those who do not directly work with the Company but are affected somehow by the actions and outcomes of the business either positively or negatively.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

The Company has mapped both internal and external stakeholders as below and is committed towards understanding & addressing their concerns strategically.

Sr. No.	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Customers	No	Inbound Call Email Social Media	Ongoing	Customers Queries & Complaints help the brand analyze areas of improvement: Product Quality, Delivery, Returns and Refunds.
2	Employees	No	Corporate Communication emailer & EmPort HRMS portal	Monthly, quarterly, and annual	Birthday Celebrations, Wellness camps, Productivity, Sports, Town Halls etc.
3	Business Partners/ Associates	No	• Vendor meets • Virtual modes such as e-mail, telephone and Video Conference	Monthly	The key areas of interest for the Business partners/ Associates are: • Timely payments • Collaboration • Product Development and range presentations • Sourcing and timely deliveries • Innovations in the market
4	Vendors	No	• Vendor meets • Virtual modes such as e-mail, telephone and Video Conference	Monthly	The key areas of interest for the Vendors are: • Timely payments • Collaboration • Product Development and range presentations • Sourcing and timely deliveries • Innovations in the market
5	Shareholders	No	As needed: Email; Newspaper Advertisement; Meetings; Intimation to the Stock Exchanges; Press releases and press conferences; investor conferences and presentation; Website	• Quarterly and Half Yearly: Financial statements; earnings call; Stock Exchange intimations and filings; • Annual: Annual General Meeting; Annual Report • Continuous: Investors page on the Company's website	Understanding shareholder expectations and to update them of developments in the Company

Sr. No.	Stakeholder Group	Whether identified as vulnerable and marginalized group	Channels of communication	Frequency of engagement (annually / half yearly / quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
6	Regulatory Authorities/ Local Bodies:				
	• W & M Section, Government of India, Ministry of Consumer Affairs, Food and Public Distribution, Department of Consumer Affairs, Weight & Measure Unit	No	• lm.doca.gov.in	• Whenever required	• For Importer, Manufacturer/Packer Registration/Ren
	• Central Pollution Control Board, Ministry of Environment, Forest and Climate Change, Government of India		• cpcb.gov.in	• Yearly	• For EPR Registration of Plastic waste & Renewal
	• GST		• GST portal	• Monthly / Yearly	• GST Returns

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has always maintained that constant and proactive engagement with our key stakeholders which enables the Company to effectively communicate its strategies and performance. The Board is kept abreast through business presentations and one-on-one meetings on strategic matters and developments and feedback on the same is sought from the Directors.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   The Company's operations do not directly create any negative impact on the environment or society (unlike heavy industries) as such, there are less Industrial Relations (IR) related grievances. The Company is in close contact with our vendors and retail agents on a regular basis and the Company is in touch with the community stakeholders under its CSR projects to understand their needs and aspirations. The Company recognizes that it is still in a 'learning phase' on various evolving aspects of ESG and is engaging with professional agencies to understand areas of improvement and enhance disclosure on ESG.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.

The Company is working with MSME vendors and helping them to grow. Further, as a part of MBLs community initiatives, the Company has also identified its disadvantaged and vulnerable stakeholders. Special initiatives taken by the Company to engage with these marginalized stakeholders and supporting them in their income generation, medical as well as education expenses. These are outlined in 'Principle 8' as part of the MBL's CSR initiatives.

BRSR Section C: Principle 5

Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

	FY 23			FY 22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,414	2,981	87%	-	-	-
Other than permanent	1,790	1,697	95%	-	-	-
Total Employees	**5,204**	**4,678**	**90%**	**-**	**-**	**-**
Workers	NA					
Permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers:

	FY 23					FY 22				
	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C / A)	Total (A)	Equal to Minimum Wage (B)	% (B / A)	More than Minimum Wage (C)	% (C /A)
Employees										
Permanent										
Male	3,203	-	-	3,203	100%	2,337	-	-	2,337	100%
Female	211	-	-	211	100%	138	-	-	138	100%
Other than Permanent										
Male	1,743	-	-	1,743	100%	1,658	-	-	1,658	100%
Female	47	-	-	47	100%	50	-	-	50	100%
Workers	NA									
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

3. **Details of remuneration / salary / wages:**

	Number	Median remuneration / salary / wages of respective category (in ₹)
Male		
Board of Directors (BoD)	7	1,11,32,336
KMP	4	3,33,11,124
Employees other than BoD and KMP	3,203	2,55,798
Workers	NA	
Female		
Board of Directors (BoD)	2	1,50,76,730
KMP	3	1,54,38,790
Employees other than BoD and KMP	211	2,95,797
Workers	NA	

4. **Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

   Human Resource Business Partners (HR officials) oversees the issues, and the HR Head of Operations will evalues the same.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   Human Resource Business Partners (HR officials) oversees the issues, and the HR Head of Operations will evaluate the same.

6. **Number of Complaints on the following made by employees and workers**

	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	Complaint closed in FY 2023-24	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour / Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this Policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices and take appropriate decision in resolving such issues. An Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

8. Do human rights requirements form part of your business agreements and contracts?

The Company's Ethics Policy covers aspects of human rights and is applicable to employees, directors, business associates, suppliers and third parties. In addition, compliance with Labour Laws, as applicable, is made part of the legal agreements and contracts.

9. Assessments for the FY:

	% of plants and offices that were assessed
Child labour	100%
Forced / involuntary labour	100%
Sexual harassment	-
Discrimination at workplace	-
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No risk arose during evaluation.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

No such grievances were raised to re-engineer the process.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The employee satisfaction survey is scheduled during Q2 of FY 24.

3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, we have provision across all the locations.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Formal assessments of our value chain partners on adherance of Prevention of Sexual Harassment, Working Conditions, Health and Safety, Discrimination at workplace, Child labour, Forced/Involuntary labour, Wages and Others is yet to be conducted. However, in the vendor agreements executed by the Company's vendors, compliance of all applicable norms / laws at their premises has been made mandatory by the Company.
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at question 4 above.

Since, the Company has not assessed the value chain partners on adherence of Prevention of Sexual Harassment, Working Conditions, Health and Safety, Discrimination at workplace, Child labour, Forced/Involuntary labour, Wages and Others during current FY, no corrective action has been taken in this regard.

BRSR Section C: Principle 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity:**

Parameter	FY 23	FY 22
Total electricity consumption (A)	65851.40 GJ	35309.45 GJ
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	845.88 GJ	553.40 GJ
Total energy consumption (A+B+C)	**66697.28 GJ**	**35862.85 GJ**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in ₹)	NA	
Energy intensity (optional)	NA	
Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If yes, name of the external agency.	The Company has not conducted any independent assessment/ evaluation/assurance on this by an external agency.	

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If Yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken.**

   None of the MBL facilities has been identified as designated consumers under the PAT scheme.

3. **Provide details of the following disclosures related to water:**

   The Company is a retail sales oriented company, so our water usage is minimal when compared to other manufacturing units. The Company's usage of water is primarily restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed cautiously in the warehouse, stores and Head office premises.

   Sensor taps are installed in Head office washrooms to save on water consumption. Our Head Office in Mumbai is a part of Kanakia Zillion Society, which has a Sewage Treatment Plant. The Company receives water at the Head Office, Warehouse and stores from the society landlord and the same is not metered. As such, the Company is unable to account for our water consumption.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If Yes, provide details of its coverage and implementation.**

   Not applicable as the Company is a footwear retail Company, and such there is no discharge of industrial wastewater into the environment from our direct business operations.

5. **Please provide details of air emissions (other than GHG emissions) by the entity:**

   Since the Company is not in the Manufacturing Business and does not have any Plants or manufacturing units, air emissions is not applicable.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Break-up	Unit	FY 23	FY 22
Total Scope 1 emissions	CO_2	Metric tonnes	NA	
	CH_4	Metric tonnes		
	N_2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF_6	Metric tonnes		
	NF_3	Metric tonnes		
	Total	**Metric tonnes**		
Total Scope 2 emissions	CO_2	Metric tonnes	NA	
	CH_4	Metric tonnes		
	N_2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF_6	Metric tonnes		
	NF_3	Metric tonnes		
	Total	**Metric tonnes**		
Total Scope 1 and Scope 2 emissions per rupee of turnover			NA	
Total Scope 1 and Scope 2 emission intensity (optional)		**CO_2 equivalent/ Metric tonnes**	NA	
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	The Company has not conducted any independent assessment/ evaluation/assurance on this by an external agency.			

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Company has installed solar roof top at both the warehouses of Bhiwandi for energy generation and saving.

8. Provide details related to waste management by the entity:

	FY 23	FY 22
Total waste generated (in metric tonnes)		
Plastic waste (A)*	80.0	88.7
E-waste (B)#	0.32	0.35
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other hazardous waste. Please specify, if any. (G)		
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Nil	Nil

	FY 23	FY 22
Total (A+B + C + D + E + F + G + H)	**80.32**	**89.05**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**Nil**	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	473	130
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	427	Nil
Total	**900****	**130**
Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? If Yes, name of the external agency.	The Company has not conducted any independent assessment/ evaluation/ assurance on this by an external agency.	

** Company fully re-uses the plastic supplied with the merchandise.*

 # 0.329591 Tons of E-waste recycling is carried out by various e-waste vendors across all locations of the Company.

*** In FY 22-23, the Company has recycled / co-processed 900 tons of old, discarded, footwear pairs in an eco-friendly manner. As of date our coverage of processing old, discarded, footwear vis-à-vis selling fresh footwear pairs stands at 27.50%.*

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Not applicable as the Company is a footwear retail Company and do not use any hazardous and toxic chemicals directly in our day to day operations.

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:

MBL has no operations/offices in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current FY:

Not applicable as the Company is a footwear retail Company and do not use any hazardous and toxic chemicals directly in our day to day operations.

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

The Company is a footwear retail Company and are compliant with all its related law/ regulations/ guidelines in India. Non- compliance if any – Nil.

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:**

Parameter	FY 23	FY 22
From renewable sources		
Total electricity consumption (A)	845.88 GJ	553.40 GJ
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**845.88 GJ**	**553.40 GJ**
From non-renewable sources		
Total electricity consumption (D)	65851.40 (G J)	35309.45 GJ
Total fuel consumption (E)	NA	NA
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**65851.40 GJ**	**35309.45 GJ**
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	The Company has not conducted any independent assessment/ evaluation/ assurance on this by an external agency.	

2. **Provide the details related to water discharged:**

   Not Applicable.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres). For each facility / plant located in areas of water stress, provide the following information:**

   I. Name of the area

   II. Nature of operations

   III. Water withdrawal, consumption and discharge in the following format:

   Not Applicable.

4. **Please provide details of total Scope 3 emissions and its intensity:**

Parameter	Break-up	Unit	FY 23	FY 22
Total Scope 3 emissions	CO_2	Metric tonnes	NA	NA
	CH_4	Metric tonnes		
	N_2O	Metric tonnes		
	HFCs	Metric tonnes		
	PFs	Metric tonnes		
	SF_6	Metric tonnes		
	NF_3	Metric tonnes		
	Total	**Metric tonnes**		
Total Scope 3 emissions per ₹ of turnover				
Total Scope 3 emission intensity				
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.	Since, the Company not collect and collate scope 3 emission data, the Company has not conducted any independent assessment/ evaluation/assurance on this by an external agency.			

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

MBL has no operations/offices in/around ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Processing of old, discarded, footwear - ODF in an eco-friendly manner	CSR project - https://metrobrands.com/csr-2023-2024-project/	Under our CSR activities, through our implementing partners, we process old, discarded, footwear - ODF in an eco-friendly manner. In FY 22-23, we recycled / co-processed 900 tons i.e. 21 lac pairs in an eco-friendly manner. As of date our coverage of processing old, discarded, footwear vis-à-vis selling fresh footwear pairs stands at 27.50 %.
Installed two solar projects as under: a) 110 KW project at warehouse 1 at Bhiwandi, Maharashtra b) 130 KW project at warehouse 2 at Bhiwandi, Maharashtra	Solar projects - No weblink available	In FY 22-23, 2.35 Lacs units were generated through solar projects.

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.**

Yes, the Company has Business Continuity and Disaster Management Policies. The purpose of the business continuity plan is to prepare the Company in the event of disaster caused by factors beyond our control (e.g., natural disasters, manmade events, cyber-attacks, etc.), and to restore operations to the widest extent possible in a minimum time frame. All the employees are expected to implement preventive measures whenever possible to minimize network failure and to recover as rapidly as possible when a failure occurs. This plan identifies vulnerabilities and recommends necessary measures to prevent and/or minimize impact on operations. It is a plan that encompasses all system sites and operations facilities in the Company.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

The Company is a footwear retail company. As such, the Company's operations do not pose any significant adverse impact to the environment.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

None.

BRSR Section C: Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1a. Number of affiliations with trade and industry chambers / associations.

1b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	Retailers Association of India (RAI)	National
2	The Council for Leather Exports (CLE)	National
3	Confederation of Indian Industry (CII)	National
4	AIFMRA - All India Footwear Manufacturers and Retailers Association	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

No such incidents occurred.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Company, through its representatives, actively participates in the forums on issues and policy matters that impact the interest of the Footwear Industry and Retail Sector. The Company prefers to be part of the improvement and advancement of these sectors which helps to boost the growth of the industry.

BRSR Section C: Principle 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current FY.

Not Applicable.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

The Company has not undertaken any Rehabilitation and Resettlement (R&R) as none of its activities have a direct / indirect impact that required R&R.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has been listed on the Stock Exchanges on December 22, 2021. The Company has its Ethics Policy and Whistle Blower/Vigil Mechanism Policy in place. Since the Company's operations do not directly create any negative impact on the environment or society (unlike heavy industries) there are less Industrial Relations (IR) related grievances. However, the Company is in constant touch with the community stakeholders under our CSR projects to understand their needs and aspirations.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 23	FY 22
Directly sourced from MSMEs small producers	43%	45%
Sourced directly from within the district and neighbouring districts	57%	74%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: question 1 of Essential Indicators above).**

   Not Applicable.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

   No CSR projects were undertaken in designated aspirational districts as identified by government bodies.

3a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups?**

3b. **From which marginalized / vulnerable groups do you procure?**

3c. **What percentage of total procurement (by value) does it constitute?**

The Company is not engaged in manufacturing. However, it does get footwear and accessories manufactured from vendors. Accordingly, there is no input material. The final product is sold by the Company under its brands. Around 43 % of the MSME vendors (comprising of 57% of value of the total purchase) are from within Maharashtra, thus putting minimum strain on environment due to less transportation.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current FY), based on traditional knowledge.**

   Not Applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable.

6. **Details of beneficiaries of CSR Projects:**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
NAPs – Direct implementation by MBL	243	100%
Fidai Girls Education Institute	72	100%
Focus Humanitarian Assistance India	82	100%
Sociallab Ventures P. Ltd – Phase II	150	100%

BRSR Section C: Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The Company has a dedicated Customer care number and email id wherein the Company receives consumer complaints and customer care responds to the same post internally discussing with stakeholders.

   Customers are provided multiple options to connect with the brand through email, telephone, website, social media, feedback forms (SMS sent post Transaction), etc.

   All complaints are appropriately addressed, and all efforts are taken to resolve the same.

2. **Turnover of products and / services as a percentage of turnover from all products / service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0% as only shoes boxes of Metro have information mentioned on it "Recyclable & Environmentally safe". Products sold by us does not carry any information regarding Environmental and Social Parameters, Safe and Responsible and Recycling & Safe disposal.
Safe and responsible usage	
Recycling and / or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	FY 23			FY 22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL			NIL		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive trade practice						
Unfair trade practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. **Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.**

   Yes, robust IT Security Policy in place, which is developed in alignment with leading standards policies and apply to information and information systems across all Units of the Company and third-party services providers for services related to hosting, SAAS, etc. The policy sets out management direction and support for information security and the requirements that all employees, contractors, trainees, vendors, business partners, other related third-party personnel of the Company and management should comply with, in order to secure the Company's information.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   No such issues reported.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Information on products and services are available on our Website Links are as follows:

   www.metroshoes.com

   www.mochishoes.com

   www.walkwayshoes.com

   https://mybiofoot.com/

   https://fitflop.in/

   (Contact Us page has details of call centre number and email ID along with their respective timings)

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**

   All our Salesman provides information to customers about safe and responsible usage of products. Also, the Company has mentioned Care Instructions of product detail page of its website.

3. **Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**

   If any store is under renovation, the Company trigger SMS to customers informing them about store closure. The Company give the address of any other store nearby.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

   The brand displays all necessary information required according to legal metrology regulations.

   The Company also carry out surveys about shopping experience of customer post purchase. This is done via SMS. Feedback response comes on dashboard.

5. **Provide the following information relating to data breaches:**

   a) **Number of instances of data breaches along-with impact:** No issues reported.

   b) **Percentage of data breaches involving personally identifiable information of customers:** No issues reported.

ANNEXURE – 7 – TO THE DIRECTORS' REPORT

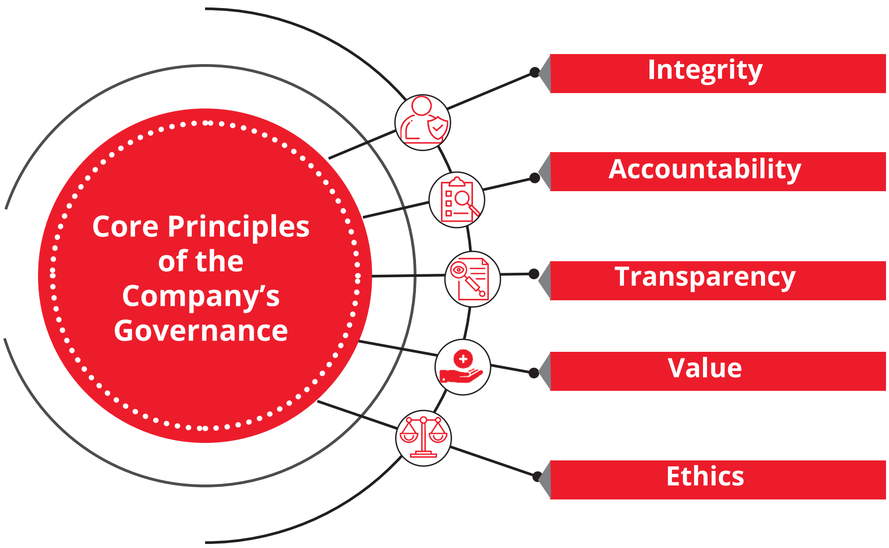
CORPORATE GOVERNANCE REPORT

Your Directors are pleased to present your Company's Report on Corporate Governance for the FY ended March 31, 2023, pursuant to the SEBI Listing Regulations. Corporate Governance is the interaction of the Management, Members and the Board of Directors to ensure that all Stakeholders are protected in their sole interest.

1. Company's philosophy on Corporate Governance

The Corporate Governance philosophy of your Company is based on the tenets of integrity, accountability, transparency, value and ethics. The Company's guiding principle is that the strong relationship between culture and strategy will consistently produce improved financial performance, better employee engagement, ethical behaviour and stakeholder's satisfaction. Your Company's commitment towards the adoption of best Corporate Governance practices goes beyond compliance with the law and endeavors to embrace responsibility for corporate actions and the impact of its initiatives on all its stakeholders.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.



2. Board of Directors

The Company recognizes the importance of a diverse Board in its success. The Board is entrusted with the ultimate responsibility of management, direction and performance of the Company and has been vested with the requisite powers, authorities and duties. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the stakeholders. The Company's Board is an ideal mix of knowledge, perspective, professionalism, divergent thinking and experience. The Board's uniqueness lies in the fact that it balances several deliverables, achieves sound corporate governance objectives and acts as a catalyst in creation of stakeholder value.

2.1 Composition and category of Directors

The Board of your Company comprises highly experienced persons of repute and eminence. The Board has a good and diverse mix of Executive and Non-Executive Directors with majority being Independent Directors including an Independent Women Director. The Board composition is in conformity with the provisions of Section 149 and Section 152 of the Act and Regulation 17 and Regulation 17A of SEBI Listing Regulations. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with the statutory as well as business requirements.

As on March 31, 2023, the Board consists of nine (9) Directors comprising three (3) Executive Directors, one (1) Non–Executive Nominee Director and five (5) Independent Directors. Two Directors on the Board are Women Directors. The day-to-day management of affairs of the Company is managed by the Executive Committee which includes Managing Director, CEO, CFO and few SMP, who function under overall supervision and guidance of the Board. The Board plays the primary role as the trustees to safeguard and enhance stakeholders' value through their effective decisions and supervision. The profile of the Directors can be accessed on the Company's website at https://metrobrands.com/board-of-directors/.

The details of each Director of the Board and their shareholding as on March 31, 2023 is given below:

Name	DIN	Category	Number of Equity shares held as at March 31, 2023
Mr. Rafique Abdul Malik#*	00521563	Chairman	27,00,000
Ms. Farah Malik Bhanji**	00530676	Managing Director	51,24,000
Mr. Mohammed Iqbal Hasanally Dossani	08908594	Whole time Director	5,963
Mr. Utpal Hemendra Sheth	00081012	Non-Executive Nominee Director	Nil
Mr. Manojkumar Madangopal Maheshwari	00012341	Non-Executive Independent Director	Nil
Ms. Aruna Bhagwan Advani	00029256	Non-Executive Independent Director	Nil
Mr. Arvind Kumar Singhal	00709084	Non-Executive Independent Director	Nil
Mr. Vikas Vijaykumar Khemani	00065941	Non-Executive Independent Director	Nil
Mr. Srikanth Velamakanni	01722758	Non-Executive Independent Director	Nil

 # First holder and jointly held with Ms. Aziza Rafique Malik and Ms. Farah Malik Bhanji

** Mr. Rafique Abdul Malik holds 39,69,000 Equity Shares of ₹ 5/- each as a Trustee of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust & Sabina Malik Family Trust aggregating to 1,58,76,000 Equity Shares of ₹ 5/- each.*

*** Ms. Farah Malik Bhanji holds 7,64,47,600 Equity Shares of ₹ 5/- each as a Trustee of Aziza Malik Family Trust and 7,53,67,920 Equity Shares of ₹ 5/- each as a Trustee of Rafique Malik Family Trust aggregating to 15,18,15,520 Equity Shares of ₹ 5/- each.*

2.2 Attendance of the Directors at meetings and their Memberships in other Board & Committees

The Company adheres to the provisions of the Act, Secretarial Standards and SEBI Listing Regulations with respect to convening and holding the meetings of the Board and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/ policies and review the financial performance of the Company. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/ targets presented to them.

During the FY 2022-23, five (5) Board meetings were held in compliance with the various provisions of the Act/ SEBI Listing Regulations and the interval between two meetings was well within the maximum period mentioned under of the Act and the SEBI Listing Regulations. The Directors are also given an option of attending the Board meeting through video conferencing. The necessary quorum was present for all the meetings.

Attendance of each of the Director at the Board Meetings and the last AGM held during the FY 2022-23 and the number of Directorships and Committee Memberships/ chairpersonships held by them in other companies as on March 31, 2023 are as given below:

Name of the Director	No. of Board Meetings attended during FY 2022-23	Whether attended last AGM	No. of Directorships in other companies°	No. of Committee positions held in other companies *	
				Chairperson	Member
Mr. Rafique Abdul Malik	5 of 5	Yes	2	1	4
Ms. Farah Malik Bhanji	5 of 5	Yes	1	-	-
Mr. Mohammed Iqbal Hasanally Dossani	5 of 5	Yes	1	-	-
Mr. Utpal Hemendra Sheth	5 of 5	Yes	6	-	2
Mr. Manojkumar Madangopal Maheshwari	5 of 5	Yes	2	-	1
Ms. Aruna Bhagwan Advani	5 of 5	Yes	1	-	1
Mr. Arvind Kumar Singhal	5 of 5	Yes	3	1	3
Mr. Vikas Vijaykumar Khemani	4 of 5	No	3	1	2
Mr. Srikanth Velamakanni	4 of 5	Yes	1	-	-

1. *°Excluding Directorships held in private limited companies, foreign companies, high value debt listed entities, and companies under Section 8 of the Act.*
2. **Includes only Membership/chairmanship of Audit Committee and Stakeholder's Relationship Committee.*

Notes:

1. During the FY ended March 31, 2023, none of the Directors have served as an Independent Director in more than seven (7) listed companies. The Executive Directors does not serve as Independent Director in more than three (3) listed companies. All Directors are in compliance with the limit on Directorships/ Independent Directorships of listed companies as prescribed under Regulation 17A of the SEBI Listing Regulations.

2. None of the Directors are a Member of more than ten (10) Committees nor is a chairperson of more than five (5) Committees across all the public limited companies, whether listed or not, in which he/she is a Director. The Committees considered for the above purpose are those specified in Regulation 26(1)(b) of the SEBI Listing Regulations i.e., the Audit Committee and the Stakeholders' Relationship Committee.

3. None of the Directors are related to each other in accordance with Section 2(77) of the Act, including the rules made thereunder except Mr. Rafique Abdul Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director.

4. During the FY ended March 31, 2023, none of the Independent Directors of your Company have resigned before the expiry of their tenure. Thus, disclosure of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

2.3 Names of the other listed entities where the Directors of your Company are the Directors and category of Directorships as on FY ended March 31, 2023

Name	Name of the other listed Companies and Category of the Directorships
Mr. Rafique Abdul Malik	1. Ador Fontech Limited – Director (Non-Executive, Independent). 2. MIRC Electronics Limited– Director (Non-Executive, Independent)
Ms. Farah Malik Bhanji	--
Mr. Mohammed Iqbal Hasanally Dossani	--
Mr. Utpal Hemendra Sheth	1. Kabra Extrusion Technik Ltd – Director (Non-Executive, Independent) 2. Star Health and Allied Insurance Company Limited – Nominee Director (Non- Executive, Non-Independent)

Name	Name of the other listed Companies and Category of the Directorships
	3. NCC Limited – Director (Non-Executive – Non-Independent) 4. Aptech Limited – Director (Non-Executive – Non-Independent)
Mr. Manojkumar Madangopal Maheshwari	1. RPG Life Sciences Limited – Director (Non-Executive, Independent) 2. Mahindra CIE Automotive Limited – Director (Non-Executive, Independent)
Ms. Aruna Bhagwan Advani	1. Coromandel International Limited – Director (Non-Executive, Independent)
Mr. Arvind Kumar Singhal	1. Welspun India Limited- Director (Non-Executive, Independent) 2. Blue Star Limited– Director (Non-Executive, Independent) 3. Greaves Cotton Limited- Director (Non-Executive, Independent)
Mr. Vikas Vijaykumar Khemani	--
Mr. Srikanth Velamakanni	--

2.4 Meetings of the Board

The information as required in Part A of Schedule II of the SEBI Listing Regulations is made available to your Board. The Board periodically reviews compliance reports of all laws applicable to the Company based on the recommendation of the Committees of the Company.

The Board meets at least once a quarter to review the quarterly results and strategy apart from other items on the agenda. Additional Meetings are held whenever necessary. The Notices of Board/ Committee Meetings are given in advance to all the Directors. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in SEBI Listing Regulations to the extent it is relevant and applicable, detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision, and an action taken report comprising of actions emanating from the Board Meetings and status updates thereof. The minutes of the Meetings of all the Board and Statutory Committees are circulated to all the Directors as per provisions of the Act. Video conferencing facility is used as and when required to facilitate Directors at other locations to participate in the Meetings.

The intervening period between two Board Meetings was within the maximum gap of one hundred twenty (120) days prescribed under the Act & SEBI Listing Regulations.

Five (5) Board Meetings were held during the FY ended March 31, 2023, as below:

i. May 20, 2022,

ii. July 29, 2022,

iii. October 19, 2022,

iv. January 17, 2023, and

v. March 23, 2023.

Requisite quorum was present at the above Meetings.

Your Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors of your Company during the FY ended March 31, 2023, except for payment of the sitting fees and commission paid to the Independent Directors. The Company has not granted any stock options to any of its Independent Directors.

2.5 Directors Remuneration

The NRC Committee has adopted a policy for selection and appointment of Directors, including determining qualifications and independence of Directors, KMP and SMP, and their respective remuneration, as part of its charter and other matters provided under Section 178(3) of the Act.

The Company has obtained shareholders' approval via special resolution in its AGM on August 20, 2021 for approving the remuneration of Mr. Rafique Abdul Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director for the period of Five (5) years from April 1, 2022 and Mr. Mohammed Iqbal Hasanally Dossani, Whole – time Director for the period of five (5) years from June 25, 2021.

The Members at the AGM held on September 7, 2022 approved the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act for FY 2022-23 and onwards. Based on this, the remuneration by way of commission to the Independent Directors is decided by the Board from time to time. In addition to the commission, the Independent Directors are paid sitting fees of ₹ 30,000/- per meeting for attending Board meeting and ₹ 20,000/- per meeting for Committee meetings along with actual reimbursement of expenses, incurred for attending each meeting of the Board and its Committees. Chairperson of Audit Committee is paid ₹ 30,000/- as sitting fees for attending Audit Committee meeting. The Company has also taken a Directors' & Officers' Liability Insurance Policy.

The details of remuneration to each of the Directors on the Board during the FY 2022-23 are as follows:

(₹ in Lacs)

Name	Salary	Commission	Sitting Fees	Total Remuneration	Service Contract / Notice Period / Severance Fees
Mr. Rafique Abdul Malik	714.9	0.0	0.0	714.9	5 years with effect from April 1, 2022
Ms. Farah Malik Bhanji	298.0	0.0	0.0	298.0	5 years with effect from April 1, 2022
Mr. Mohammed Iqbal Hasanally Dossani	54.2	0.0	0.0	54.2 **	5 years with effect from June 25, 2021
Mr. Utpal Hemendra Sheth*	-	-	Nil	Nil	Retire by Rotation
Mr. ManojKumar Madangopal Maheshwari		4.95	3.70	8.65	Re – appointed for 5 years with effect from February 6, 2020
Ms. Aruna Bhagwan Advani		4.95	3.50	8.45	Re – appointed for 5 years with effect from February 6, 2020
Mr. Arvind Kumar Singhal		4.95	2.30	7.25	Re – appointed for 5 years with effect from August 11, 2021
Mr. Vikas Vijaykumar Khemani		3.96	2.20	6.16	Appointed for 5 years from the date of appointment i.e., from March 12, 2019
Mr. Srikanth Velamakanni		3.96	2.00	5.96	Appointed for 5 years from the date of appointment i.e., from March 25, 2021

*** Includes ₹ 30.6 Lacs perquisite value on exercise of stock options & ₹ 23.6 Lacs as remuneration.*

** Mr. Utpal Hemendra Sheth, Non-Executive Nominee Director, voluntarily chose not to receive any remuneration for his services rendered to the Company.*

Notes:

Except Mr. Mohammed Iqbal Hasanally Dossani, none of your Directors hold Stock Options as on March 31, 2023. 22,515 Stock Options of the Company were granted to Mr. Dossani on September 29, 2021. The vesting of such Stock Options is from end of 1st year from date of grant to 5th year at the rate of 20% Options per annum subject to the terms and conditions as provided in Metro Stock Option Plan, 2008. During the FY 2022-23, Mr. Dossani has exercised 4,503 Stock Options on October 1, 2022 converting it into 4,503 Equity Shares of ₹ 5 each which were issued at par value.

2.6 Independent Directors

The Code for Independent Directors are disclosed on the Company's website at the web link:

https://metrobrands.com/wp-content/uploads/2022/11/Code-for-Independent-Directors.pdf.

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs.

Basis the declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board, in terms of Regulation 25(9) of the SEBI Listing Regulations, the Board opined that the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent from the management. A formal letter of appointment to Independent Directors as provided in the Act has been issued at the time of appointment and disclosed on website of the Company viz. https://metrobrands.com/wp-content/uploads/2022/03/Terms-and-Conditions-for-appointment-of-Independent-Directors.pdf

No Independent Director has resigned during the FY 2022-23.

2.6A Independent Directors' Meeting

As stipulated by the Code of Independent Directors under Schedule IV of the Act and SEBI Listing Regulations, the Independent Directors of your Company met on February 28, 2023 without the presence of Non-Independent / Executive Directors and Members of the management. At this meeting, the Independent Directors inter alia reviewed the performance of the Non-Independent Directors and the Board of Directors as a whole, performance of the Chairman of your Board and assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors.

2.6B Familiarization Programme for Independent Directors

All Board Members of the Company are accorded every opportunity to familiarise themselves with the Company, its management, its operations and above all, the industry perspective and issues. Further, on an ongoing basis as a part of the agenda of meetings of the Board/ Committee(s), presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, strategy, risk management framework, industry & regulatory updates and other relevant matters. These presentations enable one-on-one interaction between the Independent Directors and the senior management of the Company/ statutory auditor/ internal auditor of the Company.

The details on the Company's Familiarisation Programme for Independent Directors can be accessed at https://metrobrands.com/familiarisation-programme/

2.7 Skill matrix for the Board of Directors

The composition of the Board reflect an optimal blend of professionalism, knowledge, independence and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business to ensure that the same is closely aligned with the strategy and long- term needs of the Company.

The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. In terms of SEBI Listing Regulations, the following skills, expertise and competencies have been identified by the Board as required in the context of its business and sector for it to function effectively:

- Industry Knowledge
- Leadership & Entrepreneurship
- Business Management
- Financial & Risk Management
- Strategic Planning
- Understanding of Customer Insights in diverse Environment
- Sales, Marketing and Retail

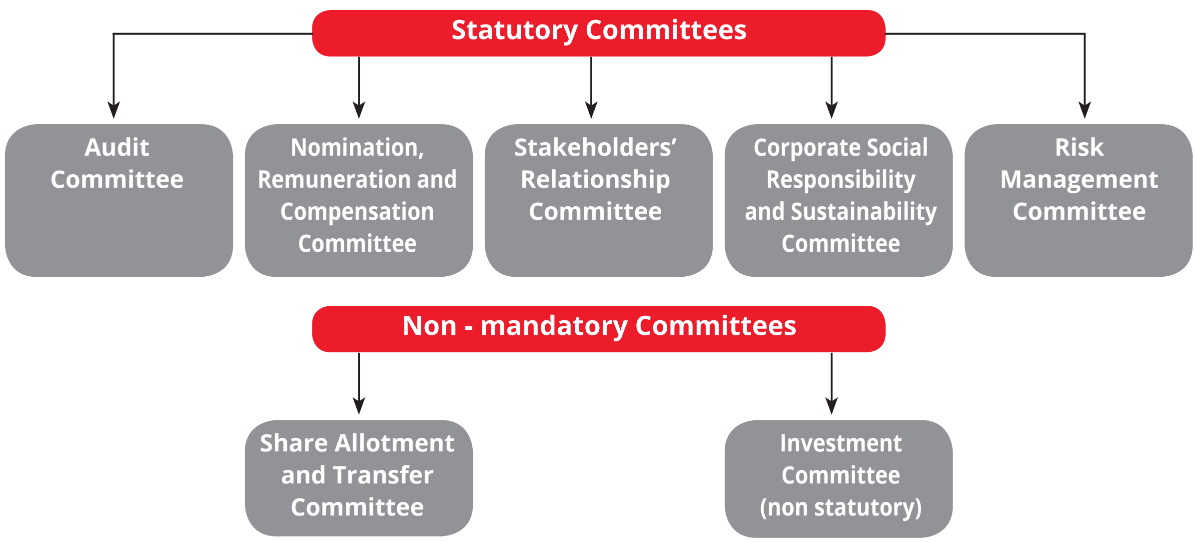
The abovementioned skills / expertise / competencies are available with the Board as a whole.

The Board is structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. In the table below, the primary/dominant area(s) of expertise of individual Board Members have been highlighted. However, the absence of a mark against a Director's name does not mean that the Director does not possess the corresponding qualification or skill.

Sr. No	Particulars	Leadership experience	Experience of crafting Business Strategies	Finance and Accounting Experience	Understanding of customer insights in diverse environment and conditions	Corporate Governance
1.	Mr. Rafique Abdul Malik	✓	✓	✓	✓	✓
2.	Ms. Farah Malik Bhanji	✓	✓	✓	✓	✓
3.	Mr. Mohammed Iqbal Hasanally Dossani	✓	✓	✓	✓	✓
4.	Mr. Utpal Hemendra Sheth	✓	✓	✓	✓	✓
5.	Mr. Manojkumar Madangopal Maheshwari	✓	✓	✓	-	✓
6.	Ms. Aruna Bhagwan Advani	✓	✓	✓	✓	✓
7.	Mr. Arvind Kumar Singhal	✓	✓	✓	✓	✓
8.	Mr. Vikas Vijaykumar Khemani	✓	✓	✓	-	✓
9.	Mr. Srikanth Velamakanni	✓	✓	-	✓	✓

3. Committees of Board

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board. They also provide specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. To enable better and more focused attention on the affairs of the Company, the Board has delegated particular matters to the Committees of the Board set up for the purpose as under:



The constitution, terms of reference and the functioning of the existing Statutory Committees of the Board is elaborated hereunder:

A. Statutory Committees

3.1. Audit Committee

The Audit Committee is constituted in line with the provisions of Regulation 18(1) of the SEBI Listing Regulations and Section 177 of the Act. More than two-third (2/3rd) of the Members of the Committee, including the Chairman are Independent Directors. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the SEBI Listing Regulations. All the Members of the Audit Committee are financially literate and possess sound knowledge in finance and accounting practices. As on March 31, 2023, the total strength of the Audit Committee is four (4) Members, comprising three (3) Independent Directors and one (1) Executive Director. The Company Secretary and Compliance Officer of your Company, acts as the Secretary to the Committee. The Committee meets at least once a quarter.

The terms of reference of the Audit Committee are as per the guidelines set out in Part C of Schedule II of the SEBI Listing Regulations and include as follows:

(a) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(b) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(c) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(d) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(e) examine and review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   (i) matters required to be included in the director's responsibility statement to be included in the Directors' Report in terms of Clause I of Sub-Section 3 of Section 134 of the Act;

   (ii) changes, if any, in accounting policies and practices and reasons for the same;

   (iii) major accounting entries involving estimates based on the exercise of judgment by management;

   (iv) significant adjustments made in the financial statements arising out of audit findings;

   (v) compliance with listing and other legal requirements relating to financial statements;

   (vi) disclosure of any related party transactions; and

   (vii) modified opinion(s) in the draft audit report.

(f) review of quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(g) review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

(h) review and monitoring of the auditor's independence & performance, and effectiveness of audit process;

(i) approval of any subsequent modification transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

(j) scrutinize inter-corporate loans and investments;

(k) valuation of undertakings or assets of the Company, wherever it is necessary;

(l) evaluate internal financial controls and risk management systems;

(m) review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(n) review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) discuss with internal auditors any significant findings and follow up there on;

(p) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(q) monitor the end use of funds raised through public offers and related matters;

(r) oversee the vigil mechanism established by the Company with the Chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(s) approve the appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) of the Company after assessing the qualifications, experience and background, etc. of the candidate;

(t) review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;

(u) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

(v) carry out any other function required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as amended from time to time.

In addition to the above, the Audit Committee mandatorily reviews the following:

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;

c) management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;

d) internal audit reports relating to internal control weaknesses;

e) appointment, removal and terms of remuneration of the chief internal auditor;

f) review of financial statements, in particular, the investments made by any unlisted subsidiary; and

g) statement of deviations in terms of the SEBI Listing Regulations:

    i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and

    ii. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice.

The powers of the Audit Committee shall include the following:

a. to investigate any activity within its terms of reference;

b. to seek information from any employee of the Company;

c. to obtain outside legal or other professional advice;

d. to secure attendance of outsiders with relevant expertise, if it considers necessary; and

e. such other powers as may be prescribed under the Act and the SEBI Listing Regulations.

Five (5) meetings of the Committee were held during the FY ended March 31, 2023, on May 20, 2022, July 29, 2022, October 19, 2022, January 17, 2023, and March 23, 2023. Requisite quorum was present at the above Meetings. The gap between no two Meetings exceeded one hundred and twenty (120) days.

Internal Auditors are also invited to represent quarterly reports in the meetings of the Audit Committee. All the recommendations of the Audit Committee made in the FY 2022-23 have been duly accepted by the Board.

The composition of the Committee and the attendance details of the Members is given below:

Name of Members	Category	No. of Meetings attended
Mr. Manojkumar Madangopal Maheshwari (Chairperson)	Non-Executive Independent Director	5 of 5
Ms. Farah Malik Bhanji (Member)	Managing Director	5 of 5
Ms. Aruna Bhagwan Advani (Member)	Non-Executive Independent Director	5 of 5
Mr. Vikas Vijaykumar Khemani (Member)	Non-Executive Independent Director	3 of 5

3.2. Nomination Remuneration and Compensation (NRC) Committee

The NRC Committee is constituted in line with the provisions of Regulation 19 of the SEBI Listing Regulations read with Section 178 of the Act. The NRC Committee comprises three (3) Non-Executive Directors. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the Committee.

The NRC Committee assists the Board in fulfilling its responsibilities for corporate governance and oversight of Company's nomination and remuneration policies and practices which enables it to attract and retain senior management of the Company and such other individuals as the Committee determines from time to time and appropriately align their interests with those of key stakeholders.

The terms of reference of the NRC Committee are as per the guidelines set out in Part D (A) of Schedule II of the SEBI Listing Regulations and include as follows:

(a) identify persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down & recommend to the Board their appointment & removal;

(b) formulate the criteria for determining qualifications, positive attributes and independence of directors;

(c) formulate criteria for evaluation of independent directors and the Board;

(d) devise a policy on Board diversity;

(e) recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;

(f) frame suitable policies, procedures and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and/or the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;

(g) recommend to the Board, all remuneration, in whatever form, payable to senior management;

(h) Frame suitable policies, procedures and systems relating to the administration and superintendence of the ESOP plans of the Company;

(i) perform such other activities as may be delegated by the Board of Directors or specified/ provided under the Act or the SEBI Listing Regulations or any other applicable law or by regulatory authority

Four (4) meetings of the NRC Committee were held during the FY ended March 31, 2023 on July 25, 2022, October 19, 2022, January 16, 2023 and March 23, 2023. Requisite quorum was present at the above meetings. All the recommendations of the NRC Committee made in the FY 2022-23 have been accepted by the Board of Directors.

The composition of the NRC Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Ms. Aruna Bhagwan Advani (Chairperson)	Non-Executive Independent Director	4 of 4
Mr. Manojkumar Madangopal Maheshwari (Member)	Non-Executive Independent Director	4 of 4
Mr. Utpal Hemendra Sheth (Member)	Non-executive Nominee Director	4 of 4

The Company has formulated a Nomination, Remuneration & Compensation Policy and the same has been uploaded on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/08/Risk-Management-Policy-1.pdf

NRC Committee other details - Performance Evaluation Criteria for Independent Directors

The Performance Evaluation Criteria for Independent Directors is determined by the NRC Committee. The Directors other than Independent Directors of your Company evaluate performance of Independent Directors. The evaluation is based on the following criteria as to how an Independent Director:

1. Invests time in understanding the Company and its unique requirements;
2. Brings in external knowledge and perspective to the table for discussions at the meetings;
3. Expresses his/her views on the issues discussed at the Board; and
4. Keeps himself/herself updated on areas and issues that are likely to be discussed in the Board meetings.

3.3. Stakeholders Relationship Committee (SRC)

SRC is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. SRC is constituted in accordance with Section 178 (5) of the Act and Regulation 20 of the SEBI Listing Regulations.

The SRC comprises one (1) Independent Director, who is also the Chairperson of this Committee and two (2) Executive Directors.

The terms of reference of SRC include the following:

(a) resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;

(b) review of measures taken for effective exercise of voting rights by shareholders;

(c) review adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar and Share Transfer Agent ("RTA");

(d) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

(e) carry out such other functions as may be specified by the Board from time to time or specified under the Act or SEBI Listing Regulations, or by any other regulatory authority.

One (1) meeting of the Committee was held on October 17, 2022 during the FY ended March 31, 2023. Requisite quorum was present at the above meeting. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the SRC. All the recommendations of the SRC made in the FY 2022-23 have been accepted by the Board of Directors.

The composition of the SRC and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Ms. Aruna Bhagwan Advani (Chairperson)	Non-Executive Independent Director	1 of 1
Ms. Farah Malik Bhanji (Member)	Managing Director	1 of 1
Mr. Mohammed Iqbal Hasanally Dossani (Member)	Whole-time Director	1 of 1

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES (SEBI Complaints Redress System) platform, a web based centralized grievance redress system set up by SEBI to capture investor complaints against the Company and get end-to-end status update of their grievances. The Company endeavours to redress the grievances of the Investors as soon as it receives the same from the respective forums.

SRC-other details

1. The number of complaints received and resolved to the satisfaction of Investors during the FY is as under:
   - Opening Balance- NIL
   - Total complaints received during FY- 44
   - Total complaints resolved- 44
   - Closing balance- NIL

2. Name, designation and address of Compliance Officer under Regulation 6(1) of the SEBI Listing Regulations:

   Ms. Deepa Sood, Vice President – Legal, Company Secretary and Compliance Officer
   Metro Brands Limited
   401, Zillion, 4th Floor,
   LBS Marg & CST Road Junction,
   Kurla (W), Mumbai – 400070.
   Tel: +91 22 6656 0444
   Email: investor.relations@metrobrands.com

3.4. Corporate Social Responsibility & Sustainability (CSR) Committee

The CSR Committee comprises two (2) Independent Directors and one (1) Executive Director who is also the Chairperson of the Committee. The Company has adopted a Corporate Social Responsibility Policy (CSR Policy) which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act. The CSR policy, including overview of projects or programs proposed to be undertaken, is provided on the Company's website at https://metrobrands.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf.

The terms of reference of the CSR Committee are in line with the guidelines set out in the Act and include the following:

a. Formulation and recommendation to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Act and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

b. Formulate and recommend an annual action plan in accordance with the CSR Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;

c. Identify CSR partners and programmes;

d. Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same for the various CSR activities to be undertaken by the Company;

e. Delegate responsibilities to the team and supervise proper execution of all delegated responsibilities;

f. Review and monitor the implementation of CSR programmes and issue necessary directions as required for their proper implementation and timely completion;

g. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

h. Exercise such other powers as may be conferred upon the CSR Committee as per the provisions of Section 135 of the Act.

Details of the composition of the CSR Committee, meetings and attendance of the Members are as follows:

Four (4) meetings of the Committee were held during the FY ended March 31, 2023, on May 13, 2022, July 25, 2022, October 17, 2022 and February 27, 2023. Requisite quorum was present at the meetings. The Company Secretary and Compliance Officer acts as the Secretary of the CSR Committee. All the recommendations of the CSR Committee made in the FY 2022-23 have been accepted by the Board.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	4 of 4
Mr. Arvind Kumar Singhal (Member)	Non-Executive Independent Director	4 of 4
Mr. Srikanth Velamakanni (Member)	Non-Executive Independent Director	4 of 4

3.5. Risk Management Committee (RMC)

Knowing the importance of managing and pre-empting risks effectively for having a sustainable business, the Company has constituted a RMC, in line with the SEBI Listing Regulations.

The RMC comprises one (1) Independent Director, one (1) Executive Director and CFO of the Company.

The Company has formulated Risk Management Policy and the same has been uploaded on the Company's website at https://metrobrands.com/wp-content/uploads/2022/03/Metro-Risk-Management-Policy-draft_-BM-dtd-070322.pdf

The role of RMC includes the implementation of Risk Management Systems and framework, review the Company's financial and risk management policies, assess risk and procedures to minimise the same.

The terms of reference of the Committee are in line with the guidelines set out in the Act and include the following:

(a) Formulating a detailed risk management policy for inter alia risk assessment and minimization procedures;

(b) Ensuring that appropriate methodology, processes and systems. are in place to monitor and evaluate risks associated with the business of the Company;

(c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems including cyber security;

(d) Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) Keeping the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) Review of the appointment, removal and the terms of remuneration of the Chief Risk Officer;

(g) Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary; and

(h) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended by the RMC.

Details of the composition of the RMC, Meetings and attendance of the Members are as follows:

Two (2) meeting of the Committee were held during the FY ended March 31, 2023 on August 26, 2022 and January 16, 2023. The gap between two meetings was not more than 180 days as stipulated under the SEBI Listing Regulations. Requisite quorum was present at the said meetings. The Company Secretary and Compliance Officer of the Company acts as the Secretary of the RMC. All the recommendations of the RMC made in the FY 2022-23 have been accepted by the Board.

The composition of the Committee and the attendance details of the Members are given below:

Name of Members	Category	No. of Meetings attended
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	2 of 2
Mr. Vikas Vijaykumar Khemani (Member)	Non-Executive Independent Director	2 of 2
Mr. Kaushal Khodidas Parekh (Member)	Chief Financial Officer	2 of 2

B. Non-Mandatory Committee

Share Allotment and Transfer Committee

The Share Allotment and Transfer Committee is formed to look after the Company's allotment procedures, transfers and other legal compliances relating to the issue and allotment of shares. The Board constituted this Committee on May 31, 2007.

The terms of reference of this Committee are: -

1. Review & scrutiny of applications for issue and allotment of shares;
2. Decide the basis of allotment of shares to the applicants;
3. Authorise the RTA to initiate corporate action with respect to successful allottees;

4. Issue the allotment letters / refund orders to the applicants;
5. Update the Member's register after allotment and do all other incidental and ancillary acts and things to give effect to the allotment of shares;
6. Any other matter related to issue, allotment and transfer of shares.

The Share Allotment and Transfer Committee comprises one (1) Executive Director who is also the Chairperson of the Committee, one (1) Non-Executive Director and CEO of the Company.

During the year, the Share Allotment and Transfer Committee has approved allotment of 2,25,795 shares arising out of the exercise of stock options by Eligible Employees under Metro Stock Option Plan, 2008 via circular resolutions.

The composition of the Committee is given below:

Name of the Member	Category
Ms. Farah Malik Bhanji (Chairperson)	Managing Director
Mr. Utpal Hemendra Sheth (Member)	Non - Executive Nominee Director
Mr. Nissan Joseph (Member)	Chief Executive Officer

Investment Committee

The Investment Committee, non - statutory committee was formed in the Board Meeting dated May 23, 2023 for reviewing and managing the investments of the Company and ensuring that it aligns with the Company's overall strategic goals.

The terms of reference of the Investment Committee include the following:

i. Invest the surplus funds of the Company;

ii. Overseeing the management of Company's investment portfolio;

iii. Monitoring investment performance;

iv. Providing guidance on investment decisions;

v. Improve transparency and accountability in Company's investment processes;

vi. Regularly report on investment performance and decision-making processes and thereby provide greater insight and understanding to the Board, shareholders and other stakeholders;

vii. Review and recommend proposals for investment in new projects and expansion plans;

viii. Any other matters necessary and incidental to meet the objectives of investments by the Company.

The Chairperson of the Audit Committee, the CEO and the CFO are the permanent invitees to the meetings of the Committee. The Investment Committee comprises one (1) Non - Executive Director who is also the Chairperson of the Committee, one (1) Executive Director, and one (1) Independent Director.

The composition of the Committee is given below:

Name of the Member	Category
Mr. Utpal Hemendra Sheth (Chairperson)	Non – Executive Nominee Director
Ms. Farah Malik Bhanji (Member)	Managing Director
Mr. Vikas Vijaykumar Khemani (Member)	Non – Executive Independent Director

4. General Meetings and Postal Ballot

Location and time, where last three (3) AGMs were held:

FY Ended	Date and Time	Venue
March 31, 2020	September 17, 2020 at 12:00 pm	AGM through Video Conferencing / Other Audio-Visual Means facility [Deemed Venue for Meeting: Registered Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070.]
March 31, 2021	August 20, 2021 at 5:00 pm	AGM through Video Conferencing / Other Audio-Visual Means facility [Deemed Venue for Meeting: Registered Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070.]
March 31, 2022	September 7, 2022 at 3:00 pm	AGM through Video Conferencing / Other Audio-Visual Means facility [Deemed Venue for Meeting: Registered Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070.]

The following is/are the special resolution(s) passed at the previous three (3) AGMs:

AGM held on	Special Resolution Passed		Summary
September 17, 2020	Yes	1	To consider re-appointment of Mr. Manojkumar Madangopal Maheshwari (DIN: 00012341) as Independent Director of the Company effective February 6, 2020.
		2	To consider re-appointment of Ms. Aruna Bhagwan Advani (DIN: 00029256) as Independent Director of the Company effective February 6, 2020
		3	To approve amendments in 'Metro Stock Option Plan 2008'.
August 20, 2021	Yes	1	To consider appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as an Independent Director of the Company effective March 25, 2021.
		2	To consider re-appointment of Mr. Arvind Kumar Singhal (DIN: 00709084) as an Independent Director of the Company effective August 11, 2021.
		3	To consider renewal of appointment of Mr. Rafique Abdul Malik (DIN: 00521563) as the Chairman of the Company effective April 1, 2022.
		4	To consider renewal of appointment of Ms. Farah Malik Bhanji (DIN: 00530676) as the Managing Director of the Company effective April 1, 2022.
		5	To appoint Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594) as the Whole-Time Director of the Company effective June 25, 2021.
		6	To confirm and approve payment of remuneration to Ms. Aziza R. Malik, Related Party.
		7	Increase in Non-Resident Indians and Overseas Citizens of India Limit in the Equity Shares of the Company.
September 7, 2022	No		--

Extraordinary General Meeting (EGM)

No EGM of the Members was held during FY 2022 -23.

Postal Ballot

Details of Postal Ballot, which was initiated in March, 2022 and results of which were declared in April, 2022, were duly provided in Corporate Governance Report of FY 2021-22 and uploaded on Company's website https://metrobrands.com/wp-content/uploads/2022/08/Outcome-of-Postal-Ballot-April-11-2022.pdf.

5. Means of Communication

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all stakeholders.

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers in India which include Free Press Journal (English Dailies) and Loksatta (Marathi Daily). The results are also displayed on the Company's website https://metrobrands.com/financial-results/ and also on the website of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'), where the shares of your Company are listed.

The Company also issues press releases from time to time. Statutory Notices, Press Releases and Presentations made to the institutional investors/analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the BSE and NSE as well as uploaded on the Company's website at https://metrobrands.com/stock-exchange-disclosures/.

In compliance with Regulation 46 of the SEBI Listing Regulations, a separate dedicated section under 'Investors Relations' on the Company's website gives comprehensive information about the Company, information on various announcements made by the Company, Annual Report, financial statements of subsidiary, financial results, policies of the Company, shareholding pattern, corporate governance report, etc. The Company's investor presentations made to the institutional investors and analysts and other corporate communications made to the Stock Exchanges are also available on the website of the Company at https://metrobrands.com/stock-exchange-disclosures/

In terms of the SEBI Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz. investor.relations@metrobrands.com.

The Management Discussion and Analysis report is provided separately as part of this Annual Report.

6. Other Disclosures

Related Party Transactions / Materially significant related party transactions

In terms of Regulation 23 (1) of the SEBI Listing Regulations, the Board has approved and adopted a policy on related party transactions and the same has been uploaded on the website of the Company and can be accessed at https://metrobrands.com/wp-content/uploads/2022/04/Related-Party-Transaction-Policy-.pdf.

During the FY under review, all transactions entered into by the Company with related parties as defined under the Act and the SEBI Listing Regulations, were in the ordinary course of business and on arm's length pricing basis and were approved by the Independent Directors who are Members of Audit Committee. Necessary disclosures as required under the Accounting Standards have been made in the financial statements.

There were no material related party transactions between the Company and the Promoters, Directors or Management, or their relatives or subsidiaries, etc. that had a potential conflict with the interests of your Company at large. The Register of Contracts containing transactions in which Directors are interested is placed before the Board quarterly.

Indian Accounting Standards (IND AS)

The Company has followed the relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing the Financial Statements referred to in Section 133 of the Act. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the Insider Trading - Code of Conduct which allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits trade of Company's shares by the Directors, designated employees and connected persons and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The Code also covers the Policy and procedure for inquiry in case of leak of or suspected leak of unpublished price sensitive information. The Code is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/03/Policy-Leak-of-UPSI-Draft-for-Circulation.pdf.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this Policy is to lay clear guidelines and provide right direction in case of any reported incidence of sexual harassment across the Company's offices and take appropriate decision in resolving such issues. An Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

The following are the details of the complaints during the FY under review:

Sr no.	Particulars	FY 2021-22	FY 2022-23
a.	Number of complaints filed during the FY	-	1
b.	Number of complaints disposed of during FY	-	Nil*
c.	Number of complaints pending as on end of the FY	-	1

*Note: *The Complaint was resolved in April 2023.*

Statutory non-compliance and penalties

There were no instances of non-compliance or penalties imposed on the Company by Stock Exchange or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years. All applicable requirements were fully complied with.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Senior Management

Pursuant to the provisions of Regulation 34, read with Schedule V, of SEBI Listing Regulations, as amended, the SMP of the Company as on March 31, 2023, are:

Sr. No.	Name of the SMP	Designation
1.	Mr. Kaushal Khodidas Parekh	Chief Financial Officer
2.	Ms. Nandini Mehta	Chief Human Resource Officer
3.	Mr. Rajgopal Nayak	Chief Technology Officer
4.	Ms. Aziza Rafique Malik	President
5.	Ms. Alisha Rafique Malik	President (E commerce and CRM)
6.	Ms. Deepika Deepti	Senior Vice President - Marketing
7.	Ms. Deepa Sood	Vice President - Legal & Company Secretary
8.	Mr. Aashish Mashruwala	Vice President - Sales Metro
9.	Mr. Maulik Desai	Vice President - Sales Crocs
10.	Ms. Shuchi Singh	Vice President - Sales Handbags and Accessories
11.	Mr. Arun Pillay	Assistant Vice President - BD Projects and Administration
12.	Mr. Nishitosh Nand	Assistant Vice President - Merchandise Planning
13.	Mr. Manoj Singh	Assistant Vice President - Sales Walkway
14.	Mr. Anil Bhalla	Assistant Vice President - Sales Fitflop
15.	Ms. Soni Rastogi	Assistant Vice President - Sales Sports Division

The changes in the SMP since the close of previous FY are as follows:

(i) Appointment:

Sr. No.	Name of the SMP	Designation	Date of appointment
1.	Mr. Nishitosh Nand	Assistant Vice President - Merchandise Planning	October 31, 2022
2.	Mr. Arun Pillay	Assistant Vice President - BD Projects and Administration	September 1, 2022
3.	Ms. Deepika Deepti	Senior Vice President - Marketing	June 1, 2022
4.	Ms. Shuchi Singh	Vice President - Sales Handbags and Accessories	May 16, 2022
5.	Ms. Soni Rastogi	Assistant Vice President - Sales Sports Division	May 2, 2022

(ii) Resignation:

Sr. No.	Name of the SMP	Designation	Date of Resignation
1.	Khantil Kashyap Mazmudar	Vice President - Ecommerce	October 6, 2022

Website links

Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company confirms that it has complied with all mandatory requirements prescribed in the SEBI Listing Regulations.

The Company has adopted the non-mandatory requirements as applicable and feasible. Disclosures of the extent to which the discretionary requirements have been adopted are given elsewhere in this Report.

Policy for Determining Material Subsidiaries

The Company has two (2) subsidiaries as under:

- Metmill Footwear Private Limited (a 51% subsidiary of your Company) which was incorporated on September 16, 2009 and its paid-up capital is ₹1,25,00,000/- (Rupees One Crore Twenty-Five Lakhs only).
- Metro Athleisure Limited (formerly known as Cravatex Brands Limited)* (wholly owned subsidiary of your Company) which was incorporated on December 22, 2016 and its paid up capital is ₹ 97,82,78,900/- (Rupees Ninety Seven Crore Eighty-Two Lakhs Seventy-Eight thousand Nine Hundred only)

  *Note - *Name changed to Metro Athleisure Limited on July 14, 2023.*

The Company does not have any material unlisted subsidiary company as defined in Regulation 16 of the SEBI Listing Regulations.

The Board periodically reviews the statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies. Copies of the Minutes of the Board Meetings of the unlisted subsidiary companies were placed, as applicable, at the Board Meetings of the Company held during the FY under review.

The Company has framed the Policy for determining material subsidiary and the same is disclosed on the Company's website https://metrobrands.com/wp-content/uploads/2022/07/Policy-on-Material-Subsidiary-Final-ver-dtd-07032022-1.pdf

Commodity price risks or foreign exchange risks and hedging activities

The Company is exposed to the risk of price fluctuation of finished goods as well as raw material. The Company manages its commodity price risk by maintaining adequate inventory of finished goods and raw materials considering future price movement.

Since the Company does not have any commodity price risk exposure hedged through commodity derivatives, accordingly, other details as required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 are not applicable to the Company.

Further details relating to risks and activities including financial risk management have been adequately disclosed in Note No. 33.4 to the Notes to the Standalone Financial Statements for the financial year ended March 31, 2023.

Compliance Certificate from CEO and CFO

As required by Regulation 17(8) of the SEBI Listing Regulations, the CEO and CFO of the Company have furnished the Compliance Certificate of the financial statements for the FY under review to the Board. The same forms part of the Annual Report.

Details of non-compliance with requirements of Corporate Governance Report

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Schedule V (E) of the SEBI Listing Regulations. The Company has submitted the compliance report in the prescribed format to the Stock Exchanges for all the quarters of FY 2022-23. The said certificate is annexed to this Report.

The Company has complied with the Corporate Governance requirements as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Details of utilization of funds raised through Private Placement:

1. Date on which the funds were raised – November 3, 2021
2. Purpose for which the funds were raised - for Expansion Plans of the Company
3. Funds utilised – ₹3,29,11,200/- (Rupees Three Crore Twenty Nine Lacs Eleven Thousand Two Hundred only) as on March 31, 2023
4. Funds unutilised, if any - NIL

Loans and advances in the nature of loans to firms/companies in which directors are interested

The Company has not given any Loans and advances in the nature of loans to firms/companies in which directors are interested.

(Note - Loans and Advances in the nature of Loans, if any, given by the Company to its wholly owned subsidiaries are not included).

Practicing Company Secretary Certificate on Corporate Governance

As required by the SEBI Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

A Certificate from Mr. A. Sekar, Practicing Company Secretary (COP No. 2450), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI and Ministry of Corporate Affairs or any such authority is annexed to this Report.

Payment to Statutory Auditors FY 2022-23

Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part is given below:

Particulars	₹ (in Lacs)
Audit Fees	33.25
Tax Audit Fees	1.50
Other Services (including Quarterly Audit Fees)*	12.50
TOTAL	47.25

* *Includes ₹3 Lacs paid to erstwhile statutory auditors for limited review for quarter ended June 30, 2023.*

Details of establishment of vigil mechanism

Your Company is committed to high standards of corporate governance and stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and ensures that no discrimination is made towards any person for a genuinely raised concern. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy is available on the Company's website and can be accessed at https://metrobrands.com/wp-content/uploads/2022/06/Vigil-Mechanism_Whistle-Blower-Policy-Final-BM-dtd-07032022.pdf.

During the year, 3(three) cases were reported under the Whistle Blower Policy of the Company which were investigated and closed.

Demat suspense account or unclaimed suspense account

The Company does not have any shares in demat suspense account or unclaimed suspense account.

Unpaid/Unclaimed Dividends

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends not encashed/claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF). The Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on May 31, 2023 on the website of the Company at https://metrobrands.com/wp-content/uploads/2023/06/MBL-Unpaid-Interim-Dividend-2022-23.pdf

Code of Conduct

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"). The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code requires Directors and employees to act honestly, fairly, ethically, with integrity and conduct themselves in professional, courteous and respectful manner. The copy of the Code has been displayed on the Company's website at https://metrobrands.com/wp-content/uploads/2023/04/Metro-Code-of-Conduct-for-Directors-And-Senior-Management-Clean.pdf

A structured digital database of all the unpublished price sensitive information is being digitally maintained by the Company on its internal server. These contains the names and other particulars as prescribed of the persons covered under the Code drawn up pursuant to the PIT Regulations.

The Company Secretary has been appointed as the Compliance Officer to ensure the implementation of the Code for and Conduct. The Board of Directors, Designated Persons and other Connected Persons have affirmed compliance with the Code.

A declaration signed by the CEO stating that the Members of the Board and SMP have affirmed compliance with the Code forms, part of this Annual Report.

7. General shareholder Information

FY: The FY of the Company is from April 1 to March 31.

AGM for FY 2022-23

Date and Time	:	Wednesday, September 13, 2023 at 3.00 p.m.
Venue Facility	:	Annual General Meeting through Video Conferencing / Other Audio-Visual Means [Deemed Venue for Meeting: Registered Office: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070.]

Tentative calendar of the Board Meetings for consideration of quarterly results for the FY 2023-24

(Tentative and subject to change)

Results for quarter ending June 30, 2023	:	On or before August 14, 2023
Results for quarter ending September 30, 2023	:	On or before November 14, 2023
Results for quarter ending December 31, 2023	:	On or before February 14, 2024
Results for quarter ending 31st March 31, 2024	:	On or before May 28, 2024
Annual General Meeting for the FY ending March 31, 2024	:	On or before September 30, 2024

Book Closure Date

Your Company's Share Transfer Books and Register of Members of Equity shares shall remain closed from September 6, 2023 to September 13, 2023 (both days inclusive) for the purpose of AGM.

Dividend Payment Date: The Dividend, if declared at AGM, will be paid on or after Monday, September 18, 2023.

Listing of Equity Shares

Your Company's shares are listed on the NSE & BSE.

The address of Stock Exchanges are as follows:

Name of Stock Exchange	Address and Contact details	Stock Code
NSE	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East)Mumbai 400 051 Tel No: (022) 26598100-14 / 66418100	METROBRAND
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Tel: 022-22721233/34	543426

None of the Company's listed securities were suspended from trading during the FY 2022-23. The Company has paid Listing Fees for the FY 2023 - 24 to each of the Stock Exchanges, where the equity shares of the Company are listed within the prescribed time limit.

Name of the Depository with whom the Company has entered into Agreement

Name of Depository	ISIN Number
1. National Securities Depository Limited	INE317I01021
2. Central Depository Services (India) Limited	

Market Price Data and Performance of Company's Share Prices:

The details of monthly high, low (based on daily closing prices) and number of equity shares traded during each month in FY 2022-23 on NSE and BSE are given below:

Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
April 2022	624.9	550	2,33,270	624	535.25	18,42,479
May 2022	606.55	505.55	3,72,681	607	505.1	40,89,310
June 2022	619.7	523.7	1,87,871	619	525.5	26,26,120
July 2022	655	548.5	4,57,965	654.4	548.75	55,43,716
August 2022	870	674	8,13,954	939.9	682.05	1,44,53,966

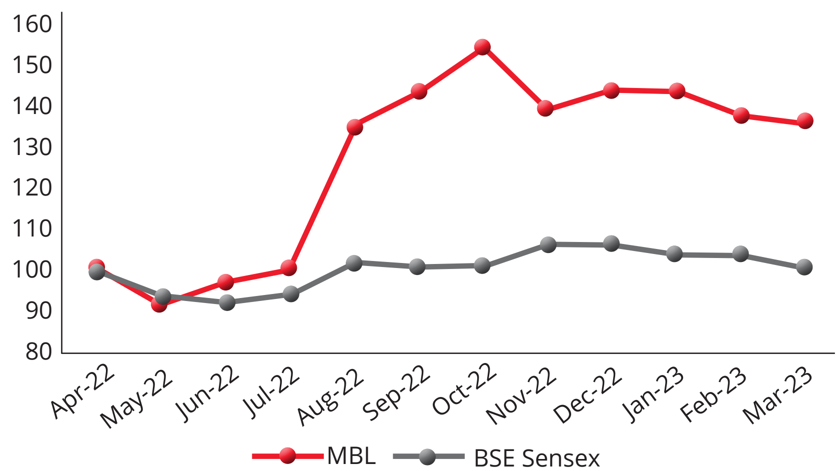
Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
September 2022	948.85	771.1	9,11,147	948.5	772	1,24,05,774
October 2022	980	818.9	6,56,131	980.85	819.05	80,25,532
November 2022	880.35	771.05	2,51,254	879.55	772.55	35,54,694
December 2022	913.45	793.15	1,98,699	913	793.7	34,11,145
January 2023	893.9	737	1,84,383	893.5	736.05	41,43,644
February 2023	859.9	737	2,24,220	859.9	737	29,64,060
March 2023	834.6	764.35	4,10,114	835.55	765	30,96,959

[Source: This information is compiled from the data available from the websites of BSE & NSE]

Share price performance in comparison to broad based indices – BSE Sensex

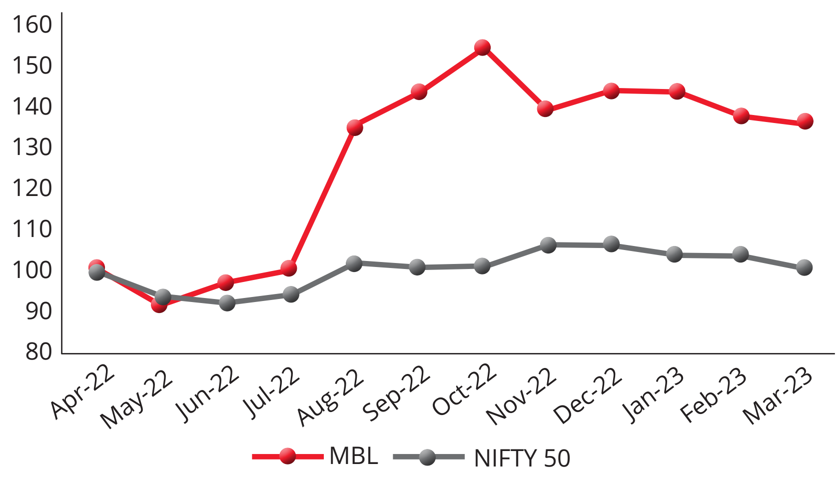
Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex

Base 100 = Friday, April 1, 2022



Average monthly closing price of the Company's shares on NSE as compared to NSE Nifty

Base 100 = Friday, April 1, 2022



RTA

All work related to Share Registry, both in physical and electronic form, are handled by the Company's RTA, whose name and contact details are as given below:
Link Intime India Private Limited
C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400083.
Ph.: (022) 49186000 Fax: (022) 49186060
Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

The Board has delegated powers to the RTA for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, re-materialization and dematerialisation etc., as and when such requests are received. Shares held in dematerialised form are traded electronically in the Depositories. As at March 31, 2023, no equity shares were pending for transfer.

As per the requirement of Regulation 40(9) of the SEBI Listing Regulations, the Company has obtained the yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the SEBI requirements. The Reconciliation of Share Capital Audit reports for the FY under review have been filed with the stock exchanges within one month of the end of each quarter.

Trading in equity shares of your Company is permitted only in dematerialized form. SEBI has mandated that securities of all listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, your Company / its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form.

Distribution of Shareholding on the basis of shareholders class as on March 31, 2023:

No. of Shares	No. of shareholders	% of shareholders	No. of Shares	% to Total
Upto 500	67,098	98.17	29,60,673	1.09
501 to 1000	516	0.76	3,75,559	0.14
1001 to 2000	270	0.40	3,84,240	0.14
2001 to 3000	99	0.14	2,45,638	0.09
3001 to 4000	50	0.07	1,73,913	0.06
4001 to 5000	44	0.06	2,04,828	0.08
5001 to 10000	62	0.09	4,65,297	0.17
10001 and above	211	0.31	26,69,23,073	98.23
Total	**68,350**	**100.00**	**27,17,33,221**	**100.00**

Distribution of Shareholding (Categorywise) as on March 31, 2023

Category	No. of shareholders	No. of Shares held	% of Shareholding
Promoters	16	20,16,40,070	74.21
Insurance Companies	3	8,61,704	0.32
Bodies Corporate	225	6,66,684	0.25
Non-Resident Indians (NRI's)	1,024	2,64,627	0.1
Resident Individuals /others	65,243	6,01,63,743	22.13
Clearing Members	19	10,186	0.00
Hindu Undivided Family	1,207	1,46,921	0.05
Alternate Investment Funds (AIF)	8	3,82,703	0.14
Foreign Portfolio Investors (Corporate)	40	75,96,583	2.80
Total	**67,785**	**27,17,33,221**	**100**

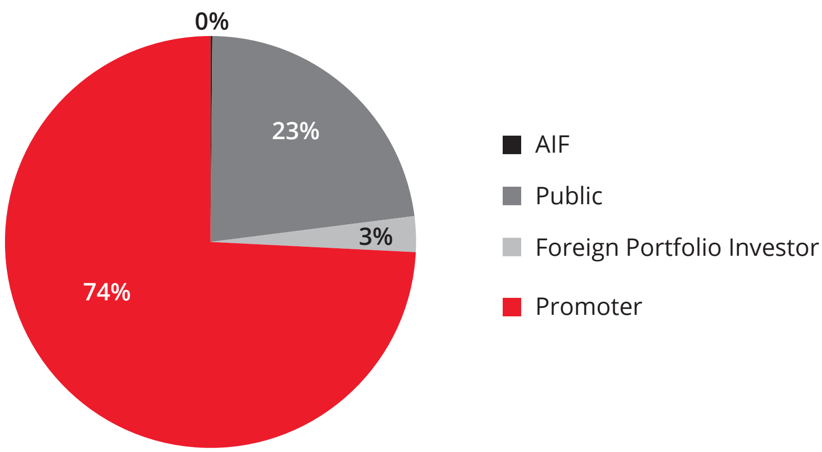
Dematerialization of shares and liquidity

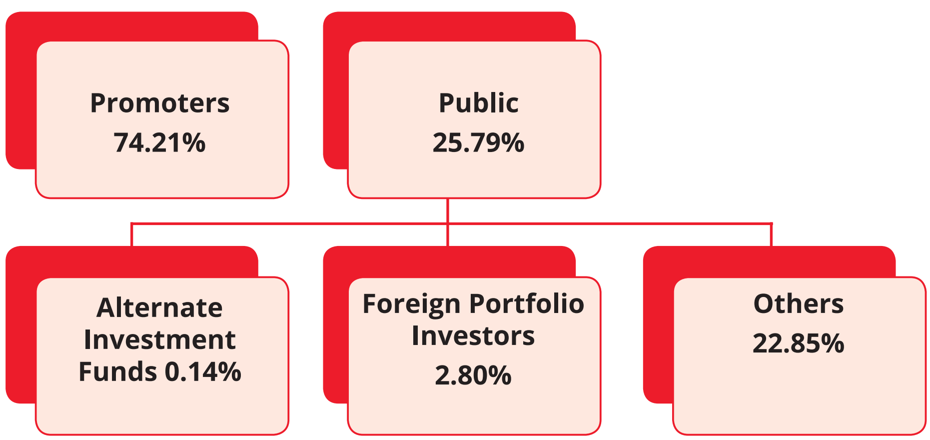
The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 100% of the Company's equity share capital are dematerialized as on March 31, 2023 and are available for trading through both the Depositories in India viz. NSDL and CDSL.

Details of Equity shares of the Company dematerialized as on March 31, 2023 are given below:

Category	Total Positions	% of holding
NSDL	26,71,91,975	98.33
CDSL	45,41,246	1.67
Total	**27,17,33,221**	**100**

Shareholding Pattern as at March 31, 2023





Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company has not issued any global depository receipts or American depository receipts during the FY 2022-23. There are no warrants or any convertible instruments outstanding as on March 31, 2023.

Plant Location

As on March 31, 2023, the Company had 739 retail stores in 174 cities across 31 Indian States and Union Territories.

Address for correspondence

Investor correspondence for transfer / dematerialization of shares and any other query relating to the shares of the Company should be addressed to -

Link Intime India Private Limited

C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai-400083.
Ph.: (022) 49186000 Fax: (022) 49186060
Email: rnt.helpdesk@linkintime.co.in

Investor complaints, if any, may be addressed to -

Ms. Deepa Sood, Company Secretary and Compliance Officer

Metro Brands Limited

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (W), Mumbai - 400070
Email: investor.relations@metrobrands.com

The details of credit rating of the Company as at March 31, 2023 is given below:

Instrument(s)	Amount (₹ In Crore)	Rating
Long-term / Short-term Bank Facilities	46.00 (Enhanced from 29.00)	CARE AA; Stable/ CARE A1+ (Double A; Outlook: Stable/A One Plus)

Status of compliance with discretionary requirements

All mandatory requirements of the Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, is as under:

(a) The Board:

The Company has an Executive Chairman hence, the requirement of providing a separate office or reimbursement of expenses in performance of the duties to Non-executive Chairman is not applicable.

(b) Shareholders Rights:

Since the quarterly, half yearly and annual financial results of your Company are posted on the Company's website, these are not sent individually to the shareholders of your Company. Further, significant events are informed to the Stock Exchange from time to time and then the same is also posted on the website of your Company under the 'Investors Relations' section. The complete Annual Report will be sent to every shareholder of the Company.

(c) Modified opinion(s) in audit report:

The auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

(d) Separate posts of Chairperson and CEO:

Mr. Rafique Abdul Malik is the Chairman and Mr. Nissan Joseph is the CEO of your Company, and they are not related to each other as per the term defined under the Act.

(e) Reporting of Internal Auditor:

The Company has adequate Internal Control and Internal Audit system commensurate with its size and nature of its Business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their reports to the Audit Committee for their consideration.

By Order of the Board
For **Metro Brands Limited**

sd/-
Rafique Abdul Malik
Chairman

Date: August 1, 2023
Place: Mumbai

DECLARATION BY THE CEO ON CODE OF CONDUCT

I, Nissan Joseph, CEO of the Company hereby declare that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the FY 2022-23.

sd/-
Nissan Joseph
Chief Executive Officer

Place: Mumbai
Date: August 1, 2023

CEO and CFO Certification in respect of Financial Statements and Cash Flow Statement

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the FY ended March 31, 2023)

To,
The Board of Directors
Metro Brands Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the FY ended March 31, 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;

c. There are no transactions entered in to by the Company during the year ended March 31, 2023 which are fraudulent, illegal or violative of Company's Code of Conduct;

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the FY 2022-23;

f. That there have been no significant changes in the accounting policies during the FY 2022-23.

g. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

	sd/-	sd/-
Place: Mumbai	**Nissan Joseph**	**Kaushal Parekh**
Date: August 1, 2023	Chief Executive Officer	Chief Financial Officer

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF METRO BRANDS LIMITED

I have examined the compliance of conditions of Corporate Governance by METRO BRANDS LIMITED ("the Company") for the Financial Year ended March 31, 2023 as stipulated in Chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information, and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as specified in Chapter IV of the Listing Regulations for the Financial Yearended March 31, 2023.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

sd/-
A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649E000728852

Place: Mumbai
Date: 2nd August, 2023

CERTIFICATE ON THE NON-DISQUALIFICATION OR DEBAR OF THE BOARD OF DIRECTORS

(Pursuant to Clause 10(i) of Part C of Schedule V of LODR)

TO THE MEMBERS OF METRO BRANDS LIMITED

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of METRO BRANDS LIMITED (CIN L19200MH1977PLC019449), having Registered Office at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai 400070 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that as on March 31, 2023 , none of the Directors on the Board of the Company, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

sd/-
A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649E000728819

Place: Mumbai
Date: 2nd August, 2023

Financial Statements

Independent Auditor's Report

To the Members of Metro Brands Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Metro Brands Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 1.B of the standalone financial statements)	
Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. In some cases, discounts are offered on further sale of goods by the customers. Hence, provision for such discounts is estimated and accrued. We have determined this to be a key audit matter as a significant part of Company's revenue relates to sales through a number of Company owned outlets These transactions are of high volume with individually small values. Further, the Company makes assumptions and judgements for recording discount accrual. This creates an inherent risk of revenue not being recognised accurately. Also, there is a risk that revenue may be overstated due to pressure from the management and Board of Directors who may strive to achieve performance targets.	Our audit procedures included the following: • Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards. • Evaluated the design and tested the operating effectiveness of internal financial controls with respect to the revenue. • For selected samples, performed testing of retail sale transactions during the year by examining the underlying documents and agreeing them with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits. • Involved IT specialists to assist us in testing of general IT controls and key IT application controls (automated controls) relating to revenue recognition. • Tested the estimate of discounts accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable. • Performed cash counts, on a sample basis, at selected stores and tested whether the cash balances are in agreement with cash receipts report. • Tested sample journal entries out of a population of entries recorded during the year, selected based on specified risk-based criteria, to identify unusual items. • Assessed that the disclosures in the financial statements is in accordance with the accounting standards.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 20, 2022.

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 sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 25 to the standalone financial statements;

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

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

      iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 41 to the standalone 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, whether, 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;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 41 to the standalone 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, whether, 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

c) Based on such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 11(ii) to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHD7322

Place : Mumbai
Date: May 23, 2023

"Annexure 1" referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Metro Brands Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favour of the lease), as disclosed in note 2a on property, plant and equipment of the financial statements are held in the name of Metro Shoes Limited, the erstwhile name of the Company and is in the process of being transferred in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are 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 management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noted in case of such verification.

(b) As disclosed in note 46to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the Company is not required to file quarterly returns/statements with such banks.

(iii) (a) During the year, the Company has provided loan to its subsidiary company as follows:

(₹ in lakhs)

Particulars	Aggregate amount granted/ provided during the year	Balance outstanding as at balance sheet date
Loan to subsidiary company	14,580	14,580

There are no other loans, advances in the nature of loans, guarantees or security provided by the Company during the year.

(b) During the year, the investments made and the terms and conditions of the grant of loan to the subsidiary company are not prejudicial to the Company's interest. There are no other investments, guarantees, security and loans and advances in the nature of loans provided by the Company during the year.

(c) The Company has granted loan during the year to a subsidiary company where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. There are no other loans, advances in the nature of loans, guarantees or security provided by the Company during the year.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act") are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the statue	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Due date	Date of payment $
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.02 *	April 2022	May 15, 2022	April 14, 2023
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.02 *	May 2022	June 15, 2022	April 14, 2023
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.02 *	June 2022	July 15, 2022	April 14, 2023
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.02 *	July 2022	August 15, 2022	April 14, 2023
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	0.02 *	August 2022	September 15, 2022	April 14, 2023

** less than lakh.*
$ delay due to non-seeding of Aadhar number by employees.

The provisions relating to sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income tax	3.01	A.Y. 2011-12	Commissioner of Income Tax, Appeal
Central Excise Act, 1944	Excise duty	8.87	Apr'2006 - Mar'2014	CESTAT, Mumbai
Chapter V, Finance Act,	Service Tax	10.59	Sept'2008 - Mar'2011	The Supreme Court of India
Central Sales Tax Act, 1956 and Sales Tax/ Value Added Tax Act of various states	Sales Tax	46.43	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) – Bihar
		1.00	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		13.00	F.Y. 2015-2016	Excise and Taxation Department, Punjab
Goods and Services Tax Act, 2017	GST	7.00	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, 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.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year except as follows:

We have been informed that two employees of Company's e-commerce warehouse have misappropriated inventories amounting to ₹ 28 lakhs (on cost) through falsification of documents during the year under audit. The employees involved in the matter have been dismissed and arrested. The Company is also adequately covered by fidelity insurance cover.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

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

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 36 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 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 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 32 to the financial statements.

(b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 32 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHD7322

Place : Mumbai
Date: May 23, 2023

"Annexure 2" to the Independent Auditor's Report of even date on the standalone financial statements of Metro Brands Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Metro Brands Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHD7322

Place : Mumbai
Date: May 23, 2023

Standalone Balance Sheet

as at March 31, 2023

₹ in Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	28,531.76	23,388.84
(b) Capital work-in-progress	2e	1,710.14	557.69
(c) Right-of-use assets	2b	82,084.29	60,958.21
(d) Intangible assets	2c	316.77	313.57
(e) Intangible assets under development	2f	73.83	61.66
(f) Financial assets			
(i) Investments	3	10,394.58	504.26
(ii) Loans	4	14,580.00	-
(iii) Other Bank Balances	9c	14.44	22.79
(iv) Other financial assets	5	6,060.36	4,629.14
(g) Deferred tax assets (Net)	24a	3,266.92	2,183.76
(h) Non-current tax assets (Net)	24b	27.81	247.13
(i) Other non-current assets	6	147.95	357.47
Total non - current assets		**147,208.85**	**93,224.52**
2 Current assets			
(a) Inventories	7	58,731.05	41,889.88
(b) Financial assets			
(i) Investments	3	46,578.72	39,255.43
(ii) Trade receivables	8	2,405.45	2,094.42
(iii) Cash and cash equivalents	9a	2,927.89	5,936.62
(iv) Bank Balances other than (iii) above	9b	15,377.99	33,491.48
(v) Loans	4	121.82	142.46
(vi) Other financial assets	5	2,167.82	1,773.65
(c) Other current assets	6	4,788.54	7,311.37
		133,099.28	**131,895.31**
Assets classified as held for sale	2d	-	338.04
Total current assets		**133,099.28**	**132,233.35**
Total assets (1+2)		**280,308.13**	**225,457.87**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	13,586.66	13,575.37
(b) Other equity	11	139,707.52	110,213.81
Total equity		**153,294.18**	**123,789.18**
2 Share application money pending allotment		**2.37**	**-**
3 Non-current liabilities			
(a) Financial Liabilities			
Lease liabilities	29	79,960.12	59,818.39
Total non - current liabilities		**79,960.12**	**59,818.39**
4 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	29	12,206.52	9,403.72
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14	679.98	620.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	25,694.03	20,532.76
(iii) Other financial liabilities	12	3,424.21	2,068.63
(b) Other current liabilities	15	4,096.76	7,961.51
(c) Provisions	13	797.35	385.08
(d) Current tax liabilities (Net)	24c	152.61	878.34
Total current liabilities		**47,051.46**	**41,850.30**
Total equity and liabilities (1+2+3+4)		**280,308.13**	**225,457.87**

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

₹ in Lakhs

	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I	**Income**			
	Revenue from operations	16	205,184.27	131,241.02
	Other Income	17	5,474.56	5,838.37
	Total Income (I)		**210,658.83**	**137,079.39**
II	**Expenses**			
	(a) Purchases of stock-in-trade	18a	101,702.04	68,401.28
	(b) Changes in inventories of stock-in-trade	18b	(16,841.17)	(13,443.76)
	(c) Employee benefits expense	20	17,125.62	11,603.87
	(d) Finance costs	21	6,160.64	5,031.21
	(e) Depreciation and amortisation expenses	19	17,521.52	13,382.72
	(f) Other expenses	22	35,160.61	24,350.02
	Total Expenses (II)		**160,829.26**	**109,325.34**
III	**Profit before tax (I-II)**		**49,829.57**	**27,754.05**
IV	**Tax expense**			
	(1) Current tax	23	13,594.93	7,580.36
	(2) Deferred tax (credit)	23	(1,083.16)	(589.88)
	Total tax expense		**12,511.77**	**6,990.48**
V	**Profit after tax for the year (III-IV)**		**37,317.80**	**20,763.57**
VI	**Other comprehensive income**		(164.33)	51.34
	(i) Items that will not be reclassified to profit or loss			
	- Gain/(Loss) on remeasurements of the defined benefit plans		(126.91)	106.52
	- Income tax relating to items that will not be reclassified to profit or loss		31.94	(26.81)
	(ii) Items that will be reclassified to profit or loss			
	- Loss arising on fair valuation of quoted investments in bonds		(69.36)	(28.37)
	- Income tax relating to items that will be reclassified to profit or loss		-	-
VII	**Total comprehensive income for the year (V+VI)**		**37,153.47**	**20,814.91**
	Earnings per equity share (face value of ₹ 5 each)			
	Basic (₹)	30	13.74	7.76
	Diluted (₹)	30	13.69	7.73

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax for the year	**49,829.57**	**27,754.05**
Adjustments for:		
Depreciation and Amortisation expenses	17,521.53	13,382.72
Interest Expense	6,158.55	4,892.79
Rent Concession on account of COVID - 19	(304.60)	(2,816.19)
Loss on Sale / Discard of Property Plant & Equipment (net)	142.38	329.84
Dividend income from Current Investments in Mutual Funds	(12.06)	-
Net gain on sale of Investments	(679.61)	(366.36)
Net fair value gain arising on current Investments designated at FVTPL	(776.80)	(1,211.36)
Interest Income	(3,197.53)	(1,060.30)
Liabilities no longer required, written back	(96.98)	(180.31)
Advances written off	-	49.32
Employee's Stock Options Expenses	901.29	329.23
Operating profit before working capital changes	**69,485.74**	**41,103.42**
Movement in working capital:		
(Increase) in Trade Receivable	(311.03)	(779.15)
(Increase) in other financial assets	(1,728.20)	(1,335.98)
(Increase) / Decrease in other current assets	2,672.20	(4,641.32)
(Increase) in Inventories	(16,841.16)	(13,443.77)
(Increase) / Decrease in other non-current assets	215.00	(60.59)
Increase in trade and other payables	4,916.28	3,007.97
Increase / (Decrease) in Other current liabilities	(3,864.75)	4,621.33
Increase in Other financial liabilities	230.34	84.90
Increase in Provisions	285.36	425.40
	(14,425.96)	**(12,121.21)**
Cash generated from operations	**55,059.78**	**28,982.21**
Less: Income taxes paid	(14,069.39)	(7,138.06)
Net cash generated from operating activities	**40,990.39**	**21,844.15**
Cash flows from investment activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(9,904.43)	(4,789.91)
Proceeds from Sale / Discard of Property Plant & Equipment	813.14	48.37
Interest Received	2,297.86	655.07

Standalone Statement of Cash Flows

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Bank Balances (including Non Current) not considered as Cash and Cash equivalents	18,121.84	(31,176.81)
Purchase of Current Investments	(134,620.56)	(29,998.35)
Redemption of Current Investments	128,555.34	35,379.20
Dividend Income from Mutual Funds	12.06	-
Investment in subsidiary	(9,627.88)	-
Investment in Company	(133.41)	-
Net cash used in investment activities	**(4,486.03)**	**(29,882.43)**
Loan given to Related party	(14,580.00)	-
Proceeds from issue of shares	282.48	29,240.34
Payment of lease liabilities	(16,385.67)	(10,382.55)
Final and Interim Dividends including Dividend Tax paid	(8,829.90)	(7,059.87)
Net cash from/(used in) financing activities	**(39,513.09)**	**11,797.92**
Net increase / (Decrease) in cash and cash equivalents	**(3,008.73)**	**3,759.64**
Cash and cash equivalents at the beginning of the year	5,936.62	2,176.98
Cash and cash equivalents at the end of the year [Refer Note 9a]	2,927.89	5,936.62

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

For and on behalf of the Board of Directors
Metro Brands Limited

Firoz Pradhan
Partner
Membership No.109360

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Place: Mumbai
Date : May 23, 2023

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	13,575.37	13,276.71
Changes in equity Share Capital during the year		
Shares Issued through Private Placement	-	3.66
Shares Issued through Initial Public Offer ('IPO')	-	295.00
Shares Alloted on exercise of ESOP	11.29	-
Balance at the end of the year	**13,586.66**	**13,575.37**

B. Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings		
Balance as at April 01, 2022	**29,019.21**	**2.85**	**329.23**	**80,802.32**	**60.20**	**110,213.81**
Profit for the year	-	-	-	37,317.80	-	37,317.80
Other comprehensive income (net of income tax)	-	-	-	(94.97)	(69.36)	(164.33)
Total comprehensive income for the year	**-**	**-**	**-**	**37,222.83**	**(69.36)**	**37,153.47**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	150.60	-	(150.60)	-	-	-
Received from Employees on exercise of options	451.54	-	-	-	-	451.54
Employee stock option plan recognized	-	-	901.29	-	-	901.29
Payment of Final Dividend	-	-	-	(2,036.67)	-	(2,036.67)
Payment of Interim Dividend	-	-	-	(6,793.23)	-	(6,793.23)
Share issue expense on IPO and Private Placement	(182.69)	-	-	-	-	(182.69)
Balance as at March 31, 2023	**29,438.66**	**2.85**	**1,079.92**	**109,195.25**	**(9.17)**	**139,707.52**

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings		
Balance as at April 01, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**
Profit for the year	-	-	-	20,763.57	-	20,763.57
Other comprehensive income (net of income tax)	-	-	-	79.71	(28.37)	51.34
Total comprehensive income for the year	**-**	**-**	**-**	**20,843.29**	**(28.37)**	**20,814.91**
Employee stock option plan recognized	-	-	329.23	-	-	329.23
Payment of Final Dividend	-	-	-	(2,987.26)	-	(2,987.26)
Payment of Interim Dividend	-	-	-	(4,072.61)	-	(4,072.61)
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	(584.06)
Balance as at March 31, 2022	**29,019.21**	**2.85**	**329.23**	**80,802.32**	**60.20**	**110,213.81**

See accompanying notes from 1 to 49 forming part of the standalone financial statements

In terms of our report attached.
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Note 1.A - CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company. The Company is a retailer in fashion footwear, bags and accessories operating in the premium and economy category. The Company commenced business in the year 1986 with few showrooms, and currently has showrooms in the major cities of India.

The address of its registered office and principal place of business are given below.

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400 070.

The standalone financial statements for the year ended March 31, 2023, were approved by the Board of Directors, and authorised for issue on May 23, 2023.

Note 1.B - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation and Presentation of Standalone Financial Statements

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of the Act (Ind AS compliant Schedule III), as applicable to the standalone financial statements. The standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded to the nearest lakhs except when otherwise indicated.

The standalone financial statements of the Company have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services.

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

Company classifies all other liabilities as non-current.

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

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

Fair valuation

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

In addition, for financial reporting purposes, the fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly: and
- Level 3 inputs are unobservable inputs for the asset or liability.

A) Going Concern:

The standalone financial statements of the Company have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the standalone financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

B) Revenue Recognition:

i) Sale of Goods:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Sale of gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for purchase of products and products sold is qualified for revenue recognition.

The Company operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Company's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. The Company recognises the consideration allocated to loyalty points when the loyalty points are redeemed.

ii) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis considering the amount outstanding and the effective interest rate applicable.

C) Property, Plant and Equipment and Intangible Assets:

Property, Plant and Equipment:

Property, plant, and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties, and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, and interest on borrowings attributable to acquisition of qualifying property, plant, and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant, and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

On transition to Ind AS the Company had elected to continue with the carrying value for all its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Based on this item of Property, Plant and Equipment existing as on the date of transition to Ind AS are carried at deemed cost. This exemption has been used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset:

- Leasehold improvements are amortised on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

Intangible Assets:

Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

Intangible assets are amortised over their estimated useful life as follows: -

- Trademark – 10 years
- Copy Rights – 10 years
- Computer Software – 5 years

Capital Work in Progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses, and attributable interest.

Intangible Assets Under Development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

D) Impairment Of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

E) Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax authorities), freight inward and other related incidental

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

expenses incurred in bringing the inventory to its present condition and location.

F) Taxation:

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax:

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with The Income Tax Act, 1961.

Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current Tax and Deferred Tax for The Year:

Current and deferred tax are recognised in profit and loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

G) Employee Benefits:

Employee Benefit Expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses, share based payments expenses and staff welfare expenses.

Short-Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of non-accumulating compensated absences, the cost of short-term compensated absences is accounted when the absences occur.

Long-Term Employee Benefits:

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liability recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash flows expected to be made by the company in respect of services provided by employees up to the reporting date.

i) Defined Contribution Plan:

The Provident Fund is a defined contribution scheme. The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The Company's contribution is recognised as an expense in the

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined Benefit Plan:

The Company has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated by independent actuary using the projected unit credit method at each reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments and the return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined Benefit Costs are split into:

- Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or income.
- Remeasurements.

The Company recognises service costs within profit and loss as employee benefit expense. Net interest expense or income is recognised within finance cost.

H) Foreign Currencies:

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are translated using the closing exchange rate as on Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

I) Employees Stock Option Plan (ESOP):

In respect of Employee Stock Options, the Company measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Company's estimate of equity instruments that will eventually vest.

J) Provisions and Contingent Liabilities :

(i) Provisions

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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used,

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

the increase in the provision due to the passage of time is recognised as a finance cost.

Provision For Warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent Liabilities are disclosed when there is:

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

K) Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual Fund Investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net changed in fair value recognised in the statement of profit and loss.

(ii) Equity Instrument

All equity investments other than in Investment in Subsidiaries, Associates and Joint venture are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

(iii) Impairment of Financial Assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments at FVOCI. For trade receivables, loans and advances given, the Company measure the loss allowance at an amount equal to lifetime expected credit losses. This expected credit loss allowance is computed based on historical credit loss experience and adjusted for forward looking information. The computation also takes into consideration whether there has been a significant increase in credit risk.

(iv) Derecognition of Financial Assets:

A financial asset is derecognised only when:

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

The Company's financial liabilities include trade and other payables including bank overdrafts.

Subsequent measurement

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Derecognition Of Financial Liabilities

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

L) Investment in Subsidiary and Joint Venture:

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

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

M) Leases:

The Company's lease asset class primarily consists of leases for showroom premise. The Company assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i) the contract involves the use of an identified asset

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Practical expedient for rent concession due to COVID-19 for previous year

The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 and 18th June 2021, on IND AS 116 for rent concessions which are granted due to COVID-19 pandemic included as a part of notes. Accordingly change in lease payments resulting from rent concessions would be recognised under "Other Income".

N) Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

O) Statement Of Cash Flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information.

P) Cash And Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Q) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM') since they are responsible to make decisions about resources to be allocated to the segment and assess their performance. Since there is single operating segment, no segment disclosure of the Company is presented (Refer Note 28).

R) Share Issue Expenses:

The share issue expenses incurred by the Company on account of new shares issued are netted off

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

from securities premium account. The share issue expenses incurred by the Company on behalf of selling shareholders are recoverable from selling shareholders and are classified as Initial Public Offering (IPO) expenses recoverable under other current assets.

NOTE 1.C – SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Preparing the standalone financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving significant estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

- Estimation of revenue arising from Loyalty points [Refer Note 1.B(B)(i)]
- Estimation of useful life of Property, Plant and Equipment [Refer Note 1.B(C)]
- Estimation of Defined Benefit Obligation [Refer Note 1.B(G)(ii)]
- Fair value measurements and valuation process [Refer Note 1.B(K)(i)]
- Impairment of Financial Assets [Refer Note 1.B(K)(ii)]
- Acquisition of business [Refer Note 45]

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

2a. Property, Plant and Equipment:

₹ in Lakhs

Particulars		Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I.	**Cost**							
	Balance as at April 01, 2021	**11,122.29**	**14,135.00**	**4,197.04**	**3,270.01**	**434.10**	**1,153.35**	**34,311.79**
	Additions	-	2,822.07	1,248.14	618.50	140.90	266.25	5,095.86
	Disposals	-	(1,521.98)	(222.43)	(246.11)	(98.11)	(270.88)	(2,359.51)
	Assets classified as held for sale	(410.78)	-	-	-	-	-	(410.78)
	Balance as at March 31, 2022	**10,711.51**	**15,435.09**	**5,222.75**	**3,642.40**	**476.89**	**1,148.72**	**36,637.36**
	Additions	41.49	5,455.98	2,340.69	955.24	296.13	280.58	9,370.11
	Disposals	-	(1,561.71)	(187.91)	(217.59)	(39.19)	(55.03)	(2,061.43)
	Balance as at March 31, 2023	**10,753.00**	**19,329.36**	**7,375.53**	**4,380.05**	**733.83**	**1,374.27**	**43,946.04**
II.	**Accumulated depreciation**							
	Balance as at April 01, 2021	**1,210.61**	**7,137.53**	**1,635.95**	**1,446.21**	**202.20**	**827.68**	**12,460.18**
	Depreciation expense for the year	238.08	1,589.80	429.44	355.33	54.37	175.36	2,842.38
	Eliminated on disposal of assets	-	(1,290.41)	(159.57)	(205.24)	(69.14)	(256.94)	(1,981.30)
	Assets classified as held for sale	(72.74)	-	-	-	-	-	(72.74)
	Balance as at March 31, 2022	**1,375.95**	**7,436.92**	**1,905.82**	**1,596.30**	**187.43**	**746.10**	**13,248.52**
	Depreciation expense for the year	229.18	2,293.79	704.93	467.07	54.15	196.32	3,945.44
	Eliminated on disposal of assets	-	(1,369.36)	(142.17)	(190.24)	(31.27)	(46.64)	(1,779.68)
	Balance as at March 31, 2023	**1,605.13**	**8,361.35**	**2,468.58**	**1,873.13**	**210.31**	**895.78**	**15,414.28**
	Net carrying amount (I-II)							
	Balance as at March 31, 2023	**9,147.87**	**10,968.01**	**4,906.95**	**2,506.92**	**523.52**	**478.49**	**28,531.76**
	Balance as at March 31, 2022	**9,335.56**	**7,998.17**	**3,316.93**	**2,046.10**	**289.46**	**402.62**	**23,388.84**

2b. Right-of-use assets:

₹ in Lakhs

Particulars		Total
I.	**Cost**	
	Balance as at April 01, 2021	**68,000.86**
	Additions	22,416.85
	Disposals	(1,020.68)
	Balance as at March 31, 2022	**89,397.03**
	Additions	37,611.61
	Disposals	(13,686.38)
	Balance as at March 31, 2023	**113,322.26**
II.	**Accumulated Amortisation**	
	Balance as at April 1, 2021	**18,040.67**
	Amortisation expense for the year	10,398.15
	Balance as at March 31, 2022	**28,438.82**

Notes forming part of the standalone financial statements

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₹ in Lakhs

Particulars	Total
Amortisation expense for the year	13,425.53
Eliminated on disposal of assets	(10,626.38)
Balance as at March 31, 2023	**31,237.97**
Net carrying amount (I-II)	
Balance as at March 31, 2023	**82,084.29**
Balance as at March 31, 2022	**60,958.21**

2c. Intangible Assets (Represents other than Internally generated intangible assets):

₹ in Lakhs

	Particulars	Copyrights	Trademarks	Computer Software	Total
I.	**Cost**				
	Balance as at April 01, 2021	**26.00**	**230.67**	**932.97**	**1,189.64**
	Additions	-	-	64.68	64.68
	Balance as at March 31, 2022	**26.00**	**230.67**	**997.65**	**1,254.32**
	Additions	-	-	153.75	153.75
	Balance as at March 31, 2023	**26.00**	**230.67**	**1,151.40**	**1,408.07**
II.	**Accumulated amortization**				
	Balance as at April 01, 2021	**26.00**	**158.75**	**613.81**	**798.56**
	Amortization expense for the year	-	10.29	131.90	142.19
	Balance as at March 31, 2022	**26.00**	**169.04**	**745.71**	**940.75**
	Amortization expense for the year	-	10.29	140.26	150.55
	Balance as at March 31, 2023	**26.00**	**179.33**	**885.97**	**1,091.30**
	Net carrying amount (I-II)				
	Balance as at March 31, 2023	**-**	**51.34**	**265.43**	**316.77**
	Balance as at March 31, 2022	**-**	**61.63**	**251.94**	**313.57**

2d. Assets classified as held for sale :

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Building	-	338.04
Total	**-**	**338.04**

2e. Capital work-in-progress (CWIP):

₹ in Lakhs

As at March 31, 2023	1,710.14
As at March 31, 2022	557.69

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Capital work-in-progress Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,710.14	-	-	-	1,710.14
Projects temporarily suspended	-	-	-	-	-
Total	**1,710.14**	**-**	**-**	**-**	**1,710.14**

Note : As on March 31, 2023 the Company does not have any Capital work-in-progress overdue for completion or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

As at March 31, 2022

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	553.49	0.65	1.88	-	556.02
Projects temporarily suspended	1.67	-	-	-	1.67
Total	**555.16**	**0.65**	**1.88**	**-**	**557.69**

Completion schedule for Capital work-in-progress which is overdue for completion is given below:

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
SBP - SAMBALPUR (Metro - Showroom)	28.63	0.16	-	-	28.79
ITM - ITANAGAR (Mochi - Showroom)	-	0.29	-	-	0.29
DDR - MUMBAI (Metro - Showroom)	27.22	-	0.75	-	27.97
SON - SONIPAT (Metro - Showroom)	15.46	0.07	-	-	15.53
BFM - BANGALORE (Mochi - Showroom)	-	0.13	1.13	-	1.26
Total	**71.31**	**0.65**	**1.88**	**-**	**73.84**

Note : For all periods, Capital work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipment, design fee, transportation cost etc.

2f. Intangible assets under development:

₹ in Lakhs

As at March 31, 2023	73.83
As at March 31, 2022	61.66

Note: The Company does not have any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Intangible assets under development ageing schedule

As at March 31, 2023

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	53.83	20.00	-	-	73.83
Projects temporarily suspended	-	-	-	-	-
Total	**53.83**	**20.00**	**-**	**-**	**73.83**

As at March 31, 2022

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.37	15.29	-	-	61.66
Projects temporarily suspended	-	-	-	-	-
Total	**46.37**	**15.29**	**-**	**-**	**61.66**

3. Investments:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
A. Investments carried at cost						
Unquoted Investments (at cost) - fully paid up						
In equity instrument of Subsidiary						
Equity shares of ₹ 10/- each in Metmill Footwear Private Limited	637,500.00	-	12.75	637,500.00	-	12.75
In equity instrument of Subsidiary (refer note 45)						
Equity shares of ₹ 10/- each in Cravetex Brands Limited	5,882,783.00	-	1,425.23	-	-	-
Investment in Compulsorily Convertible Preference Shares (CCPS) of Subsidiary (refer note 45)						
Cravetex Brands Limited	5,700,000.00	-	6,234.01	-	-	-
In Equity instrument of Joint Venture						
Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	6,860,000.00	-	491.51	6,860,000.00	-	491.51
B. Investments carried at amortised cost						
Investments in Commercial Papers						
Navi Finserv Limited	-	1,466.58	-	-	-	-
Piramal Enterprises Ltd.	-	5,919.37	-	-	-	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Particulars	As at March 31, 2023			As at March 31, 2022		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
Fixed Deposit Certificates						
LIC Housing Finance Limited	-	2,000.00	-	-	3,850.00	-
ICICI Home Finance	-	2,450.00	-	-	-	-
HDFC Limited	-	12,720.20	-	-	-	-
C. Investments carried at FVOCI						
Quoted Investments						
Investments in Bonds						
7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50.00	539.45	-	50.00	565.65	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	160.18	-	14,285.00	170.13	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	568.55	-	50.00	601.75	-
D. Investments carried at FVTPL						
Unquoted Investments						
Investment in Optionally Convertible Debentures (OCD) of Subsidiary (refer note 45)						
Cravetex Brands Limited	1,800,000.00	-	2,097.67	-	-	-
In Preference Shares (Others)						
Preference Shares in Thaely Private Limited	287.00	-	133.41	-	-	-
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
ICICI Prudential Ultra Short Term Fund Direct Plan Growth	8,803,901.20	2,227.50	-	13,350,591	3,192.25	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	581.93	-	25,427	556.11	-
AXIS Arbitrage Fund - Direct Growth	15,667,436.09	2,677.41	-	15,667,436	2,535.99	-
Edelweiss Arbitrage Fund - Direct Plan Growth	-	-	-	14,957,848	2,465.58	-
ICICI Prudential Equity Arbitrage Fund - Direct Plan Growth	-	-	-	8,472,841	2,481.74	-
KOTAK Equity Arbitrage Fund- Direct Plan Growth	9,127,665.62	3,062.18	-	9,127,666	2,890.64	-
L&T Arbitage Opportunities Direct Plan - Growth	-	-	-	8,628,040	1,401.97	-
NIPPON INDIA ARBITRAGE FUND - DIRECT PLAN	14,382,699.66	2,137.57	-	14,382,700	2,021.50	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Income Plus - Growth - Direct Plan	-	-	-	1,590,562	1,741.39	-
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	306,384.60	1,440.80	-	-	-	-
Aditya Birla Sunlife Banking and PSU Debt Fund - Growth - Direct Plan	-	-	-	863,507	2,627.88	-
Face Value of ₹ 1,000.00 each						
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	-	-	233,195	800.15	-
HDFC Money Market Fund - Direct Plan	-	-	-	85,955	4,001.05	-
TRUSTMF Banking and PSU Debt Fund - Direct Plan	-	-	-	99,995	1,055.98	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Particulars	As at March 31, 2023			As at March 31, 2022		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
TRUSTMF Liquid Fund Direct Plan - Growth	-	-	-	63,127	651.46	-
ICICI Prudential overnight fund direct plan growth	66,720.79	806.31	-	-	-	-
NIPPON India Money Market Fund - Direct Growth	96,697.21	3,430.35	-	99,966	3,349.41	-
AXIS Liquid fund direct growth	8,011.71	200.36	-	-	-	-
Quoted Investments						
Investment in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000.00	1,253.50	-	100,000	1,205.79	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	1,112.69	-	99,995	1,089.01	-
Investment in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	874,826.00	1,073.21	-	-	-	-
India Grid	556,216.00	750.58	-	-	-	-
Total (Aggregate amount of unquoted investments)		**41,120.56**	**10,394.58**		**35,623.10**	**504.26**
Total (Aggregate amount of quoted investments)		**5,458.16**	**-**		**3,632.33**	**-**
Total		**46,578.72**	**10,394.58**		**39,255.43**	**504.26**

Note : Axis Banking & PSU debt fund direct Growth and Aditya Birla Sunlife fund Growth Direct plan are pledged with Bank against overdraft facility.

4. Loans (Unsecured, considered good):

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Loans to related party (Subsidiary)						
Cravtex Brand Limited (given for repayment of existing loan and working capital purpose @7% p.a. repayment within 2 years from disbursement date of each tranche) (Refer Note 27)	-	14,580.00	14,580.00	-	-	-
Loans to employees	28.20	-	28.20	23.84	-	23.84
Loans to Selling agents, Retail agents, Supervisors and others	93.62	-	93.62	118.62	-	118.62
Total	**121.82**	**14,580.00**	**14,701.82**	**142.46**	**-**	**142.46**

Note 1 : The Company do not have loans which are credit impaired or where there is significant increase in credit risk.

Note 2 : The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

5. Other financial assets:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Considered good - Unsecured	1,354.15	6,060.36	7,414.51	1,519.05	4,629.14	6,148.19
Credit impaired	15.62	-	15.62	15.62	-	15.62
	1,369.77	**6,060.36**	**7,430.13**	**1,534.67**	**4,629.14**	**6,163.81**
Less: Allowance for expected credit loss	(15.62)	-	(15.62)	(15.62)	-	(15.62)
	1,354.15	**6,060.36**	**7,414.51**	**1,519.05**	**4,629.14**	**6,148.19**
Insurance Claim Receivable	8.79	-	8.79	14.26	-	14.26
Interest accrued on deposits with banks and investments	804.88	-	804.88	240.34	-	240.34
Total	**2,167.82**	**6,060.36**	**8,228.18**	**1,773.65**	**4,629.14**	**6,402.79**

6. Other assets:

₹ in Lakhs

	Particulars	As at March 31, 2023			As at March 31, 2022		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than capital advances						
	Considered good - Unsecured	2,704.52	-	2,704.52	3,123.63	-	3,123.63
	Credit impaired	69.13	-	69.13	69.13	-	69.13
		2,773.65	**-**	**2,773.65**	**3,192.76**	**-**	**3,192.76**
	Less: Allowance for expected credit losses	(69.13)	-	(69.13)	(69.13)	-	(69.13)
		2,704.52	**-**	**2,704.52**	**3,123.63**	**-**	**3,123.63**
(ii)	Capital advances	-	14.90	14.90	-	9.42	9.42
(iii)	Balances with statutory/ government authorities	1,634.80	1.51	1,636.31	1,861.47	1.51	1,862.98
(iv)	Prepayments	265.10	32.28	297.38	204.17	12.63	216.80
(v)	Prepaid Rent	26.43	57.51	83.94	60.26	282.29	342.55
(vi)	Share issue expenses recoverable from Selling Shareholders (Refer note below)	-	-	-	1,900.71	-	1,900.71
(vii)	Others (Receivables from Showroom Managers, Retail Agent etc.)						
	Considered good - Unsecured	157.69	-	157.69	161.13	-	161.13
	Credit impaired	11.55	-	11.55	16.17	-	16.17
		169.24	**-**	**169.24**	**177.30**	**-**	**177.30**
	Less: Allowance for expected credit losses	(11.55)	-	(11.55)	(16.17)	-	(16.17)
		157.69	**-**	**157.69**	**161.13**	**-**	**161.13**
(viii)	Amounts paid under protest [Sales tax ₹ 41.75 Lakhs (March 31, 2022- Sales tax ₹ 51.62 Lakhs)] (Refer note 25)	-	41.75	41.75	-	51.62	51.62
Total		**4,788.54**	**147.95**	**4,936.49**	**7,311.37**	**357.47**	**7,668.84**

Note : Share issue expense amounting ₹ 1,900.71 Lakhs incurred by the Company towards Initial Public Offer ('IPO') is recoverable from Selling Shareholders.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

7. Inventories (At lower of cost or net realizable value):

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Stock-in-trade	58,731.05	41,889.88
Total	**58,731.05**	**41,889.88**
Included above, goods-in-transit:	180.36	866.99

Note :

The cost of inventories recognized as an expense includes ₹ 468.14 Lakhs (March 31, 2022: ₹ 74.70 Lakhs) in respect of write down of inventory to net realizable value.

8. Trade receivables:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Trade receivable considered good - Unsecured	2,405.45	2,094.42
(b) Trade receivable - credit impaired	5.28	5.28
	2,410.73	**2,099.70**
Less: Allowance for expected credit losses	(5.28)	(5.28)
Total	**2,405.45**	**2,094.42**

Trade Receivables Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Particulars	Outstanding for following periods from due date					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,963.72	429.43	12.31	-	-	2,405.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	5.28	5.28
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**1,963.72**	**429.43**	**12.31**	**-**	**5.28**	**2,410.73**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

As at March 31, 2022

₹ in Lakhs

Particulars		Outstanding for following periods from due date					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,606.93	294.76	192.72	-	-	2,094.42
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	0.83	4.45	5.28
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**1,606.93**	**294.76**	**192.72**	**0.83**	**4.45**	**2,099.70**

Notes :

(a) 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.

(b) For terms and conditions relating to related party receivables, refer Note 27.

(c) Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

(d) There are no unbilled dues for year.

(e) For explanation on the Company's credit risk management processes refer note 33.4

9a. Cash and cash equivalents:

₹ in Lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Balances with Banks		
	- In current accounts	1,800.10	5,690.76
	- Deposits with original maturity of less than 3 months	906.37	-
(b)	Cash on hand	56.84	50.01
(c)	Cash at showrooms	164.58	195.85
Total		**2,927.89**	**5,936.62**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

9b. Bank Balances other than Cash and cash equivalents:

₹ in Lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	In earmarked accounts		
	Deposits with Banks held as margin money or security against guarantees and other commitments (Refer note below)	7.81	50.26
(b)	Deposits with Banks	15,370.18	33,441.22
Total		**15,377.99**	**33,491.48**

Note :

Deposits with Banks includes ₹ 1.90 Lakhs (March 31,2022 ₹ 14.61 Lakhs) which have an original maturity of more than 12 months.

9c. Other Bank balances:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with Banks held as margin money or security against guarantees and other commitments	14.44	22.79
Total	**14.44**	**22.79**

10. Equity Share Capital:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (Rs. in lakhs)	Number of Shares	Amount (Rs. in lakhs)
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	15,000.00	300,000,000	15,000.00
Total		**15,000.00**		**15,000.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	271,733,221	13,586.66	271,507,426	13,575.37
Total		**13,586.66**		**13,575.37**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

10.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (Rs. in lakhs)	Number of Shares	Amount (Rs. in lakhs)
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ 5/- each) (March 31, 2021 ₹ 5/- each)	271,507,426	13,575.37	265,534,290	13,276.71
Shared allotted on exercise of ESOPs	225,795	11.29	-	-
Shares Issued through Private Placement	-	-	73,136	3.66
Shares Issued through IPO	-	-	5,900,000	295.00
Balance as at the end of the year	**271,733,221**	**13,586.66**	**271,507,426**	**13,575.37**

10.2 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.75%	156,939,520	57.80%
Rekha Jhunjhunwala**	39,333,600	14.48%	39,333,600	14.49%
Rafique A. Malik***	18,576,000	6.84%	18,576,000	6.84%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920	27.74%	75,367,920	27.76%
(b) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600	28.13%	76,447,600	28.16%
**Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.81%
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.81%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.80%	13,051,188	4.81%
***Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Shareholding of Promoters

Name of Promoters	As at March 31, 2023		As at March 31, 2022		Change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.75%	156,939,520	57.80%	0.05%
Alisha Rafique Malik	9,088,000	3.34%	9,088,000	3.35%	0.01%
Rafique A. Malik**	2,700,000	0.99%	2,700,000	0.99%	0.00%
Total	**168,727,520**	**62.09%**	**168,727,520**	**62.14%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600		76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920		75,367,920		

*** The number of shares held & percentage of holding represents the shares held in the individual capacity. It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not covered under the definition of Promoter.*

Note : Promoter here means promoter as defined in the Companies Act, 2013, as amended.

10.3 Employees Stock Option Scheme:

During the year the Company has granted 2,93,055 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended 31 March 2022 : 18,78,302 under ESOP 2008 Scheme). 2,25,795 (Previous year ended 31 March 2022 : Nil) Employee Stock Options have been exercised during the year.

10.4 Rights, preference and restriction attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

11. Other equity:

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings		
Balance as at April 01, 2022	**29,019.21**	**2.85**	**329.23**	**80,802.32**	**60.20**	**110,213.81**
Profit for the year	-	-	-	37,317.80	-	37,317.80
Other comprehensive income (net of income tax)	-	-	-	(94.97)	(69.36)	(164.33)
Total comprehensive income for the year	**-**	**-**	**-**	**37,222.83**	**(69.36)**	**37,153.47**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	150.60	-	(150.60)	-	-	-
Received from Employees on exercise of options	451.54	-	-	-	-	451.54
Employee stock option plan recognized	-	-	901.29	-	-	901.29
Payment of Final Dividend	-	-	-	(2,036.67)	-	(2,036.67)
Payment of Interim Dividend	-			(6,793.23)		(6,793.23)
Share issue expense on IPO and Private Placement	(182.69)	-	-	-	-	(182.69)
Balance as at March 31, 2023	**29,438.66**	**2.85**	**1,079.92**	**109,195.25**	**(9.17)**	**139,707.52**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings		
Balance as at April 01, 2021	**77.53**	**2.85**	**-**	**67,018.91**	**88.57**	**67,187.86**
Profit for the year	-	-	-	20,763.57	-	20,763.57
Other comprehensive income (net of income tax)	-	-	-	79.71	(28.37)	51.34
Total comprehensive income for the year	**-**	**-**	**-**	**20,843.29**	**(28.37)**	**20,814.91**
Employee stock option plan recognized	-	-	329.23	-	-	329.23
Payment of Final Dividend	-	-	-	(2,987.26)	-	(2,987.26)
Payment of Interim Dividend	-	-	-	(4,072.61)	-	(4,072.61)
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	(584.06)
Balance as at March 31, 2022	**29,019.21**	**2.85**	**329.23**	**80,802.32**	**60.20**	**110,213.81**

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securites Premium is created when shares are issued at premium . The Company can use this reserve in accordance with the provisions of the Act.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Comprehensive Income represents change in the value of investments accounted through FVOCI.

II. Dividend on Equity Shares

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Final dividend for the year ended March 31, 2022 of ₹ 0.75/- (March 31, 2021 of ₹ 1.125/-) per fully paid up share	2,036.67	2,987.26
Interim dividend for the year ended March 31, 2023 of ₹ 2.50/- (March 31, 2022 of ₹ 1.50/-) per fully paid up share	6,793.23	4,072.61
Total	**8,829.90**	**7,059.87**

The Board of Directors at its meeting held on May 23, 2023 has recommended payment of final dividend of ₹ 1.50 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

12. Other financial liabilities:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposit - Franchisee	180.00	-	180.00	175.00	-	175.00
Security Deposit - Related party	-	-	-	0.99	-	0.99
Retention Money Payable (Selling Agents, Supervisors, City and Regional Managers and Others)	976.46	-	976.46	753.44	-	753.44
Payable on acquisition of Property, plant & equipment	2,264.45	-	2,264.45	1,139.20	-	1,139.20
Unpaid Dividend	3.30	-	3.30	-	-	-
Total	**3,424.21**	**-**	**3,424.21**	**2,068.63**	**-**	**2,068.63**

13. Provisions:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for warranty (refer note)	67.17	-	67.17	50.31	-	50.31
Provision for employee benefits - Gratuity (refer note 26)	357.13	-	357.13	77.63	-	77.63
Provision for employee benefits - compensated absences (refer note 26)	373.05	-	373.05	257.14	-	257.14
Total	**797.35**	**-**	**797.35**	**385.08**	**-**	**385.08**

Note-

Provision for warranty represents the undiscounted value of the managements best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Company. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

The movement in warranty provision is as under

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	50.31	45.31
Add: Provision made during the year	16.86	5.00
Less: Provision utilised/reversed during the year	-	-
Closing Balance	**67.17**	**50.31**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

14. Trade payables:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 34) ; and	679.98	-	679.98	620.25	-	620.25
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	25,694.03	-	25,694.03	20,532.76	-	20,532.76
Total	**26,374.01**	**-**	**26,374.01**	**21,153.01**	**-**	**21,153.01**

Trade payables Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Particulars	Outstanding for the following periods from the due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	679.98	-	-	-	679.98
ii) Others	21,338.67	-	8.64	219.77	21,567.08
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	4,126.95	-	-	-	4,126.95
Total	**26,145.60**	**-**	**8.64**	**219.77**	**26,374.01**

As at March 31, 2022

₹ in Lakhs

Particulars	Outstanding for the following periods from the due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	620.25	-	-	-	620.25
ii) Others	17,461.96	74.44	86.57	249.12	17,872.09
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	2,660.67	-	-	-	2,660.67
Total	**20,742.88**	**74.44**	**86.57**	**249.12**	**21,153.01**

Notes:-

(a) Trade payables are non-interest bearing and are normally settled on 60-day terms

(b) For terms and conditions with related parties, refer to Note 27

(c) For explanation on the Company's liquidity risk management processes refer note 33.4

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

15. Other current liabilities:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advances received from customers	274.94	276.53
Deferred Revenue arising from Customer Loyalty program	1,210.17	661.13
Share Issue expense payable	-	3,800.00
Statutory dues payable	966.07	1,858.04
Salary Payable	1,645.58	1,365.81
Total	**4,096.76**	**7,961.51**

16. Revenue from operations:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories (Refer Note below)	205,118.68	131,184.97
(b) Other operating revenues		
- Shoe Repair Income	65.59	56.05
Total	**205,184.27**	**131,241.02**

Note:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Sale of Products (Traded goods)		
Footwear, Bags & Accessories	240,886.50	153,712.05
Less : GST	35,767.82	22,527.08
Sale of Products (Traded goods) (Net of GST)	**205,118.68**	**131,184.97**

17. Other Income:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest Income:		
Income earned on financial assets carried at amortised cost:		
Interest on bank deposits	2,082.24	656.69
Interest on loan given to Subsidiary (Refer Note 27)	286.08	8.84
Interest on other Loans and advances	22.35	21.79
Interest on Security deposit	335.13	283.28
Interest on Commercial Papers	328.68	-
Income earned on financial assets carried at FVOCI		
Interest Income from Tax Free Bonds	89.70	89.70
Income earned on financial assets carried at FVTPL		
Interest Income from Investment	53.35	-
	3,197.53	**1,060.30**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(b) Dividend Income:		
Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	12.06	-
(c) Other Gains:		
Net gain/(Loss) on sale of Investments	679.61	366.36
Net fair value gain arising on current Investments designated at FVTPL	776.80	1,211.36
Net gain on foreign currency transactions and translation	221.38	87.17
Gain on termination of leases or Rent Concession on account of COVID - 19	304.60	2,816.19
(d) Others:		
Cash Discounts	65.66	46.25
Miscellaneous Income	119.94	70.43
Liabilities no longer required, written back	96.98	180.31
Total	**5,474.56**	**5,838.37**

18a. Purchases of Stock-in-Trade:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock-in-Trade (Footwear, Bags & Accessories)	98,060.41	66,471.90
Packing Materials	3,641.63	1,929.38
Total	**101,702.04**	**68,401.28**

18b. Changes in Inventories of Stock-In-Trade:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year :		
Stock-in-trade	58,731.05	41,889.88
Inventories at the beginning of the year:		
Stock-in-trade	41,889.88	28,446.12
Changes in Inventories of Stock-In-Trade	**(16,841.17)**	**(13,443.76)**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

19. Depreciation and amortization expense:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Depreciation of Property, Plant and Equipment	3,945.44	2,842.38
(b) Depreciation of Right-of-use assets	13,425.53	10,398.15
(c) Amortization of Intangible assets	150.55	142.19
Total	**17,521.52**	**13,382.72**

20. Employee benefits expense:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages	14,859.13	10,311.33
(b) Contribution to provident and other funds (refer note 26)	1,097.23	897.34
(c) Staff welfare expenses	267.97	65.97
(d) Employee's Stock Options Expenses (refer note 31)	901.29	329.23
Total	**17,125.62**	**11,603.87**

21. Finance costs:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on lease liabilities (refer note 29)	6,158.55	4,892.79
Interest expense on Income tax	2.09	138.42
Total	**6,160.64**	**5,031.21**

22. Other expenses:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	2,652.71	1,958.46
Rent [Refer note 29]	5,867.35	4,073.75
Rates and taxes	343.32	327.60
Insurance	258.72	147.69
Repairs and maintenance - Machinery and Equipment	115.26	85.20
Repairs and maintenance - Others	1,510.80	689.05
Advertisement & Sales promotion	5,373.09	3,349.58
Commission on sales	7,935.69	6,390.07
Commission on Credit Card Sales	979.09	609.64
Freight Charges	3,163.38	1,929.24
Maintenance & Other Charges - Showrooms	2,777.38	2,066.13
Shoe Repair Expenses	147.99	97.12
Communication	209.09	183.81

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Travelling and conveyance	842.66	378.44
Donations	2.00	-
Legal and professional	863.60	356.07
Payments to auditors (Refer Note 22.1)	47.25	31.19
Loss on Sale/ discard of Property, plant and equipment (net)	142.38	329.84
Directors' Sitting fees (Refer Note 27)	38.70	19.30
Expenditure incurred for Corporate Social Responsibility (Refer Note 32)	358.71	323.87
Advances written off	-	49.32
Miscellaneous Expenses	1,531.44	954.65
	35,160.61	**24,350.02**

22.1 Payment to auditors:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To statutory auditor		
(i) For Audit	33.25	28.50
(ii) For Limited Review	12.50	-
(iii) For Taxation Matters	1.50	2.50
(iv) For Other Services	-	0.19
	47.25	**31.19**
(v) For IPO related services (refer note below)	-	188.40
Total	**47.25**	**219.59**

Note : During the year ended March 31, 2022 in addition to the above expenses in Statement of Profit and Loss, payment to auditors of ₹ 188.40 Lakhs is towards IPO related services accounted in balance sheet to be offset with securities premium arising from IPO.

23. Current Tax and deferred tax:

(a) Income tax recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
In respect of current year	13,565.36	7,525.55
In respect of prior year	29.57	54.81
	13,594.93	**7,580.36**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(1,083.16)	(589.88)
Total	**12,511.77**	**6,990.48**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

(b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax :		
Items that will not be reclassified to profit and loss:		
Remeasurement of defined benefit obligations	31.94	(26.81)
Total	**31.94**	**(26.81)**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**49,829.57**	**27,754.05**
Income tax expense calculated at 25.17%	12,542.10	6,985.69
Effect of income that is exempt from taxation	(54.94)	(33.22)
Effect of expenses that are non-deductible in determining taxable profit	246.58	238.65
Effect due to differential tax rate	(251.54)	(255.45)
Tax of prior years	29.57	54.81
Income tax expense recognised in Statement of Profit and Loss	**12,511.77**	**6,990.48**

d) Deferred tax

₹ in Lakhs

Particulars	For the year ended March 31, 2023			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities				
Property, plant and equipment	195.29	176.02	-	371.31
Allowance for expected credit losses on trade receivables, advances and deposits	26.73	-	-	26.73
Fair valuation on investments	(439.32)	212.33	-	(226.99)
Deferred Tax on Ind AS 116 -Leases	2,336.34	665.64	-	3,001.98
Compensated absences	64.72	29.17		93.89
Net deferred tax asset	**2,183.76**	**1,083.16**	**-**	**3,266.92**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2022			
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities				
Property, plant and equipment	104.35	90.94	-	195.29
Allowance for expected credit losses on trade receivables, advances and deposits	26.73	0.00	-	26.73
Fair valuation on investments	(457.32)	18.00	-	(439.32)
Deferred Tax on Ind AS 116 -Leases	1920.12	416.22	-	2,336.34
Compensated absences	0.00	64.72		64.72
Net deferred tax asset	**1,593.88**	**589.88**	**-**	**2,183.76**

24.

(a) Deferred tax assets (Net)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities	(226.99)	(439.32)
Deferred tax assets	3,493.91	2,623.08
Total	**3,266.92**	**2,183.76**

(b) Non-current tax assets (Net)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Income tax (net of provision for taxation)	27.81	247.13
Total	**27.81**	**247.13**

(c) Current tax liabilities (Net)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (net of advance tax)	152.61	878.34
Total	**152.61**	**878.34**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

25 Contingent Liabilities and commitments (to the extent not provided for):

₹ in Lakhs

Nature of Dues		As at March 31, 2023	As at March 31, 2022	Period	Forum where dispute is pending
(i)	**Contingent Liabilities**				
a)	Disputed indirect and direct tax matters				
	Central Excise demands	8.87	8.87	Apr'2006 - Mar'2014	CESTAT, Mumbai
	Service Tax demands	10.59	10.59	Sept'2008 - Mar'2011	The Supreme Court of India
	Sales Tax demands	0.43	0.43	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		0.54	0.54	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam
		0.51	0.51	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		3.82	3.82	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		-	0.42	F.Y. 2012-2013	Office of Deputy commissioner of commercial Taxes, Audit, Karnataka
		76.43	76.43	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
		17.62	-	F.Y. 2015-2016	Excise and Taxation Department, Punjab
	Goods and Services Tax (GST) demands	7.89	7.89	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
		1.87	1.87	F.Y. 2019-2020	Commercial Tax Officer, Vigilance - 43, Bangalore
		0.57	0.57	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	Income Tax demands	3.01	3.01	A.Y. 2011-12	Commissioner of Income Tax, Appeal
ii)	**Commitments**				
a)	Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	1,899.82	250.27		

Future cash flow in respect of contingent liability matters depend on the final outcome of judgement/decisions pending at various forums/authorities.

26 Employee Benefits:

I) Defined - Contribution Plans

The Company offers its employees defined contribution plan in the form of Provident Fund and Employees' State Insurance Corporation (ESIC). Both the employees and the Company pay pre determined contributions into the

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised Provident Fund ₹ 656.60 Lakhs (Previous year ₹ 572.38 Lakhs) and ESIC ₹ 210.41 Lakhs (Previous year ₹ 155.60 Lakhs) in the Statement of Profit and Loss.

II) Defined Benefit Plans- Gratuity

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company or as per the Payment of the Gratuity Act, 1972, whichever is higher. Vesting occurs upon completion of five years of service.

There is no cap on the amount of gratuity paid to an eligible employee at retirement, death while in employment or on termination of the employment.

a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Gratuity	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	225.40	187.00
2. Net Interest Cost on the net defined benefit liability	4.82	1.26
Total	**230.22**	**188.26**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	64.22	(14.81)
2. Actuarial losses on account of :		-
- change in demographic assumptions	-	(120.83)
- change in financial assumptions	(104.32)	185.89
- experience variance	167.00	(156.77)
Total	**126.91**	**(106.52)**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Gratuity		For the year ended March 31, 2023	For the year ended March 31, 2022
III.	**Net Asset/ (Liability) recognized in the Balance Sheet**		
	1. Present Value of Defined Benefit Obligation	1,854.50	1,832.12
	2. Fair value of plan assets	1,497.37	1,754.49
	3. Net (liability) as at end of the year	(357.13)	(77.63)
IV.	**Change in the obligation during the year**		
	1. Present Value of Defined Benefit Obligation at the beginning of the year	1,832.12	1,736.21
	2. Expenses recognised in the Statement of Profit and Loss		
	- Current Service Cost	225.40	187.00
	- Interest Cost	113.67	104.84
	3. Remeasurement gains/(losses)		
	- change in demographic assumptions	-	(120.83)
	- change in financial assumptions	(104.32)	185.89
	- experience variance (i.e. Actual experience vs assumptions)	167.00	(156.77)
	4. Benefits paid	(379.38)	(104.22)
	5. Present Value of Defined Benefit Obligation at the end of the year	1,854.50	1,832.12
V.	**Change in Fair Value of Assets during the year**		
	1. Plan assets at the beginning of the year	1,754.49	1,715.32
	2. Investment Income	108.85	103.58
	3. Return on plan assets (excluding amount recognised in net interest expense)	(64.22)	14.81
	4. Contribution by employer	77.63	25.00
	5. Benefits paid	(379.38)	(104.22)
	6. Fair value of Plan assets at the end of the year	1,497.37	1,754.49
VI.	**Fair value of plan assets at the end of the reporting period for each category are as follows:**		
	- Government of India Securities (Central & State)	597.13	654.67
	- High quality corporate bonds (Including public sector bonds)	533.12	665.81
	- Equity shares, Equity mutual funds and ETF	250.93	301.59
	- Others	116.19	132.42
Total		**1,497.37**	**1,754.49**
VII.	**Actuarial assumptions**		
	1. Discount Rate [HO]	7.30%	6.40%
	Discount Rate [Sales Staff]	7.20%	5.55%
	2. Salary Escalation Rate [HO]	10.00%	10.00%
	Salary Escalation Rate [Sales Staff]	10.00%	10.00%
	3. Attrition Rate [HO]	15.00%	15.00%
	Attrition Rate [Sales Staff]	30.00%	30.00%
	4. In-service Mortality	IALM 2012-14	IALM 2012-14

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable 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 as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate (-/ + 1%)		
- Decrease by 1%	103.30	105.61
- Increase by 1%	(93.73)	(95.47)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(92.32)	(93.19)
- Increase by 1%	99.68	100.89
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	191.80	259.09
- Increase by 50%	(96.75)	(122.28)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.34	0.50
- Increase by 10%	(0.34)	(0.50)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d) Expected contribution for the next year:

The Company expects to contribute ₹ 576.08 Lakhs in respect of the gratuity plans during the next financial year ending March 31, 2024.

e) Expected future benefits payable:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligation	For the year ended March 31, 2023	For the year ended March 31, 2022
1 year	318.13	324.87
2 to 5 years	1,020.16	941.85
6 to 10 years	795.61	718.05
More than 10 years	808.53	757.21

III) Defined Benefit Plans - Compensated absences

From April 1, 2021 onwards, the Company had amended the policy for Compensated absences which allowed the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2023.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Compensated Absences		For the year ended March 31, 2023	For the year ended March 31, 2022
I.	**Net Asset/ (Liability) recognized in the Balance Sheet**		
	1. Present Value of Defined Benefit Obligation	373.05	257.14
	2. Fair value of plan assets	-	-
	3. Net (liability) as at end of the year	(373.05)	(257.14)
II.	**Change in the obligation during the year**		
	1. Present Value of Defined Benefit Obligation at the beginning of the year	257.14	257.14
	2. Expenses recognised in the Statement of Profit and Loss		
	- Current Service Cost	128.51	-
	3. Benefits paid	(12.60)	-
	4. Present Value of Defined Benefit Obligation at the end of the year	373.05	257.14

b) Actuarial Assumptions

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
1.	Discount Rate [HO]	7.30%	6.40%
	Discount Rate [Sales Staff]	7.20%	5.55%
2.	Salary escalation rate	10.00%	10.00%
3.	Retirement age	60 years	60 years
4.	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
5.	Attrition Rate [HO]	15.00%	15.00%
	Attrition Rate [Sales Staff]	30.00%	30.00%
6.	Rate of Leave Availment	0.00%	0.00%

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable 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 as follows:

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate (-/ + 1%)			
-	Decrease by 1%	16.41	10.57
-	Increase by 1%	(14.92)	(9.67)
Salary growth Rate (-/ + 1%)			
-	Decrease by 1%	(14.55)	(9.42)
-	Increase by 1%	15.67	10.09
Attrition Rate (-/ + 50% of the attrition rate)			
-	Decrease by 50%	30.96	29.63
-	Increase by 50%	(11.94)	(10.72)

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.06	0.04
- Increase by 10%	(0.06)	(0.04)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

27 Related party disclosures as required by IND AS-24 "Related Party disclosures" are given below:

List of Related Parties :			
I.	**Names of Related Party and description of relationship:**		
a.	Party where control exist - Subsidiary Company	M/s. Metmill Footwear Private Limited	
		Cravatex Brands Limited (Wholly owned Subsidiary Company)	
b.	Joint Venture	M/s. M.V. Shoe Care Private Limited	
c.	Other Related Parties with whom transactions have taken place during the year :		
i.	Key Management Personnel (KMP)	1	Mr. Rafique Malik – Chairman (having significant influence)
		2	Mrs. Farah Malik Bhanji – Managing Director (having significant influence)
		3	Mr. Mohammed Iqbal hasanally Dossani (Whole Time Director)
		4	Mr. Nissan Joseph - Chief Executive Officer (from July 1, 2021) (having significant influence)
		5	Mr. Kaushal Parekh - Chief Financial Officer
		6	Ms. Deepa Sood - Company Secretary (From March 7, 2022)
		7	Ms. Tarannum Bhanpurwala - Company Secretary (Upto March 6, 2022)
		8	Mr. Utpal Sheth
		9	Ms. Aruna Advani
		10	Mr. Manoj Kumar Maheshwari
		11	Mr. Arvind Kumar Singhal
		12	Mr. Vikas Khemani
		13	Mr. Srikanth Velamakanni
ii.	Relatives of Key Management Personnel	1	Mrs. Sabina Malik Hadi
		2	Ms. Zarah Rafique Malik
		3	Mrs. Zia Malik Lalji
		4	Ms. Alisha R. Malik
		5	Mrs. Rukshana Kurbanali Javeri
		6	Mrs. Mumtaz Jaffer
		7	Mr. Suleiman Sadruddin Bhanji
		8	Mrs. Aziza Malik

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

List of Related Parties :		
iii. Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	1	Design Matrix Interiors LLP
	2	Design Matrix Associated Private Limited
	3	Allium Property LLP
	4	Metro Shoes
	5	Metro Family Holdings (from April 8th, 2022)
	6	Aziza Malik Family Trust
	7	Rafique Malik Family Trust
	8	Zia Malik Family Trust
	9	Zarah Malik Family Trust
	10	Sabina Malik Family Trust
	11	Farah Malik Family Trust

II. Related Party Transactions during the year:

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)						
Mr. Rafique Malik	Mar-23				128.02	
	Mar-22				92.24	
Mrs. Aziza Malik	Mar-23					289.78
	Mar-22					218.33
Commission/rent in respect of retail agency agreements for showroom						
Metro Shoes	Mar-23		262.29			
	Mar-22		163.58			
Rent (Compensation received in respect of rent for office)						
Metro Shoes	Mar-23		-			
	Mar-22		3.96			
Sale of Property, Plant and Equipment						
Metro Family Holdings	Mar-23		441.00			
	Mar-22		-			
Remuneration #						
Mr. Rafique Malik	Mar-23				714.91	
	Mar-22				760.07	
Mrs. Farah Malik Bhanji	Mar-23				298.03	
	Mar-22				317.28	
Mrs. Aziza Malik	Mar-23					209.05
	Mar-22					226.28
Mr. Kaushal Parekh	Mar-23				218.69	
	Mar-22				145.84	
Mr. Nissan Joseph	Mar-23				344.69	
	Mar-22				191.00	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-23				54.15	
	Mar-22				31.24	
Ms. Deepa Sood	Mar-23				68.13	
	Mar-22				4.89	
Ms. Tarannum Bhanpurwala	Mar-23				-	
	Mar-22				9.35	
Ms. Alisha R. Malik	Mar-23					97.00
	Mar-22					89.82
Directors' Sitting Fees*						
Ms. Aruna Advani	Mar-23				8.93	
	Mar-22				5.10	

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Mr. Manoj Kumar Maheshwari	Mar-23				9.13	
	Mar-22				4.80	
Mr. Arvind Kumar Singhal	Mar-23				7.73	
	Mar-22				3.80	
Mr. Srikanth Velamakanni	Mar-23				6.35	
	Mar-22				3.00	
Mr. Vikas Khemani	Mar-23				6.55	
	Mar-22				2.60	
Retainership Fees						
Mrs. Mumtaz Jaffer	Mar-23					36.00
	Mar-22					36.00
Interim Dividend						
Mr. Rafique Malik	Mar-23				67.50	
	Mar-22				40.50	
Mrs. Farah Malik Bhanji	Mar-23				128.10	
	Mar-22				76.86	
Mrs. Aziza Malik	Mar-23					33.75
	Mar-22					20.25
Ms. Alisha R. Malik	Mar-23					227.20
	Mar-22					136.32
Mrs. Sabina Malik Hadi	Mar-23					128.23
	Mar-22					76.94
Ms. Zarah Rafique Malik	Mar-23					128.23
	Mar-22					76.94
Mrs. Zia Malik Lalji	Mar-23					128.23
	Mar-22					76.94
Mrs. Rukshana Kurbanali Javeri	Mar-23					6.08
	Mar-22					3.65
Mrs. Mumtaz Jaffer	Mar-23					0.63
	Mar-22					0.38
Mr. Kaushal Parekh	Mar-23				2.26	
	Mar-22				1.22	
Aziza Malik Family Trust	Mar-23		1,911.19			
	Mar-22		1,146.71			
Rafique Malik Family Trust	Mar-23		1,884.20			
	Mar-22		1,130.52			
Zia Malik Family Trust	Mar-23		99.23			
	Mar-22		59.54			
Zarah Malik Family Trust	Mar-23		99.23			
	Mar-22		59.54			
Sabina Malik Family Trust	Mar-23		99.23			
	Mar-22		59.54			
Farah Malik Family Trust	Mar-23		99.23			
	Mar-22		59.54			
Mr. Suleiman Sadruddin Bhanji	Mar-23					0.78
	Mar-22					0.45
Mohammed Iqbal Hasanally Dossani	Mar-23		0.15			
	Mar-22		-			
Security Deposit Refunded						
Metro Shoes	Mar-23		0.99			
	Mar-22		-			

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Final Dividend						
Mr. Rafique Malik	Mar-23				20.25	
	Mar-22				30.38	
Mrs. Farah Malik Bhanji	Mar-23				38.43	
	Mar-22				89.30	
Mrs. Aziza Malik	Mar-23					10.13
	Mar-22					15.19
Mr. Kaushal Parekh	Mar-23				0.61	
	Mar-22				0.91	
Ms. Alisha R. Malik	Mar-23					68.16
	Mar-22					133.95
Mrs. Sabina Malik Hadi	Mar-23					38.47
	Mar-22					89.30
Ms. Zarah Rafique Malik	Mar-23					38.47
	Mar-22					89.30
Mrs. Zia Malik Lalji	Mar-23					38.47
	Mar-22					89.30
Mrs. Rukshana Kurbanali Javeri	Mar-23					1.82
	Mar-22					2.73
Mrs. Mumtaz Jaffer	Mar-23					0.19
	Mar-22					0.27
Aziza Malik Family Trust	Mar-23		573.36			
	Mar-22		902.08			
Rafique Malik Family Trust	Mar-23		565.26			
	Mar-22		889.06			
Zia Malik Family Trust	Mar-23		29.77			
	Mar-22		44.65			
Zarah Malik Family Trust	Mar-23		29.77			
	Mar-22		44.65			
Sabina Malik Family Trust	Mar-23		29.77			
	Mar-22		44.65			
Farah Malik Family Trust	Mar-23		29.77			
	Mar-22		44.65			
Mohammed Iqbal Hasanally Dossani	Mar-23		0.01			
	Mar-22		-			
Mr. Suleiman Sadruddin Bhanji	Mar-23					0.23
	Mar-22					0.27

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Subsidiary	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Professional Fees (capital cost)						
Design Matrix Interiors LLP	Mar-23		443.24			
	Mar-22		280.38			
Design Matrix Associated Private Limited	Mar-23		2.75			
	Mar-22		-			
Interest On Loan Given						
Metmill Footwear Private Limited (Refer Note 2 below)	Mar-23	-				
	Mar-22	8.84				
Loan Repaid						
Metmill Footwear Private Limited (Refer Note 2 below)	Mar-23	-				
	Mar-22	148.34				
Purchases of Stock-in-Trade (net of taxes)						
M.V. Shoe Care Private Limited	Mar-23			2,005.60		
	Mar-22			965.01		
Metmill Footwear Private Limited	Mar-23	202.18				
	Mar-22	445.43				
Cravatex Brands Ltd	Mar-23	184.26				
	Mar-22	-				
Expenses Incurred on behalf of the related party						
Metmill Footwear Private Limited	Mar-23	5.57				
	Mar-22	1.22				
Inter Corporate Deposits						
Cravatex Brands Ltd	Mar-23	14,580.00				
	Mar-22	-				
Interest on Inter Corporate Deposits						
Cravatex Brands Ltd	Mar-23	286.07				
	Mar-22	-				
Security Deposit						
Mr. Rafique Malik	Mar-23				12.60	
	Mar-22				-	

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

III. Outstanding receivables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Subsidiary Company (Cravatex Brands Limited)		
Inter Corporate Deposits	14,580.00	-
Enterprises in which KMP / Relatives of KMP are able to exercise significant influence (Metro Shoes)		
Rent	-	0.39
Security Deposit for Rent		
Mr. Rafique Malik-(BM8 Store)	12.60	-

IV. Outstanding payables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(10.56)	(9.64)
Mrs. Aziza Malik	(14.68)	(22.05)
Remuneration #		
Mr. Nissan Joseph	-	(0.21)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(3.54)	(3.24)
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(19.02)	(23.59)
Security Deposit for Rent (Compensation received in respect of rent for office)		
Metro Shoes	-	(0.99)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(68.86)	(54.30)
Design Matrix Associated Private Limited	(0.50)	-
Joint Venture		
Purchases of Stock-in-trade	(914.87)	(628.90)
Wholly owned Subsidiary		
Purchases of Stock-in-trade	(107.30)	-
Subsidiary		
Purchases of Stock-in-trade	(161.90)	(351.61)

 # excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

** includes director sitting fees accounted on provisional basis.*

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Notes:

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to the related parties.
2) The Company has provided loan to its subsidiary for repayment of existing loan and working capital purpose.
3) The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

28 Segment Reporting:

The Company's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category, which in terms of Ind AS 108 'Operating Segments' constitutes a single reporting segment. Further, there is no geographical segment to be reported since all the operations are undertaken in India.

29 Leases:

Right-of-use Asset

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**60,958.21**	**49,960.19**
Additions during the year	37,611.61	22,416.85
Disposals during the year	(3,060.01)	(1,020.68)
Depreciation expense for the year	(13,425.53)	(10,398.15)
Balance at the end of the year	**82,084.29**	**60,958.21**

Lease Liabilities

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**69,222.11**	**56,549.59**
Additions during the year	36,792.13	22,180.35
Disposals during the year	(3,620.47)	(1,201.88)
Interest expense for the year	6,158.54	4,892.79
Lease payment during the year	(16,385.67)	(10,382.55)
Reduction in lease liability - Practical Expedient application (Refer note below)	-	(2,816.19)
Balance at the end of the year	**92,166.64**	**69,222.11**

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Maturity analysis - contractual undiscounted cash flows

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	18,580.88	14,153.55
1 - 5 Year	63,741.15	47,879.03
More than 5 years	40,078.67	29,492.80
Total undiscounted lease liabilities at the end of the year	**122,400.71**	**91,525.38**

Lease Liabilities included in Financial statement at the end of the year	**92,166.64**	**69,222.11**
Current	12,206.52	9,403.72
Non-Current	79,960.12	59,818.39

Amounts recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on lease liabilities	6,158.54	4,892.79
Depreciation of Right-of-use assets	13,425.53	10,398.15
Expenses relating to short term leases/Variable lease payments	5,867.35	4,073.75
Total	**25,451.42**	**19,364.69**

Amounts recognised in Statement of Cash Flows

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Cash outflow for Leases	16,385.67	10,382.55

a) The Company incurred ₹ 5,867.35 Lakhs for the year ended March 31, 2023 (Previous year ₹ 4,073.75 Lakhs) towards expenses relating to short-term leases and variable lease payments. The total cash outflow for leases is ₹ 16,385.67 Lakhs for the year ended March 31, 2023 (Previous year ₹ 10,382.55 Lakhs) excluding cash outflow of short-term leases and variable lease payments. Interest on lease liabilities is ₹ 6,158.54 Lakhs for the year ended March 31, 2023 (Previous year ₹ 4,892.79 Lakhs).

b) The Company's leases mainly comprise of office, showroom and warehouse premises.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

30 Basic and Diluted Earnings per Share is calculated as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax as per Statement of Profit and Loss attributable to equity share holders (₹ in Lakhs)	37,317.80	20,763.57
Weighted average number of Equity Shares:		
- Basic	271,614,422	267,531,430
Add: Effect of Potential Equity Shares on employees stock options outstanding	1,061,095	979,781
- Diluted	272,675,517	268,511,211
Earnings per Share (in ₹)		
- Basic (₹)	13.74	7.76
- Diluted (₹)	13.69	7.73

31 Employee Stock Option Plan 2008 (ESOP – 2008):

The Company had granted stock options (options) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the company as approved by the shareholders in the 31st Annual General Meeting held on 11th September, 2008.

The said plan was further amended vide shareholders resolution dated 5th August, 2021

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

a) The particulars of the Options distributed under ESOP 2008 are as follows:

Particulars	ESOP
Eligibility	A permanent employee or a director of the Company (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Company.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period for options granted	The Company originally authorized 15,000 options for issue to eligible employees. In December, 2008, the same were increased to 45,000 options consequent to issue of bonus shares in the ratio 2:1
	On 24th August, 2009, the Company granted 25,875 options to fourteen eligible employees. The vesting schedule for the options granted was 40% on September 15, 2009, 20% on September 15, 2010, 20% on September 15, 2011, and 20% on September 15, 2012.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Particulars	ESOP
	Further, on September 15, 2011 the Company granted 4,500 options to four eligible employees. The vesting schedule for the options granted in 2011 was 40% on September 15, 2012, 20% on September 15, 2013, 20% on September 15, 2014 and 20% on September 15, 2015.
	In November, 2012, outstanding options increased by 26,270 options consequent to issue of bonus shares in the ratio 2:1
	Further, on February 1, 2014 the Company granted 11,250 options to three eligible employees. The vesting schedule for the options granted in 2014 was 40% on February 1, 2016, 20% on February 1, 2017, 20% on February 1, 2018 and 20% on February 1, 2019.
	Further, on April 1, 2014 the Company granted 3,375 options to one eligible employee. The vesting schedule for the options granted in 2014 was 40% on April 1, 2015, 20% on April 1, 2016, 20% on April 1, 2017 and 20% on April 1, 2018.
	During the financial year 2018-19, some of the option holders exercised their options on various dates and in total were allotted 37,695 shares. Further, during the financial year 2018-19, in total 62,120 bonus options were issued in the ratio of 8:1.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of three years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Thirty days following the date of grantee's voluntary resignation (c) 3 months following the date of grantee's termination of employment due to grantee's retirement, disability or death (d) 6 months following the occurrence of change of control.
Method of Settlement	Equity Shares of face value ₹ 5/- each (Previous year Equity Shares of face value ₹ 5/- each)
Exercise Price	Weighted average exercise price for 60,750 (Previous year 85,500) stock options outstanding as at 31st March, 2023 is ₹ 6.02/- (Previous year is ₹ 9.50/-)

b) The particulars of number of options granted and lapsed and the price of stock options for Employees Stock Option plan 2008(ESOP 2008) are as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Options outstanding at the beginning of the year	85,500	85,500
Exercised during the year	24,750	-
Options outstanding at the end of the year	60,750	85,500

c) The following options were outstanding from the options granted under Employees Stock Option plan 2008 (ESOP 2008) as at March 31, 2023 and as at at March 31, 2022.

Options series	Number		Grant date	Expiry date	Exercise price		Fair value of option at grant date	
	As at March 31, 2023	As at March 31, 2022			As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Grant 1	60,750	85,500	24-Aug-09	2 years from the date of listing of Company's share in any recognised stock Exchange	6.02	9.50	4.47	4.47

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

d) During the year the Company has granted 2,93,055 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.

Summary of stock options

Options outstanding on March 31, 2022		1,570,473
Options granted during the year		
On September 29, 2022	113,737	
On September 29, 2022	96,809	
On October 20, 2022	60,928	
On December 20, 2022	4,726	
On January 31, 2023	16,855	293,055
Options exercised during the year		(201,045)
Options forfeited / lapsed during the year		(199,571)
Options outstanding on March 31, 2023		1,462,912

Information in respect of options outstanding as at March 31, 2023

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	1,168,818	3.50
₹ 228	113,737	4.50
₹ 228	96,809	3.50
₹ 391.46	60,928	4.56
₹ 391.46	4,726	4.73
₹ 228	16,855	3.84

The fair value of the options granted during the year are as follows:

Number of options - 1,13,737, Vesting period - 5 Years

Grant date- 29.09.2022	Fair value per option (₹)
September 29, 2023	693.70
September 29, 2024	705.48
September 29, 2025	717.36
September 29, 2026	727.33
September 29, 2027	736.37

Number of options - 96,809, Vesting period - 4 years

Grant date- 29.09.2022	Fair value per option (₹)
September 29, 2023	693.73
September 29, 2024	705.48
September 29, 2025	717.39
September 29, 2026	727.36

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Number of options - 60,928, Vesting period - 5 years

Grant date- 20.10.2022	Fair value per option (₹)
October 20, 2023	549.03
October 20, 2024	573.52
October 20, 2025	602.21
October 20, 2026	621.52
October 20, 2027	639.01

Number of options - 4,726, Vesting period - 5 years

Grant date- 20.12.2022	Fair value per option (₹)
December 20, 2023	480.07
December 20 2024	504.82
December 20, 2025	534.53
December 20, 2026	553.47
December 20, 2027	570.67

Number of options - 16,855, Vesting period - 4 years

Grant date- 31.01.2023	Fair value per option (₹)
January 31, 2024	555.84
January 31, 2025	567.64
January 31, 2026	580.29
January 31, 2027	590.43

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : September 29, 2022 (5 years vesting)	
Risk free interest rate (%)	6.69% - 7.01%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	228
Stock price (₹)	897.65

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Grant dated : September 29, 2022 (4 years vesting)	
Risk free interest rate (%)	6.69% - 6.99%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	27.45% - 35.51%
Expected dividend yield (%)	0.25%
Exercise price (₹)	228
Stock price (₹)	897.65

Grant dated : October 20, 2022 (5 years vesting)	
Risk free interest rate (%)	6.67% - 7.15%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	391.46
Stock price (₹)	895.6

Grant dated : December 20, 2022 (5 years vesting)	
Risk free interest rate (%)	6.56% - 6.99%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	391.46
Stock price (₹)	827

Grant dated : January 31, 2023 (4 years vesting)	
Risk free interest rate (%)	6.70% - 7.00%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	26.67% - 35.40%
Expected dividend yield (%)	0.30%
Exercise price (₹)	228
Stock price (₹)	759.7

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 901.29 lakhs (Previous year ₹ 329.23) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

32 Expenditure on Corporate Social Responsibility:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Amount required to be spent by the company during the year	358.71	323.76
(ii) Amount of expenditure incurred [Refer Note (a) below]	408.48	460.06
(iii) Shortfall at the end of the year [Refer Note (c) below]	(6.24)	(56.01)
(iv) Total of previous years excess [Refer Note (c) below]	0.12	Not Applicable
(v) Reason for shortfall/excess [Refer Note (c) below]		
(vi) Nature of CSR activities		
(a) Good health and well being	84.20	24.90
(b) Education	207.90	210.10
(c) Processing of Old discarded footwear in an Ecofriendly manner	60.40	32.70
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Notes:

(a) Amount of expenditure incurred for the year ended March 31, 2023 includes ₹ 56.01 Lakhs spent towards shortfall for the year ended March 31, 2022 and for year ended March 31, 2022 includes ₹ 192.32 Lakhs spent towards shortfall for the year ended March 31, 2021.

(b) The Company has incurred the aforesaid expenditure towards ongoing projects.

(c) The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013.

Shortfall for the previous year ended March 31, 2022 has been paid during the year ended March 31, 2023. The total shortfall for the current year ended March 31, 2023, ₹ 6.24 lakhs has been transferred to Unspent CSR Account on or before April 30, 2023. Excess of the previous year ₹ 0.12 lakhs pertains to expenditure incurred in excess of the shortfall of previous year 2021-22 ₹ 56.01 lakhs

33 Financial Instruments:

33.1 Capital Management

Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Equity		
Equity Share Capital	13,586.66	13,575.37
Other Equity	139,707.52	110,213.81
Total Equity	**153,294.18**	**123,789.18**
Total Debt	**-**	**-**
Debt Equity Ratio	**NA**	**NA**

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

33.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Lakhs

Particulars	Hierarchy level	As at March 31, 2023	As at March 31, 2022
Financial Assets			
Measured at fair value through profit or loss			
- Investments in Mutual funds	Level 2	16,564.41	31,773.10
- Investments in Bonds	Level 1	2,366.19	2,294.80
- Investments in Optionally Convertible Debentures	Level 3	2,097.67	-
- Investments in Equity instrument	Level 3	133.41	-
- Investments in Infrastructure Investment trusts	Level 1	1,823.79	-
Measured at amortised cost			
- Trade receivables #		2,405.45	2,094.42
- Cash and cash equivalents #		2,927.89	5,936.62
- Investments in Equity instrument		1,929.49	504.26
- Investments in Compulsorily Convertible Preference Shares		6,234.01	-
- Other Bank balances #		15,392.43	33,514.27
- Investment in Fixed Deposits of Non Banking Companies #		17,170.20	3,850.00
- Investment in Commercial Papers #		7,385.95	-
- Loans #		14,701.82	142.46
- Other financial assets #		8,228.18	6,402.79
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	1,268.18	1,337.53
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		26,374.01	21,153.01
- Other financial liabilities #		3,424.21	2,068.63
- Lease Liabilities #		92,166.64	69,222.11

 # The Company considers that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

33.3 Fair Value measurements

Fair valuation techniques and inputs used

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example
    - interest rates and yield curves observable at commonly quoted intervals
    - implied volatilities
    - credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market – corroborated inputs')

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Financial assets measured at fair value

Financial assets	Fair value as at (₹ in Lakhs)		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	As at March 31, 2023	As at March 31, 2022				
Investments in Mutual funds	16,564.41	31,773.10	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in Optionally Convertible Debentures	2,097.67	-	Level 3	As per Valuation obtained by management	NA	NA
Investment in Equity Instrument	133.41	-	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	3,634.37	3,632.33	Level 1	Active market determined	NA	NA
Investment in InvITs	1,823.79	-	Level 1	Active market determined	NA	NA

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

33.4 Financial Risk Management

The Company's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A] CREDIT RISK

i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Company primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

ii) Trade and other receivables:

The Company's retail business is predominantly on cash and carry basis. The Company sells goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 7.35 % of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. As at March 31, 2023, the company had 5 customers (as at March 31, 2022 : 4 customers) that accounted for approximately 83% (as at March 31, 2022 : 85%) of the total receivables from Ecom customers, Institutional customers and raw material customers. The Company also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

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

iii) Cash and cash equivalents and deposits with banks:

Credit risk on Cash and Cash Equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B] LIQUIDITY RISK

1) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

2) Maturity of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance equal their carrying balances as the impact of discounting is not significant.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total Undiscounted cash amount	Carrying amounts
As at 31st March, 2023						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	26,374.01	-	-	-	26,374.01	26,374.01
Lease liabilities	18,580.88	34,716.58	29,024.56	40,078.67	122,400.70	92,166.64
Others	3,424.21	-	-	-	3,424.21	3,424.21
As at 31st March, 2022						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	21,153.01	-	-	-	21,153.01	21,153.01
Lease liabilities	14,153.55	26,071.51	21,807.52	29,492.80	91,525.37	69,222.11
Others	2,068.63	-	-	-	2,068.63	2,068.63

The Company has access to following financing facilities which were undrawn as at the end of the year.

₹ in Lakhs

Undrawn financing facilities	As at March 31, 2023	As at March 31, 2022
Secured working capital facilities		
Amount Used	-	-
Amount Unused	4,600.00	2,000.00
Total	**4,600.00**	**2,000.00**

The above facility has been secured by a charge on Company's book debts, inventory, receivables, cash flows, and all current assets including cash-in-hand.

C] 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: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

1) Product Price risk

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps Company protect itself from significant product margin losses.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

2) Interest risk

The Company is not exposed to interest rate risk through the borrowing activities. The Company does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

3) Currency risk

The Company's significant transactions are in Indian rupees and therefore there is minimal foreign currency risk.

The Company's exposure to foreign currency risk at the end of the reporting period expressed in ₹ in Lakhs, is as follows

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in Lakhs	USD($) in Lakhs	₹ in Lakhs	USD($) in Lakhs
Trade Payables	86.78	1.07	12.46	0.17

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
USD sensitivity		
₹/USD -Increase by 1% #	(0.87)	(0.12)
₹/USD -Decrease by 1% #	0.87	0.12

 # Holding all other variables constant

34 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to any supplier at the end of the accounting year	679.98	620.17
The Interest due on the principal amount remaining unpaid to any supplier at the end of the accounting year	1.11	0.08
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	1.03	3.23
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year (where the principal has been paid but interest under the MSMED Act, 2006 is not paid)	0.84	0.08

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006		

Note : Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

35 Events after the reporting period:

No events, other than those disclosed in the financial statements, have occurred subsequent to the balance sheet date or are pending that would require adjustment to, or disclosure in the financial statements or amendment to significant assumptions used in the preparation of accounting estimate.

36 Ratio analysis and its elements:

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current Assets	133,099.28	132,233.25
Current Liabilities	47,051.46	41,850.30
Ratio	2.83	3.16
% Change from previous year	**-10%**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current and non current borrowings

The Company do not have any outstanding borrowing as at year ended March 31, 2023 and March 31, 2022 and hence debt equity ratio is not applicable.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

The Company do not have any outstanding borrowing as at year ended March 31, 2023 and March 31, 2022 and hence debt service coverage ratio is not applicable.

d) Return on Equity Ratio / Return on investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	37,317.80	20,763.57
Total equity	153,294.18	123,789.18
Ratio	0.24	0.17
% Change from previous year	**41%**	

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

Reason for change more than 25%:

This ratio has increased from 0.17 in March 2022 to 0.24 in March 2023. This is mainly due to lower net profit in previous year on account of reduced sales due to Covid 19 pandemic. In the current year, business operations were normalised. This has resulted in increase in net profit for the year in comparison to the previous year.

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2023	As at March 31, 2022
Cost of goods sold	84,860.87	54,957.51
Average Inventory	50,310.47	35,168.00
Inventory Turnover Ratio	1.69	1.56
% Change from previous year	**8%**	

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Sales	13,880.82	8,656.33
Average Trade Receivables	2,249.94	2,398.81
Ratio	6.17	3.61
% Change from previous year	**71%**	

Reason for change more than 25%:

This ratio has increased from 3.61 in March 2022 to 6.17 in March 2023 mainly due to increase in sales during the period due to business operations returning to normalcy. Further trade receivable as at period end were higher due to increase in E-commerce sales during this period.

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Purchases	101,702.04	68,401.28
Average Trade Payables	23,763.52	20,702.31
Ratio	4.28	3.30
% Change from previous year	**30%**	

Reason for change more than 25%:

This ratio has increased from 3.30 in March 2022 to 4.28 in March 2023 mainly due to increased purchases on account of business operations returning to normalcy as compared to previous year.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Sales	205,184.27	131,241.02
Current Assets (A)	133,099.28	132,233.36
Current Liabilities (B)	47,051.46	41,850.30
Net Working Capital (C) = (A) - (B)	86,047.82	90,383.06
Ratio	2.38	1.45
% Change from previous year	**64%**	

Reason for change more than 25%:

This ratio has increased from 1.45 in March 2022 to 2.38 in March 2023 mainly due to increase in sale on account of normalised operations.

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	37,317.80	20,763.57
Revenue from operation	205,184.27	131,241.02
Ratio	0.18	0.16
% Change from previous year	**13%**	

j) Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit after tax (A)	37,317.80	20,763.57
Finance Costs (B)	6,160.64	5,031.21
Total Tax Expense (C)	12,511.77	6,990.48
EBIT (D) = (A)+(B)+(C)	**55,990.21**	**32,785.26**
Capital Employed (G)=(E)-(F)	**233,256.67**	**183,607.57**
Total Assets (E)	280,308.13	225,457.87
Total current liabilities (F)	47,051.46	41,850.30
Ratio (D)/(G)	**0.24**	**0.18**
% Change from previous year	**33%**	

Reason for change more than 25%:

The return on capital employed has improved from 0.18 in March 2022 to 0.24 in March 2023 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to business operations returning to normalcy during the current year.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2023	As at March 31, 2022
Income from investment	3,246.27	2,324.11
Closing balance of the investment	61,956.71	72,746.91
Ratio	0.05	0.03
% Change from previous year	**67%**	

Reason for change more than 25%:

Return on investment ratio has increased from 0.03 in March 2022 to 0.05 in March 2023 as the company had invested funds in bonds, commercial papers and INveiTs in order to obtain better returns on investments.

37 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

38 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

39 There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

40 The Company has not traded or invested in crypto currency or virtual currency during the financial year.

41 **(A)** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favor of the lease) are held in the name of Metro Shoes Limited, the erstwhile name of the Company and is in the process of being transferred in the name of the Company.

43 There is no delay in creation or satisfaction of charge which has been registered with Registrar of Companies (ROC) during the period.

44 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

Notes forming part of the standalone financial statements

for the year ended March 31, 2023

45 On December 1, 2022, the Company acquired 100% Equity Share Capital, Optionally Convertible Debentures and Compulsorily Convertible Preference Shares of Cravatex Brands Limited for an enterprise value of ₹ 202.17 crore. Consequently, it became a wholly owned subsidiary of the Company from the aforesaid date.

Further, the Board of Directors at its meeting held on March 23, 2023 have approved the Scheme of Amalgamation ("the Scheme") for FILA business of Cravatex Brands Limited with the Company w.e.f. April 01, 2023. The Company along with Cravatex Brands Limited is in the process of filing the necessary applications in connection with the Hon'ble National Company Law Tribunal.

46 The Company has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks during the year on the basis of current assets of the Company. The Company is not required to file quarterly returns/statements with such banks in respect of the said loan.

47 The Company do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

48 There were no whistle blower complaints received, other than the below complaints received and closed by the Company during the year.

Received	3
Closed	3

49 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable, in accordance with amendments to Schedule III.

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Independent Auditor's Report

To the Members of Metro Brands Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Metro Brands Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint venture 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue recognition (as described in note 1.b of the consolidated financial statements)</td></tr>
<tr><td>Revenue from the sale of goods is recognised when control in goods is transferred to the customer and is measured net of rebates, discounts and returns. In some cases, discounts are offered on further sale of goods by the customers. Hence, provision for such discounts is estimated and accrued.

We have determined this to be a key audit matter as a significant part of Company's revenue relates to sales through a number of Company owned outlets These transactions are of high volume with individually small values. Further, the Company makes assumptions and judgements for recording discount accrual. This creates an inherent risk of revenue not being recognised accurately. Also, there is a risk that revenue may be overstated due to pressure from the management and Board of Directors who may strive to achieve performance targets.</td><td>Our audit procedures included the following:
• Assessed the appropriateness of the accounting policy for revenue recognition as per the relevant accounting standards.
• Evaluated the design and tested the operating effectiveness of internal financial controls with respect to the revenue.
• For selected samples, performed testing of retail sale transactions during the year by examining the underlying documents and agreeing them with the cash / credit card / online receipts and deposit of cash amounts recorded in daily cash reports with bank deposits.
• Involved IT specialists to assist us in testing of general IT controls and key IT application controls (automated controls) relating to revenue recognition.
• Tested the estimate of discounts accruals with underlying documentation such as management approved norms, customer agreements, sales data and customer reconciliations, as applicable.
• Performed cash counts, on a sample basis, at selected stores and tested whether the cash balances are in agreement with cash receipts report.
• Tested sample journal entries out of a population of entries recorded during the year, selected based on specified risk-based criteria, to identify unusual items.
• Assessed that the disclosures in the financial statements is in accordance with the accounting standards.</td></tr>
<tr><td colspan="2">Acquisition of Cravatex Brands Limited (as described in note 47 of the consolidated financial statements)</td></tr>
<tr><td>On December 1, 2022, the Company acquired 100% equity share capital, optionally convertible debentures and compulsorily convertible preference shares of Cravatex Brands Limited for an enterprise value of ₹ 20,217 lakhs. Consequently, it became wholly-owned subsidiary of the Company from aforesaid date.

The purchase consideration was allocated to the fair value of identifiable assets acquired and liabilities assumed, resulting in the recognition of goodwill of ₹ 4,091 lakhs as on the date of acquisition

Considering the involvement of significant judgements and assumptions in fair value measurements and purchase price allocations including the magnitude of acquisition made, this is considered as a key audit matter.</td><td>Our audit procedures included the following:
• Understood and evaluated the design and tested the operating effectiveness of controls related to key inputs and key outputs of the purchase price allocation process.
• Read the securities purchase agreement and other related documents to obtain an understanding of the transactions and the key terms and conditions.
• Assessed whether the accounting treatment is in accordance with Ind AS 103.
• Obtained and read the valuation reports for purchase price allocation from independent valuer
• Tested the allocation of purchase price to respective assets and liabilities in accordance with the valuation report.</td></tr>
</table>

Key audit matters	How our audit addressed the key audit matter
	• Engaged our specialist and evaluated the appropriateness of methodology, key assumptions such as discount and long-term growth rate, risk free rate of return and weighted average cost of capital considered in determining the valuation of intangible assets, including resultant Goodwill. • Assessed the competence, capabilities and relevant experience of the experts engaged by the management to determine fair valuation of assets and liabilities acquired. • Assessed disclosures in financial statements in respect to acquisition in accordance with the accounting standards.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture, is traced from their financial statements audited by the other auditors.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and its joint venture 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group and its joint venture are also responsible for overseeing the financial reporting process of the Group and joint venture.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of ₹ 24,529 lakhs as at March 31, 2023, total revenues of ₹7,911 lakhs and net cash outflows of ₹ 394 lakhs, for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 204 lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements, other financial information have been audited by other auditor and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the report of such other auditors.

(b) The consolidated financial statements of the Company for the year ended March 31, 2022, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 20, 2022.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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 sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and joint venture company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) The other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except with respect to one joint venture where it has not maintained daily back-ups of books of accounts and other books and papers maintained in electronic mode in a server physically located in India;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint venture, none of the directors of the Group's companies and joint venture, incorporated in India, is disqualified as on March 31, 2023 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 consolidated financial statements of the Holding Company and its subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, and joint venture in its consolidated financial statements – Refer note 26 to the consolidated financial statements;

ii. The Group, and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint venture incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, as disclosed in note 44 of the consolidated 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 Holding Company or any of such subsidiaries and joint venture 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of its knowledge and belief, as disclosed in note 44 of the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, and joint venture shall, whether, 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

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the Holding Company until the date of the audit report of Holding Company is in accordance with section 123 of the Act.

As stated in note 11(ii) to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries, joint venture company incorporated in India, hence reporting under this clause is not applicable.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHB6839

Place : Mumbai
Date: May 23, 2023

"Annexure 1" referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Metro Brands Limited ("the Company")

(xxi) Qualifications or adverse remarks by respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. no.	Name	CIN	Holding company/ subsidiary/associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Metro Brands Limited	L19200MH1977PLC019449	Holding company	Clause (vii)(a)
2	Metro Brands Limited	L19200MH1977PLC019449	Holding company	Clause (xi)(a)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHB6839

Place : Mumbai
Date: May 23, 2023

"Annexure 2" to the Independent Auditor's Report of even date on the consolidated financial statements of Metro Brands Limited

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

In conjunction with our audit of the consolidated financial statements of Metro Brands Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial contr ols with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Group and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these two subsidiaries and a joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint venture incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Firoz Pradhan**
Partner
Membership Number: 109360
UDIN: 23109360BGYBHB6839

Place : Mumbai
Date: May 23, 2023

Consolidated Balance Sheet

as at March 31, 2023

₹ in Lakhs

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	29,755.65	23,502.08
(b) Goodwill	47	4,091.24	-
(c) Capital work-in-progress	2e	1,710.14	557.69
(d) Right-of-use assets	2b	83,766.94	60,958.21
(e) Intangible assets	2c	12,596.14	316.77
(f) Intangible assets under development	2f	73.83	61.66
(g) Investment in Joint Venture	3	1,048.87	848.56
(h) Financial assets			
(i) Investment Others	3	133.98	-
(ii) Other Bank Balances	9c	14.44	22.79
(iii) Other financial assets	5	6,462.03	5,465.01
(i) Deferred tax assets (net)	25	491.46	2,229.94
(j) Non-current tax assets		66.23	294.51
(k) Other non-current assets	6	147.95	357.47
Total non - current assets		**140,358.90**	**94,614.69**
2 Current assets			
(a) Inventories	7	64,575.67	42,419.25
(b) Financial assets			
(i) Investments	3	46,578.72	39,255.43
(ii) Trade receivables	8	12,613.93	4,838.50
(iii) Cash and cash equivalents	9a	3,183.07	6,154.12
(iv) Bank Balances other than (iii) above	9b	16,667.43	33,491.48
(v) Loans	4	126.60	149.24
(vi) Other financial assets	5	2,174.73	1,911.01
(c) Other current assets	6	6,444.23	7,311.80
		152,364.38	**135,530.83**
Assets classified as held for sale	2d	-	338.04
Total current assets		**152,364.38**	**135,868.87**
Total assets (1+2)		**292,723.28**	**230,483.56**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	13,586.66	13,575.37
(b) Other equity	11	141,183.67	112,893.94
Equity attributable to the owners of the Company		**154,770.33**	**126,469.31**
Non-Controlling Interests		2,639.51	2,244.48
Total equity		**157,409.84**	**128,713.79**
2 Share application money pending allotment		**2.37**	**-**
3 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	81,281.41	59,818.39
(b) Provisions	14	111.24	63.13
(c) Other non-current liabilities	16	340.88	-
Total non - current liabilities		**81,733.53**	**59,881.52**
4 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	152.25	-
(ii) Lease liabilities	30	12,862.84	9,403.72
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	15	1,444.87	702.03
Total Outstanding dues of creditors other than micro enterprises and small enterprises	15	26,686.75	20,434.22
(iv) Other financial liabilities	13	6,677.78	2,068.63
(b) Other Current liabilities	16	4,307.65	8,000.71
(c) Provisions	14	1,292.79	400.60
(d) Current tax liabilities (Net)		152.61	878.34
Total current liabilities		**53,577.54**	**41,888.25**
Total equity and liabilities (1+2+3+4)		**292,723.28**	**230,483.56**

See accompanying notes from 1 to 51 forming part of the Consolidated financial statements

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

₹ in Lakhs

	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I	**Income**			
	Revenue from operations	17	212,709.55	134,293.05
	Other Income	18	5,441.41	5,863.95
	Total Income		**218,150.96**	**140,157.00**
II	**Expenses**			
	(a) Purchases of stock-in-trade	19	106,571.54	70,034.10
	(b) Changes in inventories of stock in trade	19.b	(17,373.85)	(13,443.78)
	(c) Employee benefits expense	21	18,434.59	12,124.44
	(d) Finance Costs	22	6,305.72	5,042.90
	(e) Depreciation and amortisation expense	20	18,100.96	13,423.52
	(f) Other expenses	23	37,203.27	24,661.84
	Total Expenses		**169,242.23**	**111,843.02**
III	**Profit before tax for the year (I-II)**		**48,908.73**	**28,313.98**
IV	**Tax expense**			
	(a) Current tax	24	13,705.97	7,580.45
	(c) Deferred tax (credit)	24	(1,132.39)	(561.80)
	Total tax expense		**12,573.58**	**7,018.65**
V	**Profit for the year after tax and before share of profit of a Joint Venture (III-IV)**		**36,335.15**	**21,295.33**
VI	**Share of profit of a Joint Venture**		203.54	124.32
VII	**Profit after tax for the year (V+VI)**		**36,538.69**	**21,419.65**
VIII	**Other comprehensive income/(loss) for the year**		**(194.17)**	**40.99**
	(a) Items that will not be reclassified to profit or loss			
	- Gain / (Loss) on Remeasurements of the defined benefit plans			
	(i) Group		(152.42)	100.34
	(ii) Share in Joint Venture		(3.23)	(5.73)
	- Income tax relating to items that will not be reclassified to profit or loss		30.84	(25.25)
	(b) Items that will be reclassified to profit or loss			
	- Gain / (Loss) arising on fair valuation of quoted investments in bonds		(69.36)	(28.37)
	- Income tax relating to items that will be reclassified to profit or loss		-	-
XI	**Total comprehensive income for the year (VII +VIII)**		**36,344.52**	**21,460.64**
	Profit after tax for the year attributable to:			
	- Equity holders of the Parent		36,145.25	21,159.08
	- Non-controlling interests		393.44	260.57
			36,538.69	**21,419.65**
	Other comprehensive income for the year attributable to:			
	- Equity holders of the Parent		(195.76)	43.26
	- Non-controlling interests		1.59	(2.27)
			(194.17)	**40.99**
	Total comprehensive income for the year attributable to:			
	- Equity holders of the Parent		35,949.49	21,202.34
	- Non-controlling interests		395.03	258.30
			36,344.52	**21,460.64**
	Earnings per equity share (Face value of ₹ 5 each):			
	Basic (₹)	31	13.31	8.01
	Diluted (₹)	31	13.26	7.98

See accompanying notes from 1 to 51 forming part of the Consolidated financial statements

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from Operating Activities		
Profit before tax for the year	**48,908.73**	**28,313.98**
Adjustments for:		
Finance Cost	13.57	11.69
Depreciation and Amortisation expense	18,100.96	13,423.52
Interest Expense	6,292.15	4,892.79
Rent Concession on account of COVID - 19	(304.60)	(2,816.19)
Loss on Sale / Discard of Property Plant & Equipment (net)	142.38	329.84
Dividend income from Current Investments in Mutual Funds	(12.06)	-
Net gain on sale of Investments	(679.61)	(366.36)
Net Gain arising on Investments designated as FVTPL	(647.76)	(1,211.36)
Interest Income	(3,011.13)	(1,081.20)
Allowance for expected credit losses, advances and deposits	-	33.73
Liabilities no longer required, written back	(250.31)	(180.31)
Advances written off	-	49.32
Employee's Stock Options Expenses	901.29	329.23
Operating profit before working capital changes	**69,453.61**	**41,728.68**
Movement in working capital:		
(Increase)/Decrease in Trade Receivable	1,328.09	(750.44)
(Increase) in other financial assets	(1,546.36)	(1,473.35)
(Increase)/Decrease in other current assets	2,133.30	(4,791.13)
(Increase) in Inventories	(17,374.36)	(13,443.77)
Decrease/(Increase) in other non-current assets	215.00	(60.59)
Increase in trade and other payables	2,551.16	2,777.93
Increase/(Decrease) in Other current liabilities	(4,380.73)	4,626.39
(Decrease) in Other non-current liabilities	(31.11)	-
(Decrease)/Increase in Other financial liabilities	(288.44)	84.90
Increase in Provisions	128.17	416.95
	(17,265.28)	**(12,613.11)**
Cash generated from Operations	**52,188.33**	**29,115.57**
Less: Income taxes paid	(14,120.66)	(7,145.97)
Net cash generated from Operating Activities	**38,067.67**	**21,969.60**
Cash flows from investment activities:		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(9,963.73)	(4,791.69)
Proceeds from Sale / Discard of Property, Plant & Equipment	813.00	48.37
Interest Received	2,111.46	675.97
Bank Balances (including Non Current) not considered as Cash and Cash equivalents	17,663.50	(31,406.31)
Purchase of Current Investments	(134,620.56)	(29,998.35)
Redemption of Current Investments	128,555.34	35,379.20
Dividend Income from Mutual Funds	12.06	-
Investment in Equity shares	(133.98)	-

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash Consideration paid on acquisition of Subsidiary (net of cash and cash equivalents taken over of ₹ 36.08 lakhs) (Refer Note 47)	(9,591.80)	-
Net cash flows from Investing Activities	**(5,154.71)**	**(30,092.82)**
Cash flow from Financing Activities:		
Proceeds from issue of shares	282.51	29,240.34
Repayments of borrowings	(10,228.17)	(140.56)
Payment of Lease Liabilities	(17,094.88)	(10,382.55)
Finance Costs	(13.57)	(11.69)
Payment of Final and Interim Dividend	(8,829.90)	(7,059.87)
Net cash used in Financing Activities	**(35,884.01)**	**11,645.67**
Net (decrease)/increase in cash and cash equivalents	**(2,971.05)**	**3,522.45**
Cash and cash equivalents at the beginning	6,154.12	2,631.67
Cash and cash equivalents at the end of the year [Refer Note 9a]	3,183.07	6,154.12

Changes in Liabilities arising from Financing Activities

March 31, 2023

Particulars	Opening Balance	On acquisition of subsidiary (Refer note 47)	Cash flow changes inflow/(outflow)	Closing balance
Non current Borrowings	-	10,380.42	(10,228.17)	152.25

March 31, 2022

Particulars	Opening Balance	On acquisition of subsidiary (Refer note 47)	Cash flow changes inflow/(outflow)	Closing balance
Non current Borrowings	140.56	-	(140.56)	-

See accompanying notes from 1 to 51 forming part of the Consolidated financial statements

In terms of our report attached.
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance as at beginning of the year	13,575.37	13,276.71
Changes in equity share capital during the year		
Shares issued through Private Placement	-	3.66
Shares issued through Initial Public Offer ('IPO')	-	295.00
Shares allotted on exercise of ESOP	11.29	-
Balance as at the end of the year	**13,586.66**	**13,575.37**

B. Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income (net of taxes)	Attributable to the owners of the Company	Non Controlling Interest	Total
Balance as at April 01, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**83,488.68**	**24.97**	**112,893.94**	**2,244.48**	**115,138.42**
Profit for the year	-	-	-	-	36,145.25	-	36,145.25	393.44	36,538.69
Other comprehensive income (net of income tax)	-	-	-	-	(126.41)	(69.36)	(195.76)	1.59	(194.17)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**36,018.84**	**(69.36)**	**35,949.49**	**395.03**	**36,344.52**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	150.60	-	-	(150.60)	-	-	-	-	-
Received from Employees on exercise of options	451.54	-	-	-	-	-	451.54	-	451.54
Employee stock option plan recognized	-	-	-	901.29	-	-	901.29	-	901.29
Premium arising on issue of equity shares through IPO and Private Placement	-	-	-	-	-	-	-	-	-
Share issue expense on IPO and Private Placement	(182.69)	-	-	-	-	-	(182.69)	-	(182.69)
Payment of Interim dividend	-	-	-	-	(6,793.23)	-	(6,793.23)	-	(6,793.23)
Payment of Final dividend	-	-	-	-	(2,036.67)	-	(2,036.67)	-	(2,036.67)
Balance as at March 31, 2023	**29,438.66**	**29.00**	**2.85**	**1,079.92**	**110,677.62**	**(44.39)**	**141,183.67**	**2,639.51**	**143,823.18**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Reserves and Surplus								
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings	Other Comprehensive Income (net of taxes)	Attributable to the owners of the Company	Non Controlling Interest	Total
Balance as at April 01, 2021	**77.53**	**29.00**	**2.85**	**-**	**69,317.84**	**53.34**	**69,480.56**	**1,986.18**	**71,466.74**
Profit for the year	-	-	-	-	21,159.08	-	21,159.08	260.57	21,419.65
Other comprehensive income (net of income tax)	-	-	-	-	71.63	(28.37)	43.26	(2.27)	40.99
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**21,230.71**	**(28.37)**	**21,202.34**	**258.30**	**21,460.64**
Employee stock option plan recognized	-	-	-	329.23	-	-	329.23	-	329.23
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	-	29,525.74	-	29,525.74
Share issue expense on IPO and Private Placement	(584.06)	-	-	-	-	-	(584.06)	-	(584.06)
Payment of Interim dividend	-	-	-	-	(4,072.61)	-	(4,072.61)	-	(4,072.61)
Payment of Final dividend	-	-	-	-	(2,987.26)	-	(2,987.26)	-	(2,987.26)
Balance as at March 31, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**83,488.68**	**24.97**	**112,893.94**	**2,244.48**	**115,138.42**

See accompanying notes from 1 to 51 forming part of the Consolidated financial statements

In terms of our report attached.
For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Note 1.a - Corporate Information

Metro Brands Limited ['the Company'] is a listed Public Limited Company and its subsidiary companies (together referred to as 'the Group') and the Joint Venture (JV) are engaged in trading of fashion footwear, bags and accessories operating in the premium and economy category and manufacturing of shoe care and foot care products.

The addresses of the Company's registered office and principal place of business are given below.

401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070.

The consolidated financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 23, 2023.

Note 1.b - Significant Accounting Policies

Basis of preparation and presentation of consolidated financial statements

The consolidated financial statements of the Group have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard (referred to as Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, considering other relevant provisions of the Act.

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All amounts are rounded to the nearest lakhs except when otherwise indicated. The consolidated financial statements have been prepared in accordance with the amended Schedule III and accordingly previous year's numbers have been regrouped / reclassed (as necessary) and incremental disclosures have been made to compare with current year disclosures.

The consolidated financial statements of the Group have been prepared on a historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given at the date of the transaction, in exchange of goods and services.

Current versus non-current classification

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

- 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

Group classifies all other liabilities as non-current.

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

Based on the nature of activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

Fair valuation

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

the market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, the fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

A) Basis of consolidation:

Subsidiary:

Subsidiary is an entity over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control. Subsidiary is fully consolidated from the date on which control is transferred to the Group, and is de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity. Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

Joint Venture:

The Company's investment in a joint venture is accounted for by the Equity Method. On acquisition of the investment in Joint venture, the excess of the Company's share of the net fair values of the Joint venture's identifiable assets and liabilities over the cost of the investment is recognised directly in equity as Capital Reserve. The carrying amount is increased or decreased to recognize the Company's share of profit or loss and other comprehensive income of the joint venture after the date of acquisition. Distributions received from the joint venture reduce the carrying amount of the investment. The carrying amount of the investment is tested for impairment at each reporting date.

The unrealised gains/losses resulting from transactions with joint venture are eliminated against the investment to the extent of the Group's interest in the investee. However unrealised losses are eliminated only to the extent that there is no evidence of impairment.

B) Principles of consolidation:

The consolidated financial statements relate to the Group and its Joint Venture. The consolidated financial statements have been prepared on the following basis:

i. The financial statements of the subsidiary company and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2023.

ii. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income, and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

losses (net of deferred tax), unless cost cannot be recovered.

iii. The excess of cost to the Group of its investment in the subsidiary company over its share of equity of the subsidiary company, at the dates on which the investments in the subsidiary company were made are made/acquired, is recognised in the financial statement as 'Goodwill' being an asset in the consolidated financial statements. Similarly, where the share of equity in the subsidiary company as on the dates of investment/ acquisition is more than cost of the investment of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Other Equity' in the consolidated financial statements.

C) Business combination and goodwill:

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 *Income Tax* and Ind AS 19 *Employee Benefits* respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise because of the acquisition are accounted in accordance with Ind AS 12- Income tax.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is more than the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. To impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than it is carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

D) Going Concern:

The consolidated financial statements of the Group have been prepared on a going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires change in accounting policy hitherto in use.

E) Revenue Recognition:

I) Sale of goods:

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers for an amount that reflects the consideration the Group expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer or on delivery basis. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Sale of Gift voucher is considered as advance received from the customers till the time the vouchers are redeemed by the customer for the purchase of products and products sold is qualified for revenue recognition.

The Group operates a loyalty points programme which allows customers to accumulate points when they purchase products in the Group's retail stores. The points can be redeemed against consideration payable for subsequent purchases. Consideration received is allocated between the products sold and number of points expected to be redeemed. The consideration allocated to the loyalty points is measured by reference to their fair value. The Group recognises the consideration allocated to loyalty points, when the loyalty points are redeemed.

II) Interest and Dividend Income:

Dividend Income is accounted when right to receive the dividend is established.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

F) Property, plant and equipment and intangible assets:

Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately. Any expected loss is recognised immediately in the Consolidated statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Consolidated statement of Profit and Loss.

On transition to Ind AS the Group had elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of the transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. Based on this item of Property, Plant and Equipment existing as on the date of transition to Ind AS are carried at deemed cost. This exemption has also be used for intangible assets covered by Ind AS 38 'Intangible Assets'.

Depreciation:

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset:

- Leasehold improvements are amortised on straight line basis over the period of lease or useful life (not exceeding 10 years), whichever is lower.

Intangible Assets:

Identified intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair values at the acquisition date.

After initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Intangible Assets with finite useful lives acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on straight line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effects of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that acquired separately are carried at cost less accumulated impairment loss.

Intangible assets are amortised over their estimated useful life as follows:

- Trademark - 10-20 years
- Copy Rights - 10 years
- Computer Software - 5 years
- Commercial Rights - 10 years
- Brand - 10 years
- Non-compete - 5 years

Capital work in progress:

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Intangible Assets under development:

Expenditure on intangible assets under development eligible for capitalisation are carried as Intangible

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for the year ended March 31, 2023

assets under development where such assets are not yet ready for their intended use.

G) Impairment of Non-Financial Assets:

At the end of each reporting period, the Group reviews the carrying amounts of its Property, plant and equipment and Intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted at their present value using the pre-tax discount rate that reflects current market assessment of time value of money and the risks specific to assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated statement of Profit or Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior periods. A reversal of an impairment loss is recognised immediately in the Consolidated statement of Profit or Loss.

H) Inventories:

Inventories are valued at the lower of cost and net realisable value. Cost is determined on moving weighted average cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory cost includes purchase price and other directly attributable costs (such as taxes other than those subsequently recovered from the tax authorities), freight inward and other related incidental expenses incurred in bringing the inventory to its present condition and location.

I) Taxation:

Income Tax expense represents the sum of the current tax and deferred tax.

Current Tax

Current tax is the tax payable on the taxable profit for the period. Taxable profit differs from profit before tax as reported in the Consolidated statement of Profit and Loss because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in accordance with the Income Tax Act, 1961.

Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Current tax and Deferred tax for the year:

Current and deferred tax recognised in the profit and loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and the deferred tax are also recognised in other comprehensive income or directly in equity respectively.

J) Employee Benefits:

Employee Benefit Expenses comprise of salaries, wages and bonus, contribution to provident and other funds, gratuity expenses, share based payments expenses and staff welfare expenses.

Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange of the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of non-accumulating compensated absences, the cost of short-term compensated absences is accounted when the absences occur.

Long-term employee benefits:

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

Liabilities recognised in respect of other long term employee benefits are measured at present value of the estimated future cash flow expected to be made by the Group in respect of services provided by employees up to the reporting date.

I) Defined Contribution Plan:

The Provident Fund is a defined contribution scheme. The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary. The Group's contribution is recognised as an expense in the Consolidated statement of Profit and Loss during the period in which the employee renders the related service.

II) Defined Benefit Plan:

The Group has Defined Benefit Plan in the form of Gratuity.

Gratuity fund is recognised by the Income-tax authorities and administered through an Insurance fund. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated at each reporting period by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rate (interest rates of government bonds) that have terms to maturity approximating to the terms of the Gratuity.

Remeasurement gains and losses arising from experience adjustments, return on plan assets and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined benefit cost is split into:

- Service Cost, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
- Net interest expense or Income
- Remeasurements

The Group recognises service cost within profit and loss as employee benefit expenses. Net interest expense or income is recognised within finance costs.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

K) Foreign Currencies:

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are translated using the closing exchange rate as on Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on remeasurement of monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or as expenses in the period in which they arise and disclosed as a net amount in the financial statements.

L) Employees Stock Option Plan (ESOP):

In respect of Employee Stock Options, the Group measures the compensation cost using the fair value on grant date. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options, based on the Group's estimate of equity instruments that will eventually vest.

M) Provisions, Contingent Liabilities and Contingent Assets:

(i) Provisions

Provisions are recognised when the Group 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty:

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.

(ii) Contingent Liabilities

Contingent liabilities are disclosed when there is:

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

N) Financial Instruments:

Financial assets and financial liabilities are recognised when a Group becomes party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated statement of Profit and Loss.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Financial assets:

(i) Classification:

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Group classifies its financial assets in the following subsequent measurement categories:

Amortised Cost

Financial assets that are held within a business model for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost is recognised in the Consolidated statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Other Comprehensive Income (FVOCI)

Financial assets (including debt instruments) are subsequently measured at fair value through other comprehensive income when the asset is held within a business model with an objective that is achieved by collecting contractual cash flows and selling financial assets and the terms of the instrument give rise to cash flows that represent solely payments of principal and interest thereon. Movements in the carrying amount of such assets are taken through Other Comprehensive Income (OCI). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is not reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a financial asset that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Mutual fund investments

Mutual fund investments in the scope of Ind AS 109 are subsequently measured at fair value with net changed in fair value recognised in the Consolidated statement of profit and loss.

(ii) Impairment of Financial Assets:

All equity investments other than in Investment in Subsidiaries, Associates and Joint venture are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

(iii) Equity Instruments:

All equity investments other than in Investment in Associates and Joint venture are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

(iv) Derecognition of Financial Assets:

A financial asset is derecognised only when:

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

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables including bank overdrafts.

Subsequent measurement

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when the Group's obligation are discharged, cancelled or have expired. An exchange between the lender of debt instrument with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the term of an existing liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated statement of Profit or Loss.

O) Leases:

The Group's lease asset classes primarily consist of leases for Showroom Premise. The Group assesses whether a contract is or contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract

Notes forming part of the consolidated financial statements

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conveys the right to control the use of an identified asset, the Group assesses whether:

i) the contract involves the use of an identified asset

ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Group has the right to direct the use of the asset.

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Practical expedient for rent concession due to COVID-19 for previous year

The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated 24th July 2020 and 18th June 2021, on IND- AS 116 for rent concessions which are granted due to COVID-19 pandemic included as a part of notes. Accordingly charge in lease payments resulting from rent concessions would be recognised under "Other Income".

P) Earnings per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equities shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Q) Statement of Cash flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

R) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short- term balances (with an original maturity of three months or less from the date of acquisitions), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

S) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's Managing Director and CEO collectively have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to make decisions about resources to be allocated to the segment and assess

Notes forming part of the consolidated financial statements

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their performance. Since there is single operating segment, no segment disclosure of the Group is presented (Refer Note 29).

T) Share issue expenses:

The share issue expenses incurred by the Group on account of new shares issued are netted off from securities premium account. The share issue expenses incurred by the Group on behalf of selling shareholders are considered to be recoverable from selling shareholders and are classified as Initial Public Offering (IPO) expenses recoverable under other current assets.

Note 1.c - Significant Accounting Estimates and Judgements:

Preparing the consolidated statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the Balance Sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to the estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the areas involving critical estimates and judgements as at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

- Estimation of Revenue arising from Loyalty points [Refer Note 1.b(E)(I)]
- Estimation of useful life of Property, Plant and Equipment [Refer Note 1.b(F)]
- Estimation of Defined Benefit Obligation [Refer Note 1.b(I)(II)]
- Fair value measurements and valuation process [Refer Note 1.b]
- Impairment of Financial Assets [Refer Note 1.b(M)(II)]
- Acquisition of business [Refer Note 1.b(C)]

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

2a. Property, Plant and Equipment:

₹ in Lakhs

Particulars		Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I.	**Cost**							
	Balance as at April 01, 2021	**11,122.29**	**14,172.60**	**4,351.59**	**3,336.64**	**471.98**	**1,201.35**	**34,656.45**
	Additions	-	2,822.07	1,248.14	619.05	140.90	266.25	5,096.41
	Disposals	-	(1,521.98)	(244.85)	(270.26)	(98.11)	(294.56)	(2,429.76)
	Assets classified as held for sale	(410.78)	-	-	-	-	-	(410.78)
	Balance as at March 31, 2022	**10,711.51**	**15,472.69**	**5,354.88**	**3,685.43**	**514.77**	**1,173.04**	**36,912.32**
	Balance as at April 01, 2022	**10,711.51**	**15,472.69**	**5,354.88**	**3,685.43**	**514.77**	**1,173.04**	**36,912.32**
	On Acquisition of subsidiary (Refer Note 47)	452.48	-	626.37	55.26	-	11.00	1,145.11
	Additions	41.49	5,455.98	2,347.66	957.18	324.74	300.04	9,427.09
	Disposals	-	(1,561.71)	(200.58)	(222.86)	(51.94)	(59.51)	(2,096.60)
	Balance as at March 31, 2023	**11,205.48**	**19,366.96**	**8,128.33**	**4,475.01**	**787.57**	**1,424.57**	**45,387.92**
II.	**Accumulated depreciation**							
	Balance as at April 01, 2021	**1,210.61**	**7,175.10**	**1,686.44**	**1,487.14**	**231.23**	**864.18**	**12,654.70**
	Depreciation expense for the year	238.08	1,589.80	447.90	364.49	57.23	182.33	2,879.83
	Eliminated on disposal of assets	-	(1,290.41)	(181.99)	(229.39)	(69.14)	(280.62)	(2,051.55)
	Assets classified as held for sale	(72.74)	-	-	-	-	-	(72.74)
	Balance as at March 31, 2022	**1,375.95**	**7,474.49**	**1,952.35**	**1,622.24**	**219.32**	**765.89**	**13,410.24**
	Balance as at April 01, 2022	**1,375.95**	**7,474.49**	**1,952.35**	**1,622.24**	**219.32**	**765.89**	**13,410.24**
	Depreciation expense for the year	233.03	2,293.79	769.31	478.94	58.82	203.06	4,036.95
	Eliminated on disposal of assets	-	(1,369.36)	(154.91)	(195.51)	(44.02)	(51.12)	(1,814.92)
	Balance as at March 31, 2023	**1,608.98**	**8,398.92**	**2,566.75**	**1,905.67**	**234.12**	**917.82**	**15,632.27**
	Net carrying amount (I-II)							
	Balance as at March 31, 2023	**9,596.50**	**10,968.04**	**5,561.58**	**2,569.34**	**553.44**	**506.75**	**29,755.65**
	Balance as at March 31, 2022	**9,335.56**	**7,998.20**	**3,402.53**	**2,063.19**	**295.45**	**407.15**	**23,502.08**

2b. Right-of-use assets:

₹ in Lakhs

Particulars		Right-of-use assets
I.	**Cost**	
	Balance as at April 01, 2021	**68,035.37**
	Additions	22,416.85
	Deletion	(1,020.68)
	Balance as at March 31, 2022	**89,431.54**
	Balance as at April 01, 2022	**89,431.54**
	On Acquisition of subsidiary (Refer Note 47)	2,062.51
	Additions	37,787.32
	Deletion	(13,686.38)
	Balance as at March 31, 2023	**115,594.99**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Right-of-use assets
II. Accumulated Amortisation	
Balance as at April 01, 2021	**18,075.18**
Amortisation expense for the year	10,398.15
Balance as at March 31, 2022	**28,473.33**
Balance as at April 01, 2022	28,473.33
Amortisation expense for the year	13,681.31
Eliminated on disposal of assets	(10,326.58)
Balance as at March 31, 2023	**31,828.05**
Net carrying amount (I-II)	
Balance as at March 31, 2023	**83,766.94**
Balance as at March 31, 2023	**60,958.21**

2c. Intangible Assets (Represents other than Internally generated intangible assets):

₹ in Lakhs

Particulars	Copyrights	Commercial Rights	Trademark and License	Computer Software	Brand	Non-Compete	Total
I. Cost							
Balance as at April 01, 2021	**26.00**	**41.00**	**231.88**	**945.98**	**-**	**-**	**1,244.86**
Additions	-	-	-	65.93	-	-	65.93
Disposals	-	-	-	(4.49)	-	-	(4.49)
Balance as at March 31, 2022	**26.00**	**41.00**	**231.88**	**1,007.42**	**-**	**-**	**1,306.30**
Balance as at April 01, 2022	**26.00**	**41.00**	**231.88**	**1,007.42**	**-**	**-**	**1,306.30**
On Acquisition of subsidiary (Refer Note 47)	-	-	11,806.92	41.28	418.10	239.64	12,505.94
Additions	-	-	-	156.30	-	-	156.30
Disposals	-	-	-	(0.72)	-	-	(0.72)
Balance as at March 31, 2023	**26.00**	**41.00**	**12,038.80**	**1,204.27**	**418.10**	**239.64**	**13,967.83**
II. Accumulated amortisation							
Balance as at April 01, 2021	**26.00**	**41.00**	**159.56**	**621.90**	**-**	**-**	**848.46**
Amortization expense for the year	-	-	10.41	135.14	-	-	145.55
Eliminated on disposal of assets	-	-	-	(4.48)	-	-	(4.48)
Balance as at March 31, 2022	**26.00**	**41.00**	**169.97**	**752.56**	**-**	**-**	**989.53**
Balance as at April 01, 2022	**26.00**	**41.00**	**169.97**	**752.56**	**-**	**-**	**989.53**
Amortization expense for the year	-	-	206.23	146.55	13.94	15.98	382.70
Eliminated on disposal of assets	-	-	-	(0.55)	-	-	(0.55)
Balance as at March 31, 2023	**26.00**	**41.00**	**376.19**	**898.56**	**13.94**	**15.98**	**1,371.69**
Net carrying amount (I-II)							
Balance as at March 31, 2023	**-**	**-**	**11,662.60**	**305.72**	**404.16**	**223.66**	**12,596.14**
Balance as at March 31, 2022	**-**	**-**	**61.91**	**254.86**	**-**	**-**	**316.77**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

2d. Assets classified as held for sale :

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Building	-	338.04
Total	**-**	**338.04**

2e. Capital work-in-progress (CWIP):

₹ in Lakhs

As at March 31, 2023	1,710.14
As at March 31, 2022	557.69

Capital work-in-progress Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,710.14	-	-	-	1,710.14
Projects temporarily suspended	-	-	-	-	-
Total	**1,710.14**	**-**	**-**	**-**	**1,710.14**

Note : As on March 31, 2023 the Group does not have any Capital work-in-progress overdue for completion or has exceeded its cost compared to its original plan and hence completion schedule is not applicable.

As at March 31, 2022

₹ in Lakhs

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	553.49	0.65	1.88	-	556.02
Projects temporarily suspended	1.67	-	-	-	1.67
Total	**555.17**	**0.65**	**1.88**	**-**	**557.69**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Completion schedule for Capital work-in-progress which is overdue for completion is given below:

₹ in Lakhs

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
SBP - SAMBALPUR (Metro - Showroom)	28.63	0.16	-	-	28.79
ITM - ITANAGAR (Mochi - Showroom)	-	0.29	-	-	0.29
DDR - MUMBAI (Metro - Showroom)	27.22	-	0.75	-	27.97
SON - SONIPAT (Metro - Showroom)	15.46	0.07	-	-	15.53
BFM - BANGALORE (Mochi - Showroom)	-	0.13	1.13	-	1.26
Total	**71.31**	**0.65**	**1.88**	**-**	**73.84**

Note : For all years, Capital work-in-progress includes fit-out costs incurred at the time of establishing new showrooms or renovation of existing showrooms. This mainly comprises of leasehold improvements, furniture, office equipment, design fee, transportation cost etc.

2f. Intangible assets under development:

₹ in Lakhs

As at March 31, 2023	73.83
As at March 31, 2022	61.66

Note: The Group does not have any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

Intangible assets under development ageing schedule

As at March 31, 2023

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	53.83	20.00	-	-	73.83
Projects temporarily suspended	-	-	-	-	-
Total	**53.83**	**20.00**	**-**	**-**	**73.83**

As at March 31, 2022

₹ in Lakhs

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	46.37	15.29	-	-	61.66
Projects temporarily suspended	-	-	-	-	-
Total	**46.37**	**15.29**	**-**	**-**	**61.66**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

3. Investments:

	Particulars	As at March 31, 2023			As at March 31, 2022		
		Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
			Current	Non-Current		Current	Non-Current
A.	**Investments carried at carrying value**						
	Unquoted Investments (at cost) - fully paid up						
	In Equity instrument of Joint Venture						
	Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	6,860,000.00	-	520.52	6,860,000.00	-	520.52
	Add : Share in accumulated Profits/Reserves	-	-	528.35	-		328.04
	Investment in Joint Venture (a)	**6,860,000.00**	**-**	**1,048.87**	**6,860,000.00**	**-**	**848.56**
B.	**Investments carried at amortised cost**						
	Investments in Commercial Papers						
	Navi Finserv Limited	-	1,466.58	-	-	-	-
	Piramal Enterprises Ltd.	-	5,919.37	-	-	-	-
	Fixed Deposit Certificates						
	LIC Housing Finance Limited	-	2,000.00	-	-	3,850	-
	ICICI Home Finance	-	2,450.00	-	-	-	-
	HDFC Limited	-	12,720.20	-	-	-	-
C.	**Investments carried at FVOCI**						
	Quoted Investments						
	Investments in Bonds						
	7.38% PFC Tax Free Bonds 22/11/2027 of ₹ 10,00,000 each	50.00	539.45	-	50.00	565.65	-
	7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	160.18	-	14,285.00	170.13	-
	8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	568.55	-	50.00	601.75	-
D.	**Investments carried at FVTPL**						
	Unquoted Investments						
	In Preference shares (Others)						
	Preference shares in Thaely Private Limited	287.00	-	133.41	-	-	-
	In equity Instrument (Others)						
	Equity shares in Saraswat Co-operative Bank Limited	-	-	0.57	-	-	-
	Investments in Mutual Funds						
	Face Value of ₹ 10.00 each						
	ICICI Prudential Ultra Short Term Fund Direct Plan Growth	8,803,901.20	2,227.50	-	13,350,591	3,192.25	-
	AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	581.93	-	25,427	556.11	-
	AXIS Arbitrage Fund - Direct Growth	15,667,436.09	2,677.41	-	15,667,436	2,535.99	-
	Edelweiss Arbitrage Fund - Direct Plan Growth	-	-	-	14,957,848	2,465.58	-
	ICICI Prudential Equity Arbitrage Fund - Direct Plan Growth	-	-	-	8,472,841	2,481.74	-
	KOTAK Equity Arbitrage Fund- Direct Plan Growth	9,127,665.62	3,062.18	-	9,127,666	2,890.64	-
	L&T Arbitrage Opportunities Direct Plan - Growth	-	-	-	8,628,040	1,401.97	-
	NIPPON INDIA ARBITRAGE FUND - DIRECT PLAN	14,382,699.66	2,137.57	-	14,382,700	2,021.50	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Particulars	As at March 31, 2023			As at March 31, 2022		
	Quantity	Amount (₹ in Lakhs)		Quantity	Amount (₹ in Lakhs)	
		Current	Non-Current		Current	Non-Current
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Income Plus - Growth - Direct Plan	-	-	-	1,590,562	1,741.39	-
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	306,384.60	1,440.80	-	-	-	-
Aditya Birla Sunlife Banking and PSU Debt Fund - Growth - Direct Plan	-	-	-	863,507	2,627.88	-
Face Value of ₹ 1,000.00 each						
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	-	-	233,195	800.15	-
HDFC Money Market Fund - Direct Plan	-	-	-	85,955	4,001.05	-
TRUSTMF Banking and PSU Debt Fund - Direct Plan	-	-	-	99,995	1,055.98	-
TRUSTMF Liquid Fund Direct Plan - Growth	-	-	-	63,127	651.46	-
ICICI Prudential Overnight Fund Direct Plan Growth	66,720.79	806.31	-	-	-	-
NIPPON India Money Market Fund - Direct Growth	96,697.21	3,430.35	-	99,966	3,349.41	-
Axis Liquid Fund Direct Growth	8,011.71	200.36	-	-	-	-
Quoted Investments						
Investments in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000.00	1,253.50	-	100,000	1,205.79	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	1,112.69	-	99,995	1,089.01	-
Investments in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	874,826.00	1,073.21	-	-	-	-
India Grid	556,216.00	750.58	-	-	-	-
Investment Others (b)		**46,578.72**	**133.98**		**39,255.43**	**-**
Total (Aggregate amount of unquoted investments)		**41,120.56**	**1,182.85**		**35,623.10**	**848.56**
Total (Aggregate amount of quoted investments)		**5,458.16**	**-**		**3,632.33**	**-**
Total [c = (a+b)]		**46,578.72**	**1,182.85**		**39,255.43**	**848.56**

Note : Axis Banking & PSU debt fund direct Growth and Aditya Birla Sunlife fund Growth Direct plan of the Company are pledged with Bank against overdraft facility.

4. Loans (Unsecured, considered good)- Current:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to employees	32.98	30.62
Loans to Selling agents, Retail agents, Supervisors and others	93.62	118.62
Total	**126.60**	**149.24**

Note: The Group do not have any loans which are credit impaired or where there is significant increase in credit risk.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

5. Other financial assets:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits (Unsecured)						
Considered good	1,354.15	6,456.13	7,810.28	1,519.05	4,631.02	6,150.07
Credit impaired	15.62		15.62	15.62	-	15.62
	1,369.77	**6,456.13**	**7,825.90**	**1,534.67**	**4,631.02**	**6,165.69**
Less: Allowance for expected credit loss	(15.62)	-	(15.62)	(15.62)	-	(15.62)
	1,354.15	**6,456.13**	**7,810.28**	**1,519.05**	**4,631.02**	**6,150.07**
Bank Deposit with more than 12 months maturity from the Balance Sheet date	-	2.90	2.90	-	833.99	833.99
Insurance Claim Receivable	8.79	-	8.79	14.26	-	14.26
Interest accrued on deposits with banks and investments	804.88	-	804.88	240.34	-	240.34
Other Financial Assets	6.91	3.00	9.91	-	-	-
Recoverable from Suppliers	-	-	-	137.36	-	137.36
Total	**2,174.73**	**6,462.03**	**8,636.76**	**1,911.01**	**5,465.01**	**7,376.02**

6. Other assets:

₹ in Lakhs

Particulars		As at March 31, 2023			As at March 31, 2022		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than Capital Advances						
	Considered good- Unsecured	3,163.00	-	3,163.00	3,123.63	-	3,123.63
	Credit Impaired	69.13	-	69.13	69.13	-	69.13
		3,232.13	**-**	**3,232.13**	**3,192.76**	**-**	**3,192.76**
	Less: Allowance for doubtful advances	(69.13)	-	(69.13)	(69.13)	-	(69.13)
		3,163.00	**-**	**3,163.00**	**3,123.63**	**-**	**3,123.63**
(ii)	Capital advances	-	14.90	14.90	-	9.42	9.42
(iii)	Balances with government authorities	2,771.51	1.51	2,773.02	1,861.47	1.51	1,862.98
(iv)	Prepayments	321.68	32.28	353.96	204.60	12.63	217.23
(v)	Prepaid Rent	26.43	57.51	83.94	60.26	282.29	342.55
(vi)	Share issue expenses recoverable (Refer Note below)	-	-	-	1,900.71	-	1,900.71
(vii)	Receivables from Showroom Managers, Retail Agent etc.						
	Considered good- Unsecured	157.69	-	157.69	161.13	-	161.13
	Credit Impaired	11.55	-	11.55	16.17	-	16.17
		169.24	**-**	**169.24**	**177.30**	**-**	**177.30**
	Less: Allowance for doubtful receivables	(11.55)	-	(11.55)	(16.17)	-	(16.17)
		157.69	**-**	**157.69**	**161.13**	**-**	**161.13**
(vii)	Advance for DEPB License	**3.92**		**3.92**			
(ix)	Amounts paid under protest [Sales tax ₹ 41.75 Lakhs (March 31, 2022- Sales tax ₹ 51.62 Lakhs)] (Refer note 26)	-	41.75	41.75	-	51.62	51.62
Total		**6,444.23**	**147.95**	**6,592.18**	**7,311.80**	**357.47**	**7,669.27**

Note : Share issue expense amounting ₹ 1,900.71 Lakhs incurred by the Company towards Initial Public Offer ('IPO') is recoverable from Selling Shareholders.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

7. Inventories (At lower of Cost or Net realisable value):

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Stock-in-trade	64,575.67	42,419.25
Total	**64,575.67**	**42,419.25**
Included above, goods-in-transit:	180.36	866.99

Note :

The cost of inventories recognized as an expense includes ₹ 468.14 Lakhs (March 31, 2022: ₹ 74.70 Lakhs) in respect of write down of inventory to net realizable value.

8. Trade receivables:

₹ in Lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Trade receivable considered good - Secured	93.11	-
	Trade receivable considered good - Unsecured	12,520.82	4,838.50
(b)	Trade receivable - credit impaired	2,133.73	39.01
		14,747.66	**4,877.51**
Less: Allowance for expected credit losses		(2,133.73)	(39.01)
Total		**12,613.93**	**4,838.50**

Trade Receivables Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Particulars		Outstanding for following years from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	10,131.35	2,160.21	162.74	156.71	2.92	12,613.94
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	300.34	21.93	1,205.67	-	605.79	2,133.73
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**10,431.69**	**2,182.14**	**1,368.41**	**156.71**	**608.71**	**14,747.66**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

As at March 31, 2022

₹ in Lakhs

Particulars		Outstanding for following years from due date of paymentd					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	3,927.55	588.98	211.09	109.98	0.90	4,838.50
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	34.56	4.45	39.01
(iv)	Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**3,927.55**	**588.98**	**211.09**	**144.54**	**5.35**	**4,877.51**

Notes :

(a) No trade or other receivable are due from directors or other officers of the Group 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.

(b) For terms and conditions relating to related party receivables, refer Note 28.

(c) Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

(d) There are no unbilled dues for the reporting years.

(e) For explanations on the Group's credit risk management refer to note 36.4.

9a. Cash and cash equivalents:

₹ in Lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	Unrestricted balances with Banks		
	- In current accounts	2,042.01	5,907.07
	- Deposits with original maturity of less than 3 months	913.80	-
(b)	Cash on hand	62.68	51.20
(c)	Cash at showrooms	164.58	195.85
Total		**3,183.07**	**6,154.12**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

9b. Bank Balances other than Cash and cash equivalents:

₹ in Lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
(a)	In earmarked accounts		
	Balance with Banks (fixed deposits) held as margin money or security against guarantees and other commitments (Refer Note below)	7.81	50.26
(b)	Deposits with Banks	16,659.62	33,441.22
Total		**16,667.43**	**33,491.48**

Note :

Deposits with Banks includes ₹ 1.90 Lakhs (March 31,2022 ₹ 14.61 Lakhs) which have an original maturity of more than 12 months.

9c. Other Bank Balances:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with Banks held as margin money or security against guarantees and other commitments	14.44	22.79
Total	**14.44**	**22.79**

10. Equity Share Capital:

₹ in Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount (₹ in lakhs)	Number of Shares	Amount (₹ in lakhs)
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	15,000.00	300,000,000	15,000.00
Total		**15,000.00**		**15,000.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	271,733,221	13,586.66	271,507,426	13,575.37
Total		**13,586.66**		**13,575.37**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

10.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ of ₹ 5/- each (March 31, 2022 ₹ 5/- each)	271,507,426	13,575.37	265,534,290	13,276.71
Shared allotted on exercise of ESOPs	225,795	11.29	-	-
Shares Issued through Private Placement	-	-	73,136	3.66
Shares Issued through IPO	-	-	5,900,000	295.00
Balance as at the end of the year	**271,733,221**	**13,586.66**	**271,507,426**	**13,575.37**

10.2 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.76%	156,939,520	57.80%
Rekha Jhunjhunwala**	39,333,600	14.47%	39,333,600	14.49%
Rafique A. Malik***	18,576,000	6.83%	18,576,000	6.84%
*Includes shares held by Farah Malik Bhanji				
(a) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920	27.74%	75,367,920	27.76%
(b) As Trustee for the benefit of Aziza Malik Family Trust	76,447,600	28.13%	76,447,600	28.16%
**Includes shares held by Rekha Jhunjhunwala				
(a) As Trustee for the benefit of Aryaman Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.81%
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.81%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.80%	13,051,188	4.81%
***Includes shares held by Rafique A. Malik				
(a) As Trustee for the benefit of Zarah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(b) As Trustee for the benefit of Farah Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(c) As Trustee for the benefit of Zia Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%
(d) As Trustee for the benefit of Sabina Malik Family Trust	3,969,000	1.46%	3,969,000	1.46%

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Shareholding of Promotors

Name of Promoters	As at March 31, 2023		As at March 31, 2022		Change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.76%	156,939,520	57.80%	0.04%
Alisha Rafique Malik	9,088,000	3.34%	9,088,000	3.35%	0.01%
Rafique A. Malik**	2,700,000	0.99%	2,700,000	0.99%	0.00%
Total	**168,727,520**	**62.09%**	**168,727,520**	**62.14%**	
*Includes					
As A Trustee Of Aziza Malik Family Trust	76,447,600		76,447,600		
As A Trustee Of Rafique Malik Family Trust	75,367,920		75,367,920		

***The number of shares held & percentage of holding represents the shares held in the individual capacity.It does not include the shares held as a trustee for the benefit of Zarah Malik Family Trust, Farah Malik Family Trust, Zia Malik Family Trust and Sabina Malik Family Trust as these Trusts are not part of Promoter or Promoter group.*

Note-Promoter here means promoter as defined in the Companies Act, 2013, as amended

10.3 Employees Stock Option Scheme:

During the year the Company has granted 2,93,055 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended 31 March 2022 : 18,78,302 under ESOP 2008 Scheme). 2,25,795 (Previous year ended 31 March 2022 : Nil) Employee Stock Options have been exercised during the year.

10.4 Rights, preference and restriction attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 5/- each. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

11. Other equity:

₹ in Lakhs

Particulars	Reserves and Surplus					Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
	Securities premium	Capital reserve	General reserve	Employee stock options outstanding reserve	Retained earnings				
Balance as at April 01, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**83,488.68**	**24.97**	**112,893.94**	**2,244.48**	**115,138.42**
Profit for the year	-	-	-	-	36,145.25	-	36,145.25	393.44	36,538.69
Other comprehensive income (net of income tax)	-	-	-	-	(126.41)	(69.36)	(195.76)	1.59	(194.17)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**36,018.84**	**(69.36)**	**35,949.49**	**395.03**	**36,344.52**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	150.60	-	-	(150.60)	-	-	-	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Reserves and Surplus: Securities premium	Reserves and Surplus: Capital reserve	Reserves and Surplus: General reserve	Reserves and Surplus: Employee stock options outstanding reserve	Reserves and Surplus: Retained earnings	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
Received from Employees on exercise of options	451.54	-	-	-	-	-	451.54	-	451.54
Employee stock option plan recognized	-	-	-	901.29	-	-	901.29	-	901.29
Share is issue expense on IPO and Private Placement	(182.69)	-	-	-	-	-	(182.69)	-	(182.69)
Payment of Interim dividend	-	-	-	-	(6,793.23)	-	(6,793.23)	-	(6,793.23)
Payment of Final dividend	-	-	-	-	(2,036.67)	-	(2,036.67)	-	(2,036.67)
Balance as at March 31, 2023	**29,438.66**	**29.00**	**2.85**	**1,079.92**	**110,677.62**	**(44.39)**	**141,183.67**	**2,639.51**	**143,823.18**

₹ in Lakhs

Particulars	Reserves and Surplus: Securities premium	Reserves and Surplus: Capital reserve	Reserves and Surplus: General reserve	Reserves and Surplus: Employee stock options outstanding reserve	Reserves and Surplus: Retained earnings	Other Comprehensive Income	Attributable to the owners of the Company	Non Controlling Interest	Total
Balance as at April 01, 2021	**77.53**	**29.00**	**2.85**	**-**	**69,317.84**	**53.34**	**69,480.56**	**1,986.18**	**71,466.74**
Profit for the year	-	-	-	-	21,159.08	-	21,159.08	260.57	21,419.65
Other comprehensive income (net of income tax)	-	-	-	-	71.63	(28.37)	43.26	(2.27)	40.99
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**21,230.71**	**(28.37)**	**21,202.34**	**258.30**	**21,460.64**
Employee stock option plan recognized	-	-	-	329.23	-	-	329.23	-	329.23
Premium arising on issue of equity shares through IPO and Private Placement	29,525.74	-	-	-	-	-	29,525.74	-	29,525.74
Share is issue expense on IPO and Private Placement	(584.06)	-	-	-	-	-	(584.06)	-	(584.06)
Payment of Interim dividend	-	-	-	-	(4,072.61)	-	(4,072.61)	-	(4,072.61)
Payment of Final dividend	-	-	-	-	(2,987.26)	-	(2,987.26)	-	(2,987.26)
Balance as at March 31, 2022	**29,019.21**	**29.00**	**2.85**	**329.23**	**83,488.68**	**24.97**	**112,893.94**	**2,244.48**	**115,138.42**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securities Premium is created when shares are issued at premium . The Company can use this reserve in accordance with the provisions of the Act.

Capital Reserve:

Capital Reserve was created on acquisition of Subsidiary. The distribution of the amount will be subject to the restrictions placed by the Act.

General Reserve:

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss.

Employees Stock Options Outstanding Reserve:

The above reserve relates to stock options granted by the Company to its employees under its employee stock option plan.

Other Comprehensive Income:

Other Comprehensive Income represents change in the value of investments accounted through FVOCI.

II. Dividend on Equity Shares

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Final dividend for the year ended March 31, 2022 of ₹ 0.75/- (March 31, 2021 of ₹ 1.125/-) per fully paid up share	2,036.67	2,987.26
Interim dividend for the year ended March 31, 2023 of ₹ 2.50/- (March 31, 2022 of ₹ 1.50/-) per fully paid up share	6,793.23	4,072.61
Total	**8,829.90**	**7,059.87**

The Board of Directors at its meeting held on May 23, 2023 has recommended payment of final dividend of ₹ 1.50 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

12. Borrowings:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Secured- at amortised cost						
Buyers credit (Primarily Secured By Book Debts, Hypothecation of Inventories, and all other current assets both present and future)	152.25	-	152.25	-	-	-
Total	**152.25**	**-**	**152.25**	**-**	**-**	**-**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

13. Other financial liabilities:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposit - Franchisee	180.00	-	180.00	175.00	-	175.00
Security Deposit - Related Party	-	-	-	0.99	-	0.99
Retention Money Payable (Selling Agent, Supervisors, City and Regional Managers and Others)	976.46	-	976.46	753.44	-	753.44
Payable on acquisition of Property, Plant & Equipment	2,264.45	-	2,264.45	1,139.20	-	1,139.20
Unpaid Dividend	3.30	-	3.30	-	-	-
Accrual for expenses	3,253.58	-	3,253.58	-	-	-
Total	**6,677.78**	**-**	**6,677.78**	**2,068.63**	**-**	**2,068.63**

14. Provisions:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for Warranty (refer note)	67.17	-	67.17	50.31	-	50.31
Provision for Sales return	410.34	-	410.34	-	-	-
Provision for employee benefits-						
Gratuity (Refer Note 27)	434.96	66.58	501.55	93.15	63.13	156.28
Compensated Absences (Refer Note 27)	380.32	44.66	424.98	257.14	-	257.14
Total	**1,292.79**	**111.24**	**1,404.03**	**400.60**	**63.13**	**463.73**

Note-

Provision for warranty represents the undiscounted value of the managements best estimate of the future outflow of economic benefits that will be required for settlement of claim in respect of products sold by the Group. The estimate has been made on the basis of trends anticipated by the management and may vary as a result of variation in the market conditions. It is expected that cost will be incurred over the warranty period as per the warranty terms.

The movement in warranty provision is as under

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	50.31	45.31
Add: Provision made during the year	16.86	5.00
Less: Provision utilised/reversed during the year	-	-
Closing Balance	**67.17**	**50.31**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

15. Trade payables:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 37)	1,444.87	-	1,444.87	702.03	-	702.03
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	26,686.75	-	26,686.75	20,434.22	-	20,434.22
Total	**28,131.62**	**-**	**28,131.62**	**21,136.25**	**-**	**21,136.25**

Trade payables Ageing Schedule

As at March 31, 2023

₹ in Lakhs

Particulars	Outstanding for the following periods from the due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	1,402.10	35.26	7.51	-	1,444.87
ii) Others	22,100.33	93.04	82.09	284.33	22,559.79
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	4,126.96	-	-	-	4,126.96
Total	**27,629.39**	**128.30**	**89.60**	**284.33**	**28,131.62**

As at March 31, 2022

₹ in Lakhs

Particulars	Outstanding for the following periods from the due date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	702.03	-	-	-	702.03
ii) Others	17,363.42	74.44	86.57	249.12	17,773.55
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	2,660.67	-	-	-	2,660.67
Total	**20,726.12**	**74.44**	**86.57**	**249.12**	**21,136.25**

Notes:-

(a) Trade payables are non-interest bearing and are normally settled on 60-day terms

(b) For terms and conditions with related parties, refer to Note 28.

(c) For explanations on the Group's liquidity risk management refer to note 36.4.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

16. Other liabilities:

₹ in Lakhs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
Advances received from customers	391.61	-	391.61	276.65	-	276.65
Deferred revenue arising from customer loyalty program	1,210.17	-	1,210.17	661.13	-	661.13
Share Issue expense payable	-	-	-	3,800.00	-	3,800.00
Statutory dues payable	1,060.29	-	1,060.29	1,897.12	-	1,897.12
Security deposit from distributors and delears	-	340.88	340.88	-	-	-
Salary Payable	1,645.58	-	1,645.58	1,365.81	-	1,365.81
Total	**4,307.65**	**340.88**	**4,648.53**	**8,000.71**	**-**	**8,000.71**

17. Revenue from operations:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories	212,644.22	134,225.40
(b) Other operating revenues		
- Shoe Repair Income	65.09	56.05
- Sale of Service (Commission & Expense Recoveries)	0.23	11.60
Total	**212,709.55**	**134,293.05**

18. Other Income:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest Income:		
Income earned on financial assets carried at amortised cost:		
Interest on bank deposits	2,139.69	686.43
Interest on other Loans and advances	22.35	21.79
Interest on Security deposit	376.75	283.28
Interest on Commercial Papers	328.68	-
Income earned on financial assets carried at FVOCI		
Interest Income from Tax Free Bonds	89.70	89.70
Income earned on financial assets carried at FVTPL		
Interest Income from Investment	53.35	-
Interest on Income tax refund	0.61	-
	3,011.13	**1,081.20**
(b) Dividend Income:		
Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	12.06	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(c) Other Gains:		
Net gain on sale of Investments	679.61	366.36
Net fair value gain arising on current Investments designated at FVTPL	647.76	1,211.36
Net gain on foreign currency transactions and translation	221.38	91.85
Gain on termination of leases / Rent Concession on account of COVID - 19	304.60	2,816.19
(d) Others:		
Cash Discounts	65.66	46.25
Rent received	12.35	-
Miscellaneous Income	236.55	70.43
Liabilities no longer required, written back	250.31	180.31
Total	**5,441.41**	**5,863.95**

19. Purchases:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Stock-in-Trade (Footwear, Bags & Accessories)	102,848.80	68,055.95
Packing Materials	3,722.74	1,978.15
Total	**106,571.54**	**70,034.10**

19b. Changes in Inventories of Stock-In-Trade:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year:		
Stock-in-trade	64,575.17	42,419.25
Inventories at the beginning of the year:		
Stock-in-trade	42,419.25	28,975.47
Inventories On Acquisition of subsidiary (Refer Note 47)	4,782.06	-
Net (Increase)/decrease in Stock-in-trade	**(17,373.85)**	**(13,443.78)**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

20. Depreciation and amortization expense:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Depreciation of Property, Plant and Equipment (Refer Note 2a)	4,036.95	2,879.83
(b) Depreciation of Right-of-use assets (Refer Note 2b)	13,681.31	10,398.15
(c) Amortization of Intangible assets (Refer Note 2c)	382.70	145.55
Total	**18,100.96**	**13,423.53**

21. Employee benefits expense:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages	16,070.27	10,786.81
(b) Contribution to provident and other funds (Refer Note 27)	1,185.61	937.29
(c) Staff welfare expenses	277.42	71.11
(d) Employee's Stock Options Expenses (Refer Note 32)	901.29	329.23
Total	**18,434.59**	**12,124.44**

22. Finance Costs:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses	13.57	11.69
Interest on lease liabilities	6,292.15	4,892.79
Interest expense on Income tax	-	138.42
Total	**6,305.72**	**5,042.90**

23. Other expenses:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	2,687.53	1,960.99
Sublicence fees	398.34	-
Rent (Refer Note 30)	5,900.49	4,098.84
Rates and taxes	325.68	327.60
Insurance	263.56	150.46
Repairs and maintenance - Machinery and Equipment	115.26	85.20
Repairs and maintenance - Others	1,630.18	690.15
Advertisement & Sales promotion	5,574.29	3,362.72
Commission on sales	8,453.12	6,438.20

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Commission on Credit Card Sales	979.09	609.64
Freight Charges	3,432.28	2,020.49
Maintenance & Other Charges - Showrooms	2,777.38	2,066.52
Shoe Repair Expenses	147.99	97.12
Communication	221.12	185.93
Travelling and conveyance	912.22	396.62
Legal and professional fees	893.87	370.13
Payments to auditors (Refer Note 23.1)	106.01	41.19
Loss on Sale/ discard of Property, plant and equipment (net)	142.38	329.84
Directors' Sitting fees	41.00	22.30
Expenditure incurred on Corporate Social Responsibility (Refer Note 33)	363.21	335.37
Allowance for doubtful trade receivables, advances and deposits	-	33.73
Advances written off	-	49.32
Bad Debts	-	9.42
Provision for Bad & Doubtful trade receivables	35.08	-
Miscellaneous Expenses	1,803.19	980.05
Total	**37,203.27**	**24,661.84**

23.1 Payments to auditors:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To statutory auditor		
(i) For Audit	33.25	28.50
(ii) For Limited Review	12.50	-
(iii) For Taxation Matters	1.50	2.50
(iv) For Other Services	-	0.19
	47.25	**31.19**
(v) For IPO related services	-	188.40
Total (Refer note below)	**47.25**	**219.59**

Note:

1. During the year ended March 31, 2022 in addition to the above expenses in Statement of Profit and Loss, payment to auditors of ₹ 188.40 Lakhs is towards IPO related services accounted in balance sheet to be offset with securities premium arising from IPO.
2. Excludes ₹ 58.76 lakhs (March 31, 2022- ₹10.00 lakhs) paid to Auditors of Subsidiary companies.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

24. Current Tax and deferred tax:

(a) Income tax recognised in Statement of Profit and Loss:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
In respect of current year	13,685.40	7,525.55
In respect of prior year	20.57	54.90
	13,705.97	**7,580.45**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(1,132.39)	(561.80)
Total	**12,573.58**	**7,018.65**

(b) Income tax recognised in other comprehensive income:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	31.94	(26.81)
Deferred tax :		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	(1.10)	1.56
Total	**30.84**	**(25.25)**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**48,908.73**	**28,313.98**
Income tax expense at 25.17% (March 31,2022: 25.17%)	12,724.81	7,126.63
Effect of income that is exempt from taxation	(177.29)	(33.22)
Effect of expenses that are non-deductible in determining taxable profit	262.18	125.79
Effect due to differential tax rate	(256.69)	(255.44)
Tax of prior years	20.57	54.89
Income tax expense recognised in Statement of Profit and Loss	**12,573.58**	**7,018.65**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

25. Deferred tax:

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax assets	3,165.31	2,669.26
Deferred tax liabilities	(2,673.85)	(439.32)
	491.46	**2,229.94**

₹ in Lakhs

Particulars	For the year ended March 31, 2023					For the year ended March 31, 2022			
	Opening Balance	On acquisition of subsidiary (Refer Note 47)	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comprehensive Income	Closing Balance	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in the Statement of Other Comprehensive Income	Closing Balance
Tax effect of items constituting deferred tax assets/ (liabilities)									
Property, plant and equipment	211.43	(2,869.77)	211.48	-	(2,446.86)	117.24	94.19	-	211.43
Allowance for doubtful trade receivables, advances and deposits	26.73	-	-	-	26.73	26.73	-	-	26.73
Fair valuation on investments	(439.32)	-	212.33	-	(226.99)	(457.32)	18.00	-	(439.32)
Compensated absences	64.72	-	29.17	-	93.89	-	64.72	-	64.72
Unrealised profits on unsold inventories	10.23	-	9.38	-	19.61	39.43	(29.20)	-	10.23
Deferred Tax on IND AS 116-Leases	2,356.15	-	670.03	(1.10)	3,025.08	1,940.49	414.09	1.56	2,356.15
Net deferred tax asset /liabilities	**2,229.94**	**(2,869.77)**	**1,132.39**	**(1.10)**	**491.46**	**1,666.57**	**561.80**	**1.56**	**2,229.94**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

26 Contingent Liabilities and commitments (to the extent not provided for):

₹ in Lakhs

Nature of Dues	As at March 31, 2023	As at March 31, 2022	Period	Forum where dispute is pending
(i) Contingent Liabilities				
Disputed indirect and direct tax matters				
Central Excise demands	8.87	8.87	Apr'2006 - Mar'2014	CESTAT, Mumbai
Service Tax demands	10.59	10.59	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax demands	0.43	0.43	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.54	0.54	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam
	0.51	0.51	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	3.82	3.82	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	-	0.42	F.Y. 2012-2013	Office of Deputy commissioner of commercial Taxes, Audit, Karnataka
	76.43	76.43	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
	17.62	-	F.Y.2015-2016	Excise and Taxation Department, Punjab
Goods and Services Tax (GST) demands	7.89	7.89	F.Y. 2018-2019	Assistant Commissioner of State Tax-Bihar
	1.87	1.87	F.Y. 2019-2020	Commercial Tax Officer, Vigilance - 43, Bangalore
	0.57	0.57	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	141.23	141.23	F.Y. 2017-2018	Refer note below
Income Tax demands	3.01	3.01	A.Y. 2011-12	Commissioner of Income Tax, Appeal
ii) Commitments				
a) Estimated amount of contracts remaining to be executed on capital account (net of advances paid) and not provided	1,899.82	250.27		
Corporate Guarantees issued by wholly owned subsidiary	1.99	-		

Note- The subsidiary has received GST Assessment order for FY 2017-18 on 31.03.2022 for which it has filed an appeal against the said order. The subsidiary has paid an amount ₹ 6.8 lakhs for filing an appeal against the said order which has been disclosed under the Other current assets.

Future ultimate outflow of resources embodying economic benefits in respect of contingent liability matters depend on the final outcome of judgements / decisions on the matters involved.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

27 Employee Benefits:

I. Defined - Contribution Plans

The Group offers its employees defined contribution plan in the form of Provident Fund and Employee's State Insurance Corporation (ESIC). Both the employees and the Group pay pre determined contributions into the Provident Fund. The contributions are normally based on a certain proportion of the employee's salary. The Group recognised Provident Fund ₹ 700.71 Lakhs & (Previous year ₹ 589.75 Lakhs) & E.S.I.C ₹ 224.24 Lakhs & (Previous year ₹ 163.74 Lakhs) in the Statement of Profit and Loss.

II. Defined Benefit Plans- Gratuity

A For the Company and wholly owned subsidiary

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, payable for each completed year of service or part thereof in excess of six months in terms of gratuity scheme of the Company or as per the Payment of the Gratuity Act,1972 whichever is higher. Vesting occurs upon completion of five years of service.

There is no cap on the amount of gratuity paid to an eligible employee at retirement, or death while in employment or on termination of the employment.

a) The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, longevity risk and salary risk

Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. An increase in the life expectancy / longevity of plan participants will increase the plan's liability and vice versa.
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Lakhs

Gratuity	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	236.67	187.00
2. Net Interest Cost on the net defined benefit liability	9.81	1.26
Total	**246.48**	**188.26**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	51.21	(14.81)
2. Actuarial losses on account of :		
- change in demographic assumptions	-	(120.83)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Gratuity			For the year ended March 31, 2023	For the year ended March 31, 2022
	-	change in financial assumptions	(103.59)	185.89
	-	experience variance	209.14	(156.77)
			156.76	**(106.52)**
III.	**Net Asset/ (Liability) recognized in the Balance Sheet**			
	1.	Present Value of Defined Benefit Obligation	2,107.06	1,832.12
	2.	Fair value of plan assets	1,697.24	1,754.49
	3.	Net (liability) as at end of the year	(409.82)	(77.63)
IV.	**Change in the obligation during the year**			
	1.	Present Value of Defined Benefit Obligation at the beginning of the year	2,121.70	1,736.21
	2.	Expenses recognised in the Statement of Profit and Loss		
		- Current Service Cost	236.67	187.00
		- Interest Cost	122.16	104.84
	3.	Remeasurement gains/(losses)		
		- change in demographic assumptions	-	(120.83)
		- change in financial assumptions	(103.58)	185.89
		- experience variance (i.e. Actual experience vs assumptions)	209.14	(156.77)
	4.	Benefits Paid	(479.03)	(104.22)
	5.	Present Value of Defined Benefit Obligation at the end of the year	2,107.06	1,832.12
V.	**Change in Fair Value of Assets during the year**			
	1.	Plan assets at the beginning of the year	1,943.65	1,715.32
	2.	Investment Income	113.89	103.58
	3.	Return on plan assets (excluding amounts recognised in net interest expense)	(52.25)	14.81
	4.	Contribution by employer	87.54	25.00
	5.	Benefits paid	(395.59)	(104.22)
	6.	Fair value of Plan assets at the end of the year	1,697.24	1,754.49
VI.	**Fair value of plan assets at the end of the reporting period for each category are as follows:**			
	-	Government of India Securities (Central & State)	597.13	654.67
	-	High quality corporate bonds (Including public sector bonds)	533.12	665.81
	-	Equity shares, Equity mutual funds and ETF	250.93	301.59
	-	Others	316.06	132.42
Total			**1,697.24**	**1,754.49**
VII.	**Actuarial assumptions**			
	1.	Discount Rate [HO]	7.30%- 7.46%	6.40%
		Discount Rate [Sales Staff]	7.20%	5.55%
	2.	Expected rate of return on plan assets	7.46%-8.00%	8.00%
	3.	Salary Escalation Rate [HO]	6.00%-10.00%	10.00%
		Salary Escalation Rate [Sales Staff]	10.00%	10.00%
	4.	Attrition Rate [HO]	15.00%	15.00%
		Attrition Rate [Sales Staff]	30.00%	30.00%
	5.	In-service Mortality	IALM 2012-14	IALM 2012-14

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate , expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate (-/ + 1%)		
- Decrease by 1%	120.28	105.61
- Increase by 1%	(108.83)	(95.47)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(107.75)	(93.19)
- Increase by 1%	116.74	100.89
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	190.42	259.09
- Increase by 50%	(95.53)	(122.28)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.34	0.50
- Increase by 10%	(0.34)	(0.50)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

d) Expected contribution for the next year:

The Company expects to contribute ₹ 576.08 Lakhs in respect of the gratuity plans during the next financial year ending March 31, 2024.

e) Expected future benefits payable:

₹ in Lakhs

Maturity Profile of Defined Benefit Obligation	As at March 31, 2023	As at March 31, 2022
1 year	338.34	324.87
2 to 5 years	1,131.05	941.85
6 to 10 years	922.10	718.05
More than 10 years	1,006.44	757.21

III) Defined Benefit Plans - Compensated absences

From April 1, 2021 onwards, the Company had amended the policy for Compensated absences which allowed the employee to accumulate and carry forward the unutilised Compensated absences. The expected cost of accumulating compensated absences is determined by actuarial valuation for the year ended March 31, 2023.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation):

₹ in Lakhs

Compensated Absences	For the year ended March 31, 2023	For the year ended March 31, 2022
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	353.28	257.14
2. Fair value of plan assets	-	-
3. Net (liability) as at end of the year	(353.28)	(257.14)
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	257.14	-
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	108.74	257.14
- Interest Cost	19.77	-
3. Benefits Paid	(12.60)	-
4. Present Value of Defined Benefit Obligation at the end of the year	373.05	257.14

b) Actuarial Assumptions:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1. Discount Rate [HO]	7.30%	6.40%
Discount Rate [Sales Staff]	7.20%	5.55%
2. Salary escalation rate	10.00%	10.00%
3. Retirement age	60 years	60 years
4. Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
5. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
6. Rate of Leave Availment	0.00%	0.00%

c) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate , expected salary increase, attrition and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the year, while holding all other assumptions constant. The results of sensitivity analysis is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate (-/ + 1%)		
- Decrease by 1%	16.41	10.57
- Increase by 1%	(14.92)	(9.67)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(14.55)	(9.42)
- Increase by 1%	15.67	10.09

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	30.96	29.63
- Increase by 50%	(11.94)	(10.72)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.06	0.04
- Increase by 10%	(0.06)	(0.04)

The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

B For the Subsidiary-Unfunded

i Assets and Liability (Balance Sheet Position):

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Present Value of Obligation	(91.73)	(78.65)
Net Liability	**(91.73)**	**(78.65)**

ii Expenses recognised during the year:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
In Income Statement	19.17	14.39
In Other Comprehensive Income	(4.35)	6.18
Total Expenses Recognized during the year	**14.82**	**20.57**

iii Changes in the Present Value of Obligation:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Present Value of Obligation as at the beginning of the year	78.65	80.92
Current Service Cost	13.66	9.81
Interest Expense or Cost	5.51	4.58
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	0.77	-
change in financial assumptions	1.96	(2.80)
variance (i.e. Actual experiences assumptions)	(7.08)	8.98
Past Service Cost	(1.74)	(22.84)
Present Value of Obligation as at the end of the year	**91.73**	**78.65**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

iv Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Current Liability (Short term)	25.15	15.52
Non-Current Liability (Long term)	66.58	63.13
Present Value of Obligation	**91.73**	**78.65**

v Expenses Recognised in the Income Statement:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service Cost	13.66	9.81
Interest Expense or Cost	5.51	4.58
Present Value of Obligation as at the end of the year	**19.17**	**14.39**

vi Other Comprehensive Income:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gains) / losses		
change in demographic assumptions	0.77	-
change in financial assumptions	1.96	(2.80)
experience variance (i.e. Actual experience vs assumptions)	(7.08)	8.98
Components of defined benefit costs recognised in other comprehensive income	**(4.35)**	**6.18**

vii The principal financial assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate (per annum)	7.40% p.a.	For H.O. - 7.00% p.a. and For Sales Staff - 5.75% p.a.
Salary growth rate (per annum)	For H.O. - 10% and For Sales Staff - 5.%.	For H.O. - 8.5% and For Sales Staff - 5.%.

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

viii The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Mortality rate (% of IALM 06-08)	100%	100%
Normal retirement age	60 Years	60 Years
Attrition / Withdrawal rates, based on Category: (per annum)		
H.O. years	10.00%	8.82%
Sales Staff years	50.00%	43.04%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

ix Sensitivity Analysis:

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

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined Benefit Obligation (Base)	91.73	78.65

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate (- / + 1%)		
- Decrease by 1 %	4.49	5.27
- Increase by 1 %	(4.01)	(4.64)
Salary Growth Rate (- / + 1%)		
- Decrease by 1 %	(2.88)	(3.54)
- Increase by 1 %	2.68	3.78
Attrition Rate (- / + 50% of attrition rates)		
- Decrease by 1 %	1.88	1.18
- Increase by 1 %	(4.33)	(1.18)
Mortality Rate (- / + 10% of mortality rates)		
- Decrease by 1 %	0.01	0.01
- Increase by 1 %	(0.01)	(0.01)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

28 Related party disclosures as required by IND AS-24 "Related Party disclosures" are given below:

List of Related Parties :			
I.	**Names of Related Party and description of relationship:**		
a.	Joint Venture	M/s. M.V. Shoe Care Private Limited	
b.	Other Related Parties with whom transactions have taken place during the year :		
i.	Key Management Personnel (KMP)	1	Mr. Rafique Malik – Chairman (having significant influence)
		2	Mrs. Farah Malik Bhanji – Managing Director (having significant influence)
		3	Mr. Mohammed Iqbal hasanally Dossani (Whole Time Director)
		4	Mr. Nissan Joseph - Chief Executive Officer (from July 1, 2021) (having significant influence)
		5	Mr. Kaushal Parekh - Chief Financial Officer
		6	Ms. Deepa Sood - Company Secretary (From March 7, 2022)
		7	Ms. Tarannum Bhanpurwala - Company Secretary (Upto March 6, 2022)
		8	Mr. Utpal Sheth
		9	Ms. Aruna Advani
		10	Mr. Manoj Kumar Maheshwari
		11	Mr. Arvind Kumar Singhal
		12	Mr. Vikas Khemani
		13	Mr. Srikanth Velamakanni (From March 25, 2021)
ii.	Relatives of Key Management Personnel	1	Mrs. Sabina Malik Hadi
		2	Ms. Zarah Rafique Malik
		3	Mrs. Zia Malik Lalji
		4	Ms. Alisha R. Malik
		5	Mrs. Rukshana Kurbanali Javeri
		6	Mrs. Mumtaz Jaffer
		7	Mr. Suleiman Sadruddin Bhanji
		8	Mrs. Aziza Malik
iii.	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	1	Design Matrix Interiors LLP
		2	Design Matrix Associated Private Limited
		3	Allium Property LLP
		4	Metro Shoes
		5	Metro Family Holdings (from April 8th, 2022)
		6	Aziza Malik Family Trust
		7	Rafique Malik Family Trust
		8	Zia Malik Family Trust
		9	Zarah Malik Family Trust
		10	Sabina Malik Family Trust
		11	Farah Malik Family Trust

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

II. Related Party Transactions during the year:

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Rent (Compensation in respect of concession agreements for showrooms)					
Mr. Rafique Malik	Mar-23			128.02	
	Mar-22			92.24	
Mrs. Aziza Malik	Mar-23				289.78
	Mar-22				218.33
Commission/rent in respect of retail agency agreements for showroom					
Metro Shoes	Mar-23	262.29			
	Mar-22	163.58			
Rent (Compensation received in respect of rent for office)					
Metro Shoes	Mar-23	-			
	Mar-22	3.96			
Sale of Property, Plant and Equipment					
Metro Family Holdings	Mar-23	103.42			
	Mar-22	-			
Remuneration #					
Mr. Rafique Malik	Mar-23			714.91	
	Mar-22			760.07	
Mrs. Farah Malik Bhanji	Mar-23			298.03	
	Mar-22			317.28	
Mrs. Aziza Malik	Mar-23				209.05
	Mar-22				226.28
Mr. Kaushal Parekh	Mar-23			218.69	
	Mar-22			145.84	
Mr. Nissan Joseph	Mar-23			344.69	
	Mar-22			191.00	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-23			54.15	
	Mar-22			31.24	
Ms. Deepa Sood	Mar-23			68.13	
	Mar-22			4.89	
Ms. Tarannum Bhanpurwala	Mar-23			-	
	Mar-22			9.35	
Ms. Alisha R. Malik	Mar-23				97.00
	Mar-22				89.82
Directors' Sitting Fees*					
Ms. Aruna Advani	Mar-23			8.93	
	Mar-22			5.10	
Mr. Manoj Kumar Maheshwari	Mar-23			9.13	
	Mar-22			4.80	
Mr. Arvind Kumar Singhal	Mar-23			7.73	
	Mar-22			3.80	
Mr. Srikanth Velamakanni	Mar-23			6.35	
	Mar-22			3.00	
Mr. Vikas Khemani	Mar-23			6.55	
	Mar-22			2.60	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Retainership Fees					
Mrs. Mumtaz Jaffer	Mar-23				36.00
	Mar-22				36.00
Interim Dividend					
Mr. Rafique Malik	Mar-23			67.50	
	Mar-22			40.50	
Mrs. Farah Malik Bhanji	Mar-23			128.10	
	Mar-22			76.86	
Mrs. Aziza Malik	Mar-23				33.75
	Mar-22				20.25
Ms. Alisha R. Malik	Mar-23				227.20
	Mar-22				136.32
Mrs. Sabina Malik Hadi	Mar-23				128.23
	Mar-22				76.94
Ms. Zarah Rafique Malik	Mar-23				128.23
	Mar-22				76.94
Mrs. Zia Malik Lalji	Mar-23				128.23
	Mar-22				76.94
Mrs. Rukshana Kurbanali Javeri	Mar-23				6.08
	Mar-22				3.65
Mrs. Mumtaz Jaffer	Mar-23				0.63
	Mar-22				0.38
Mr. Kaushal Parekh	Mar-23			2.26	
	Mar-22			1.22	
Aziza Malik Family Trust	Mar-23	1,911.19			
	Mar-22	1,146.71			
Rafique Malik Family Trust	Mar-23	1,884.20			
	Mar-22	1,130.52			
Zia Malik Family Trust	Mar-23	99.23			
	Mar-22	59.54			
Zarah Malik Family Trust	Mar-23	99.23			
	Mar-22	59.54			
Sabina Malik Family Trust	Mar-23	99.23			
	Mar-22	59.54			
Farah Malik Family Trust	Mar-23	99.23			
	Mar-22	59.54			
Mr. Suleiman Sadruddin Bhanji	Mar-23				0.78
	Mar-22				0.45
Mohammed Iqbal Hasanally Dossani	Mar-23	0.15			
	Mar-22				

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Final Dividend					
Mr. Rafique Malik	Mar-23			20.25	
	Mar-22			30.38	
Mrs. Farah Malik Bhanji	Mar-23			38.43	
	Mar-22			89.30	
Mrs. Aziza Malik	Mar-23				10.13
	Mar-22				15.19
Mr. Kaushal Parekh	Mar-23			0.61	
	Mar-22			0.91	
Ms. Alisha R. Malik	Mar-23				68.16
	Mar-22				133.95
Mrs. Sabina Malik Hadi	Mar-23				38.47
	Mar-22				89.30
Ms. Zarah Rafique Malik	Mar-23				38.47
	Mar-22				89.30
Mrs. Zia Malik Lalji	Mar-23				38.47
	Mar-22				89.30
Mrs. Rukshana Kurbanali Javeri	Mar-23				1.82
	Mar-22				2.73
Mrs. Mumtaz Jaffer	Mar-23				0.19
	Mar-22				0.27
Aziza Malik Family Trust	Mar-23	573.36			
	Mar-22	902.08			
Rafique Malik Family Trust	Mar-23	565.26			
	Mar-22	889.06			
Zia Malik Family Trust	Mar-23	29.77			
	Mar-22	44.65			
Zarah Malik Family Trust	Mar-23	29.77			
	Mar-22	44.65			
Sabina Malik Family Trust	Mar-23	29.77			
	Mar-22	44.65			
Farah Malik Family Trust	Mar-23	29.77			
	Mar-22	44.65			
Mohammed Iqbal Hasanally Dossani	Mar-23	0.01			
	Mar-22				
Mr. Suleiman Sadruddin Bhanji	Mar-23				0.23
	Mar-22				0.27

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Year	Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence	Joint Venture	Key Management Personnel	Relatives of Key Management Personnel
Professional Fees (capital cost)					
Design Matrix Interiors LLP	Mar-23	443.24			
	Mar-22	280.38			
Design Matrix Associated Private Limited	Mar-23	2.75			
	Mar-22	-			
Purchases of Stock-in-Trade (net of taxes)					
M.V. Shoe Care Private Limited	Mar-23		2,005.60		
	Mar-22		965.01		
Security Deposit					
Mr. Rafique Malik	Mar-23			12.60	
	Mar-22				

III. Outstanding receivables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Enterprises in which KMP / Relatives of KMP are able to exercise significant influence (Metro Shoes)		
Rent	-	0.39
Security Deposit for Rent		
Mr. Rafique Malik-(BM8 Store)	(12.60)	-

IV. Outstanding payables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(10.56)	(9.64)
Mrs. Aziza Malik	(14.68)	(22.05)
Remuneration #		
Mr. Nissan Joseph	-	(0.21)
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(3.54)	(3.24)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Enterprise in which KMP/ Relatives of KMP are able to control / exercise significant influence		
Commission/rent in respect of retail agency agreements for showroom		
Metro Shoes	(19.02)	(23.59)
Security Deposit for Rent (Compensation received in respect of rent for office)		
Metro Shoes	-	(0.99)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(68.86)	(54.30)
Design Matrix Associated Private Limited	(0.50)	-
Joint Venture		
Purchases of Stock-in-trade	(914.87)	(628.90)

 # excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

** includes director sitting fees accounted on provisional basis.*

Notes:

1) No amount has been written off/ provided for or written back in respect of amounts receivable from or payable to the related parties.

2) The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

29 Segment Reporting:

The Group's only business being trading of fashion footwear, bags and accessories operating in the premium and economy category, which in terms of Ind AS 108 - 'Operating Segments' constitutes a single reporting segment. Further, there is no geographical segment to be reported since all the operations are undertaken in India.

30 Leases:

Right-of-use Asset

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**60,958.21**	**49,960.19**
On acquisition (Refer note 47)	2,062.51	-
Additions during the year	37,787.34	22,416.85
Disposal during the year	(3,359.81)	(1,020.68)
Depreciation expense for the year	(13,681.31)	(10,398.15)
Balance at the end of the year	**83,766.94**	**60,958.21**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Lease Liability

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**69,222.11**	**56,549.59**
On acquisition (Refer note 47)	2,401.21	-
Additions during the year	37,131.13	22,180.35
Disposal during the year	(3,807.47)	(1,201.88)
Interest expense for the year	6,292.15	4,892.79
Lease payment during the year	(17,094.88)	(10,382.55)
Reduction in lease liability -Practical Expedient application (refer note below)	-	(2,816.19)
Balance at the end of the year	**94,144.25**	**69,222.11**

Note : It represents the reduction in lease liability on account of electing to apply the practical expedient of not assessing the rent concessions as a lease modification, as per MCA notification dated July 24, 2020 and June 18, 2021.

Maturity analysis - contractual undiscounted cash flows

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Less than 1 year	19,237.01	14,153.55
1 - 5 Year	64,992.30	47,879.03
More than 5 years	40,148.98	29,492.80
Total undiscounted lease liabilities at the end of th year	**124,378.29**	**91,525.38**

Lease Liabilities included in Financial statement as at the end of the year	**94,144.25**	**69,222.11**
Current	12,862.84	9,403.72
Non-Current	81,281.41	59,818.39

Amounts Recognised in Statement of Profit & Loss

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on lease liabilities	6,292.15	4,892.79
Depreciation of Right-of-use assets	13,681.31	10,398.15
Expenses relating to short term leases/Variable lease payments	5,867.35	4,073.75
Total	**25,840.81**	**19,364.69**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Amounts Recognised in Statement of Cash Flows

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Cash outflow for Leases	17,094.88	10,382.55

a) The Group incurred ₹ 5,867.35 Lakhs for the year ended March 31, 2023 (Previous year ₹ 4,073.75 Lakhs) towards expenses relating to short-term leases and leases of variable lease payment. The total cash outflow for leases is ₹ 17,094.88 Lakhs for the year ended March 31, 2023 (Previous year ₹ 10,382.55 Lakhs) excluding cash outflow of short-term leases and leases of variable lease payment. Interest on lease liabilities is ₹ 6,292.15 Lakhs for the year ended March 31, 2023 (Previous year ₹ 4,892.79 Lakhs).

b) The Group's leases mainly comprise of showroom premises and warehouse premises.

31 Basic and Diluted Earnings per Share is calculated as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax as per Statement of Profit and Loss attributable to equity share holders (₹ in Lakhs)	36,145.25	21,419.65
Weighted average number of Equity Shares:		
- Basic	271,614,422	267,531,430
Add: Effect of Potential Equity Shares on employees stock options outstanding	1,061,095	979,781
- Diluted	272,675,517	268,511,211
Earnings per Share (in ₹)		
- Basic (₹)	13.31	8.01
- Diluted (₹)	13.26	7.98

32 Employee Stock Option Plan 2008 (ESOP – 2008):

The Group had granted stock option(s) to its eligible employees in terms of Employees Stock Option plan 2008 (ESOP 2008) of the Group as approved by the shareholders in the 31st Annual General Meeting held on 11th September, 2008.

The said plan was further amended vide shareholders resolution dated 5th August, 2021

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible. The exercise price of each option shall be at a price not less than the face value per share. Vesting period of the option is from minimum of one year to maximum of five years from the date of grant. All the vested options shall expire within 5 years from the respective date(s) of vesting or after 2 years from the date of listing of the Company's shares in any recognised Stock Exchange, whichever is later. In case of termination of employment, the options granted, to the extent not exercised previously along with unvested options will terminate on the date of such termination of employment. In case of voluntary resignation, the employee can exercise the vested option within a period of three (3) days.

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a) The particulars of the Options distributed under ESOP 2008 are as follows:

Particulars	ESOP
Eligibility	A permanent employee or a director of the Group (including of subsidiaries in India or out of India or of a holding company of the company) but excluding (a) an employee who is a promoter or belongs to the promoter group; (b) a director who either by himself or through his relatives or through any body corporate, directly holds more than 10% of the outstanding equity shares of the Group.
Plan Tenure	Tenure of the plan is 11 years, i.e. September 15, 2009 to September 14, 2020 or as determined by the Board / Compensation Committee from time to time. Any stock option which remains ungranted after closing date would automatically be lapsed.
Vesting period for options granted	The Group originally authorized 15,000 options for issue to eligible employees. In December, 2008, the same were increased to 45,000 options consequent to issue of bonus shares in the ratio 2:1
	On 24th August, 2009, the Group granted 25,875 options to fourteen eligible employees. The vesting schedule for the options granted was 40% on September 15, 2009, 20% on September 15, 2010, 20% on September 15, 2011, and 20% on September 15, 2012.
	Further, on September 15, 2011 the Group granted 4,500 options to four eligible employees. The vesting schedule for the options granted in 2011 was 40% on September 15, 2012, 20% on September 15, 2013, 20% on September 15, 2014 and 20% on September 15, 2015.
	In November, 2012, outstanding options increased by 26,270 options consequent to issue of bonus shares in the ratio 2:1
	Further, on February 1, 2014 the Group granted 11,250 options to three eligible employees. The vesting schedule for the options granted in 2014 was 40% on February 1, 2016, 20% on February 1, 2017, 20% on February 1, 2018 and 20% on February 1, 2019.
	Further, on April 1, 2014 the Group granted 3,375 options to one eligible employee. The vesting schedule for the options granted in 2014 was 40% on April 1, 2015, 20% on April 1, 2016, 20% on April 1, 2017 and 20% on April 1, 2018.
	During the financial year 2018-19, some of the option holders exercised their options on various dates and in total were allotted 37,695 shares. Further, during the financial year 2018-19, in total 62,120 bonus options were issued in the ratio of 8:1.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of three years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Thirty days following the date of grantee's voluntary resignation (c) 3 months following the date of grantee's termination of employment due to grantee's retirement, disability or death (d) 6 months following the occurrence of change of control.
Method of Settlement	Equity Shares of face value ₹ 5/- each (Previous year Equity Shares of face value ₹ 5/- each)
Exercise Price	Weighted average exercise price for 60,750 (Previous year 85,500) stock options outstanding as at 31st March, 2023 is ₹ 6.02/- (Previous year is ₹ 9.50/-)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

b) The particulars of number of options granted and lapsed and the Price of Stock Options for ESOP 2008 are as follows:

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Options outstanding at the beginning of the year	85,500	85,500
Exercised during the year	24,750	-
Options outstanding at the end of the year	60,750	85,500

c) The following options were outstanding from the options granted under Employees Stock Option plan 2008 (ESOP 2008) as at March 31, 2023 and as at at March 31, 2022:

Options series	Number		Grant date	Expiry date	Exercise price		Fair value of option at grant date	
	As at March 31, 2023	As at March 31, 2022			As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Grant 1	60,750	85,500	24-Aug-09	2 years from the date of listing of Company's share in any recognised stock Exchange	6.02	9.50	4.47	4.47

d) During the year the Company has granted 2,93,055 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model:

Summary of stock options

Options outstanding on March 31, 2022		1,570,473
Options granted during the year		
On September 29, 2022	113,737	
On September 29, 2022	96,809	
On October 20, 2022	60,928	
On December 20, 2022	4,726	
On January 31, 2023	16,855	293,055
Options forfeited / lapsed during the year		(199,571)
Options exercised during the year		(201,045)
Options outstanding on March 31, 2023		1,462,912

Information in respect of options outstanding as at March 31, 2023

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	1,168,818	3.50
₹ 228	113,737	4.50
₹ 228	96,809	3.50
₹ 391.46	60,928	4.56
₹ 391.46	4,726	4.73
₹ 228	16,855	3.84

Notes forming part of the consolidated financial statements
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The fair value of the options granted during the year are as follows:

No. of Options- 113,737, Vesting Period- 5 years

Grant date- 29.09.2022	Fair value per option (₹)
September 29, 2023	693.70
September 29, 2024	705.48
September 29, 2025	717.36
September 29, 2026	727.33
September 29, 2027	736.37

No. of Options- 96,809, Vesting Period- 4 years

Grant date- 29.09.2022	Fair value per option (₹)
September 29, 2023	693.73
September 29, 2024	705.48
September 29, 2025	717.39
September 29, 2026	727.36

No. of Options- 60,928 , Vesting Period- 5 years

Grant date- 20.10.2022	Fair value per option (₹)
October 20, 2023	549.03
October 20, 2024	573.52
October 20, 2025	602.21
October 20, 2026	621.52
October 20, 2027	639.01

No. of Options- 4,726, Vesting Period- 5 years

Grant date- 20.12.2022	Fair value per option (₹)
December 20, 2023	480.07
December 20, 2024	504.82
December 20, 2025	534.53
December 20, 2026	553.47
December 20, 2027	570.67

No. of Options- 16,855, Vesting Period-4 years

Grant date- 31.01.2023	Fair value per option (₹)
January 31, 2024	555.84
January 31, 2025	567.64
January 31, 2026	580.29
January 31, 2027	590.43

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The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant dated : September 29, 2022 (5 years vesting)	
Risk free interest rate (%)	6.69% - 7.01%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	228
Stock price (₹)	897.65

Grant dated : September 29, 2022 (4 years vesting)	
Risk free interest rate (%)	6.69% - 6.99%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	27.45% - 35.51%
Expected dividend yield (%)	0.25%
Exercise price (₹)	228
Stock price (₹)	897.65

Grant dated : October 20, 2022 (5 years vesting)	
Risk free interest rate (%)	6.67% - 7.15%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	391.46
Stock price (₹)	895.6

Grant dated : December 20, 2022 (5 years vesting)	
Risk free interest rate (%)	6.56% - 6.99%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	27.45% - 34.42%
Expected dividend yield (%)	0.25%
Exercise price (₹)	391.46
Stock price (₹)	827

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Grant dated : January 31, 2023 (4 years vesting)	
Risk free interest rate (%)	6.70% - 7.00%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	26.67% - 35.40%
Expected dividend yield (%)	0.30%
Exercise price (₹)	228
Stock price (₹)	759.7

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes ₹ 901.29 lakhs (Previous year ₹ 329.23) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

33 Expenditure on Corporate Social Responsibility:

₹ in Lakhs

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	amount required to be spent by the company during the year	363.16	335.13
(ii)	amount of expenditure incurred [Refer Note (a) below]	412.98	471.56
(iii)	Shortfall at the end of the year [Refer Note (c) below]	(6.19)	(55.89)
(iv)	total of previous years excess/(shortfall) [Refer Note (c) below]	0.12	Not Applicable
(v)	reason for shortfall [Refer Note (c) below]		
(vi)	nature of CSR activities		
	(a) Good health and well being	85.70	36.4
	(b) Education	210.90	210.1
	(c) Processing of Old discarded footwear in an Ecofriendly manner	60.40	32.7
(vii)	details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Not Applicable	Not Applicable
(viii)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not Applicable	Not Applicable

Notes:

(a) The Group has incurred the aforesaid expenditure towards ongoing projects.

(b) Amount of expenditure of the Company incurred for the year ended March 31, 2023 includes ₹ 56.01 Lakhs spent towards shortfall for the year ended March 31, 2022 and for year ended March 31, 2022 includes ₹ 192.32 Lakhs spent towards shortfall for the year ended March 31, 2021.

(c) The amount of shortfall of the Company pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013.

Shortfall for the previous year ended March 31, 2022 has been paid during the year ended March 31, 2023. The total shortfall for the current year ended March 31, 2023, ₹ 6.24 lakhs has been transferred to Unspent CSR Account on or before April 30, 2023. Excess of the previous year ₹ 0.12 lakhs pertains to expenditure incurred in excess of the shortfall of previous year 2021-22 ₹ 56.01 lakhs.

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34 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

₹ in Lakhs

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	(In ₹)	As % of Consolidated profit or loss	(In ₹)	As % of Consolidated other comprehensive income	(In ₹)	As % of total comprehensive income	(In ₹)
1	2	3	4	5	6	7	8	9
Parent								
Metro Brands Limited	97.39%	153,294.20	102.13%	37,317.81	84.63%	(164.33)	102.23%	37,153.48
Subsidiary - Indian								
Metmill Footwear Private Limited	2.01%	3,162.53	0.77%	280.46	(0.85%)	1.66	0.78%	282.12
Non controlling Interests in the subsidiary	1.68%	2,639.51	1.08%	393.44	(0.82%)	1.59	1.09%	395.03
Subsidiary - Indian								
Cravatex Brands Limited	(1.07%)	(1,686.40)	(4.53%)	(1,656.56)	15.38%	(29.86)	(4.64%)	(1,686.42)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	0.56%	203.54	1.67%	(3.23)	0.55%	200.31
Total	**100.00%**	**157,409.84**	**100.00%**	**36,538.69**	**100.00%**	**(194.17)**	**100.00%**	**36,344.52**

35 Subsidiary and Joint Venture:

(a) The subsidiary considered in the preparation of these consolidated financial statements is:

Name of Subsidiary	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2023	As at March 31, 2022
Metmill Footwear Private Limited	Wholesale of Footwear	India	51%	51%
Cravatex Brands Limited (Refer Note 47)	Wholesale of Footwear	India	100%	0%

(b) Disclosure of Non-Controlling Interests:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	2,244.48	1,986.18
Share in Total Comprehensive Income	395.03	258.30
Balance at the end of the year	**2,639.51**	**2,244.48**

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(c) Investment in Joint Venture:

Details and financial information of the Joint venture

Details of the Group's joint venture at the end of the year is as follows:

Name of Joint Venture	Principal Activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
			As at March 31, 2023	As at March 31, 2022
M.V. Shoe Care Private Limited	Manufacturing of shoe care and foot care products	India	49%	49%

36 Financial Instruments:

36.1 Capital Management:

Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Equity		
Equity Share Capital	13,586.66	13,575.37
Other Equity	141,183.67	112,893.94
Non Controlling Interests	2,639.51	2,244.48
Total Equity	**157,409.84**	**128,713.80**
Total Debt	**152.25**	**-**
Debt Equity Ratio	**0.10%**	**0.0%**

36.2 Categories of financial instruments:

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Lakhs

Particulars	Hierarchy level	As at March 31, 2023	As at March 31, 2022
Financial Assets			
Measured at fair value through profit or loss			
- Investments in mutual funds	Level 2	16,364.05	31,773.10
- Investments in Bonds	Level 1	2,366.19	2,294.80
- Investments in Infrastructure Investment trusts	Level 1	1,823.79	-
- Investments in Equity instrument	Level 3	133.98	-
Measured at amortised cost			
- Trade receivables #		12,613.93	4,838.50
- Cash and cash equivalents #		3,183.07	6,154.12
- Other Bank balances #		16,681.87	33,514.27

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₹ in Lakhs

Particulars	Hierarchy level	As at March 31, 2023	As at March 31, 2022
- Investment in Fixed Deposits of Non Banking Companies #		4,450.00	3,850.00
- Investment in Commercial Papers #		7,385.95	-
- Loans #		126.60	149.24
- Other financial assets #		8,636.76	7,376.03
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	1,268.18	1,337.53
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		28,131.62	21,136.26
- Borrowings #		152.25	-
- Other financial liabilities #		6,677.78	2,068.63
- Lease Liabilities #		94,144.25	69,222.11

 # The Group considers that the carrying amount of financial assets and financial liabilities recognised in the financial statements approximates their fair value.

36.3 Fair Value measurements:

Fair valuation techniques and inputs used:

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions.

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example
  - interest rates and yield curves observable at commonly quoted intervals
  - implied volatilities
  - credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market – corroborated inputs')

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Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Financial assets measured at fair value:

Financial assets	Fair value as at (₹ in Lakhs)		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	As at March 31, 2023	As at March 31, 2022				
Investments in Mutual funds	16,364.05	31,773.10	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investment in Equity Instrument	133.98	-	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	3,634.37	3,632.33	Level 1	Active market determined	NA	NA
Investment in Infrastructure Investment trusts	1,823.79	-	Level 1	Active market determined	NA	NA

36.4 Financial Risk Management:

The Group's activities expose it to variety of financial risks: credit risk, liquidity risk and market risk. In order to manage aforementioned risks, the Group operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A] CREDIT RISK:

i) Credit Risk Management:

Credit risk is the risk of the financial loss that the counterparty will default on its contractual obligation. The credit risk for the Group primarily arises from the credit exposures to trade receivables (mainly institutional customers), deposits with landlords for store properties taken on leases , cash and cash equivalents, deposits with banks and other receivables.

ii) Trade and other receivables:

The Group's retail business is predominantly on cash and carry basis. The Group sells goods on credit basis to institutional parties. The credit risk on such collections is minimal considering that such sales are only 6.6% of the total sales. The average credit period for institutional parties is 30 days. No interest is charged on trade receivables on payment received even after the credit period. The Group has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Group by credit worthiness checks. As at March 31, 2023, the Group had 8 customers (as at March 31, 2022 :4 customers) that accounted for approximately 84% (as

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at March 31, 2022 : 84%) of the trade receivables. The Group also carries credit risk on lease deposits with landlords for store properties taken on lease, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

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

iii) Cash and cash equivalents and deposits with banks:

Credit risk on Cash and Cash Equivalents is limited as the Group generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

B] LIQUIDITY RISK:

1) Liquidity Risk Management:

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

2) Maturity of financial liabilities:

The table below analyse the Group's financial liabilities in to relevant maturity based on their remaining contractual maturities of all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance equal their carrying balances as the impact of discounting is not significant.

₹ in Lakhs

Contractual maturities of financial liabilities	Less than 1 year	Between 1 and 3 years	Between 3 and 5 years	More than 5 years	Total undiscounted cash flows	Carrying amounts
As at 31st March, 2023						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	28,131.62	-	-	-	28,131.62	28,131.62
Lease Liabilities	19,237.01	35,192.09	29,800.21	40,148.98	124,378.29	94,144.25
Others	6,677.78	-	-	-	6,677.78	6,677.78
Interest bearing:						
Borrowings	152.25	-	-	-	-	152.25
As at 31st March, 2022						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	21,136.26	-	-	-	21,136.26	21,136.26
Lease Liabilities	14,153.55	26,071.51	21,807.52	29,492.80	91,525.38	69,222.11
Others	2,068.63	-	-	-	2,068.63	2,068.63
Interest bearing:						
Borrowings	-	-	-	-	-	-

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The Group has access to following financing facilities which were undrawn as at the end of the year.

₹ in Lakhs

Undrawn financing facilities	As at March 31, 2023	As at March 31, 2022
Secured working capital facilities		
Amount Used	-	-
Amount Unused	5,600.00	3,000.00
Total	**5,600.00**	**3,000.00**
Letter of Credit (Unfunded)		
Amount used	152.25	204.64
Amount unused	847.75	795.36
Total	**1,000.00**	**1,000.00**

The above facility has been secured by a charge on Company's book debts, inventory, receivables, cash flows, and all current assets including cash-in-hand.

C] 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: Currency risk, interest risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

1) Product Price risk:

Product price increases which are not in line with the levels of customers discretionary spends, may affect the sales volumes. In such a scenario, the risk is managed by offering judicious discounts to customers to sustain volumes. Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps Group protect itself from significant product margin losses.

2) Interest risk:

The Group is exposed to interest rate risk primarily due to borrowings havings floating interest rates. The Group uses available working capital limits for availing short term working capital demand loans with interest rates negotiated from time to time so that the Group has an effective mix of fixed and variable rate borrowings. The Group does not enter into financial instrument transactions for trading or speculative purposes or to manage interest rate exposure.

Particulars	As at March 31, 2023	As at March 31, 2022
Interest on Secured Working capital limit	7.14	0.68
Interest Rate	9.55%	7.60%
Interest Rate Buyers credit	5.69%	1.74%
Interest amount per 50 basis point fluctuation	0.63	0.20

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3) **Currency risk:**

The Group's significant transactions are in Indian rupees and therefore there is minimal foreign currency risk.

The Group's exposure to foreign currency risk at the end of the year expressed in ₹ in Lakhs and USD($), is as follows

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in Lakhs	USD($) in Lakhs	₹ in Lakhs	USD($) in Lakhs
Trade Payables	249.07	3.07	118.68	1.57

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial instruments denominated in foreign currency.

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
USD sensitivity		
₹/USD -Increase by 1% #	(2.49)	(1.19)
₹/USD -Decrease by 1% #	2.49	1.19

 # Holding all other variables constant

37 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount remaining unpaid to any supplier at the end of the year	1,444.87	702.03
Interest due remaining unpaid to any supplier at the end of the year	1.32	1.17
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	316.47	310.60
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year (where the principal has been paid but interest under the MSMED Act, 2006 is not paid)	181.37	1.21
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

38 Events after the reporting period:

No events, other than those disclosed in the financial statements, have occurred subsequent to the balance sheet date or are pending that would require adjustment to, or disclosure in the financial statements or amendment to significant assumptions used in the preparation of accounting estimate.

39 Ratio analysis and its elements:

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current Assets	152,364.38	135,868.87
Current Liabilities	53,577.54	41,888.25
Ratio	2.84	3.24
% Change from previous year	**(12%)**	

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	152.25	-
Total equity	157,409.84	128,713.80
Ratio*	0.00	-
% Change from previous year	**-**	

** The Group did not have any outstanding borrowing as at year ended March 31, 2022 , hence debt equity ratio is not applicable for March 31, 2022.*

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at March 31, 2023	As at March 31, 2022
Profit after tax	36,538.69	21,419.64
Add: Non cash operating expenses and finance cost	**24,406.68**	**18,466.42**
-Depreciation and amortizations	18,100.96	13,423.52
-Finance cost	6,305.72	5,042.90
Earnings available for debt services	60,945.37	39,886.06
Interest cost on borrowings	9.47	17.22
Principal repayments (including certain prepayments during year)	-	140.56
Total Interest and principal repayments	9.47	157.78
Ratio	**6,433.05**	**252.79**
% Change from previous year	**2445%**	

Reason for change more than 25%:

There is an increase in earnings available for Debt services.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	36,538.69	21,419.64
Total equity	157,409.84	128,713.79
Ratio	0.23	0.17
% Change from previous year	**35%**	

Reason for change more than 25%:

This ratio has increased from 0.17 in March 2022 to 0.23 in March 2023 is mainly due to reduction in net profit in previous year on account of reduced sales due to Covid 19 pandemic. In the current year, business operations were normalised. This has resulted in increase in net profit for the year in comparison to the previous year.

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2023	As at March 31, 2022
Cost of goods sold	89,197.69	56,590.31
Average Inventory	53,497.46	35,697.36
Inventory Turnover Ratio	1.67	1.59
% Change from previous year	**5%**	

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Sales	23,712.12	12,407.59
Average Trade Receivables	8,726.22	5,339.23
Ratio	2.72	2.32
% Change from previous year	**17%**	

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Purchases	106,571.54	70,034.09
Average Trade Payables	24,633.94	20,641.13
Ratio	4.33	3.39
% Change from previous year	**28%**	

Reason for change more than 25%:

This ratio has increased from 3.39 in March 2022 to 4.33 in March 2023 mainly due to increased purchases on account of business operations returning to normalcy as compared to previous year.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Sales	212,709.55	134,293.05
Net Working Capital	98,786.84	93,980.62
Ratio	2.15	1.43
% Change from previous year	**50%**	

Reason for change more than 25%:

This ratio has increased from 1.43 in March 2022 to 2.15 in March 2023 mainly due to increase in sale on account of normalised operations.

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit after tax	36,538.69	21,419.64
Revenue from operation	212,709.55	134,293.05
Ratio	0.17	0.16
% Change from previous year	**6%**	

j) Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at March 31, 2023	As at March 31, 2022
Profit after tax (A)	36,538.69	21,419.64
Finance Costs (B)	6,305.72	5,042.90
Total Tax Expense (C)	12,573.58	7,018.66
EBIT (D) = (A)+(B)+(C)	**55,417.99**	**33,481.20**
Capital Employed (G)=(E)-(F)	**239,145.75**	**231,416.85**
Total Assets (E)	292,723.28	231,416.85
Total current liabilities (F)	53,577.54	-
Ratio (D)/(G)	**0.23**	**0.14**
% Change from previous year	**64%**	

Reason for change more than 25%:

The return on capital employed has improved from 0.14 in March 2022 to 0.23 mainly due to increase in Earnings before interest and taxes (EBIT) which is due to business operations returning to normalcy during the current year.

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2023	As at March 31, 2022
Income from investment	3,303.10	2,353.86
closing balance of the investment	57,787.99	69,114.58
Ratio	0.06	0.03
% Change from previous year	**100%**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Reason for change more than 25%:

Return on investment ratio has increased from 0.03 in March 2022 to 0.06 in March 2023 as the group had invested funds in bonds, commercial papers and Invits in order to obtain better returns on investments.

40 The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

41 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

42 There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43 The Group has not traded or invested in crypto currency or virtual currency during the financial year.

44 **(A)** The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45 There is no delay in creation or satisfaction of charge which has been registered with Registrar of Companies (ROC) during the period.

46 The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

47 Acquisition of Cravatex Brands Limited:

On December 1, 2022, the Company acquired 100% equity share capital, optionally convertible debentures and compulsorily convertible preference shares of Cravatex Brands Limited ("Cravatex") for an enterprise value of ₹ 202.17 crores. Consequently, it became a wholly-owned subsidiary of the Company from aforesaid date.

Cravatex is in the business of importing, trading, selling, marketing, advertising, retailing and distribution of footwear, apparel and accessories under it various brands including "FILA" and "Proline". The said acquisition fits the strategic vision of the Company to expand its presence in the sports and athleisure space in India. Further, the opportunity would help leverage the Company its expertise in brick-and-mortar and e-commerce retail while serving the growing need of consumer in the sports and athleisure category.

The fair value of assets and liabilities are determined and recorded in accordance with Ind AS 103 'Business Combination'. The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

Details of assets and liabilities assumed:

₹ in Lakhs

Particulars	As at March 31, 2023
ASSETS	
Property, plant and equipment	1,145.11
Right of use assets	2,062.51
Other intangible assets (including computer software of ₹ 41.28 lakhs) (refer note below)	12,505.94
Other financial assets (Current and Non-current)	451.10
Inventories	4,782.06
Investments	0.57
Trade receivables	9,103.52
Cash and cash equivalents	25.42
Bank Balances other than cash and cash equivalents	7.26
Loans	-
Non-current tax assets	51.91
Other current assets	961.04
Total assets acquired (a)	**31,096.44**
Borrowings	10,380.42
Provisions (Current and Non-current)	659.71
Lease Liability (Current and Non-current)	2,401.21
Trade payables	4,416.39
Other financial liabilities (Current)	3,772.34
Other liabilities (Current and Non-current)	1,059.66
Total liabilities assumed (b)	**22,689.73**
Deferred tax liability (c)	**2,869.77**
Total identified net assets acquired [d = (a - b - c)]	**5,536.94**
Less: Purchase consideration (e)	9,628.18
Goodwill [f = (d- e)]	**4,091.24**

The fair values of the assets acquired and liabilities assumed were determined using the income approach. The determination of the fair values required estimates about discount rates, future expected cash flows and other future events that are judgmental and subject to change. Intangible assets consisting of FILA Trademark, Proline Brand and Non-Compete fees are valued using Multi-Period Excess Earnings Method ("MEEM"), Royalty Relief Method and With and Without Method ("WWM") respectively. A market approach has been applied for Property, plant and equipment (including land).

The fair value and book value of the trade receivables amounts to ₹ 9,103.52 lakhs for which it is expected that the full contractual amounts shall be collected.

The goodwill of ₹ 4,091.24 lakhs is primarily attributable to overall synergies from future expected economic benefits. Goodwill is not available for tax deduction purposes.

From the date of acquisition, Cravatex has contributed ₹ 3,296 lakhs of revenue and loss of ₹2,384 lakhs of the Group. If the combination had taken place at the beginning of the year, revenue from operation would have been ₹ 14,695 lakhs and loss for the Group would have been ₹ 8,037 lakhs.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2023

The Board of Directors of the Company at its meeting held on March 23, 2023 have approved the Scheme of Amalgamation ("the Scheme") for FILA business of Cravatex Brands Limited with the Company with effect from April 1, 2023. The Company alongwith Cravatex Brands Limited is in the process of filing the necessary applications in connection with the Scheme with the Hon'ble National Company Law Tribunal.

Impairment testing of goodwill:

Goodwill is not amortized, instead, it is tested for impairment annually or more frequently if indicators of impairment exist. The recoverable amount of a CGU is determined based on value-in-use which require the use of certain assumptions. The estimated value-in-use of the CGUs are based on future cash flows assuming a terminal growth rate of 5% for the period subsequent to the forecast period of 20 years.

The Group has used a weighted average capital cost (WACC), with a discount factor of 28% which reflects the time of the cash flows and the anticipated risks.

An analysis of the sensitivity of the change in key parameters mainly WACC and terminal annual growth rate based on probable assumptions, did not result in any probable scenario in which the recoverable amount would decrease below the carrying amount.

48 The Group has been sanctioned working capital limits in excess of ₹ Five crores in aggregate from banks and/or during the year on the basis of current assets of the Group. The Group is not required to file quarterly returns/statements with such banks.

49 The Group do not have any transaction not recorded in the books of accounts pertaining to any assessment year, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

50 There were no whistle blower complaints received by the Group during the year,other than the below complaints received and closed by the Company during the year

Received	3
Closed	3

51 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable, in accordance with amendments to Schedule III.

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Firoz Pradhan
Partner
Membership No.109360

Place: Mumbai
Date : May 23, 2023

For and on behalf of the Board of Directors
Metro Brands Limited

Rafique A.Malik
Chairman
DIN:00521563

Farah Malik Bhanji
Managing Director
DIN:00530676

Nissan Joseph
Chief Executive Officer

Kaushal Parekh
Chief Financial Officer

Deepa Sood
Company Secretary

Place: Mumbai
Date : May 23, 2023

METRO BRANDS LIMITED
CIN: L19200MH1977PLC019449
Regd. Off: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070
Tel: 2654 7700 | Website: www.metrobrands.com
Email: investor.relations@metrobrands.com

Notice

NOTICE is hereby given that the 46th Annual General Meeting of Metro Brands Limited (the "Company") will be held on **Wednesday, September 13, 2023, at 3:00 P.M.** through **Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**, to transact the following matters and if thought fit, to pass the following resolutions. The venue of the meeting shall be deemed to be the Registered Office of the Company at 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070. This notice of meeting is given pursuant to Section 101 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the rules made thereunder (the "Companies Act, 2013") in accordance with the Articles of Association of the Company.

I. ORDINARY BUSINESS:

1. **To receive, consider and adopt-**

   (a) The audited standalone financial statements of the Company for the Financial Year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon; and

   (b) The audited consolidated financial statements of the Company for the Financial Year ended March 31, 2023, together with the Report of the Auditors thereon.

2. To confirm payment of Interim Dividend of ₹ 2.50/- per share of ₹ 5/- each on Equity Shares already paid, and to consider and declare Final Dividend of ₹1.50/- per share of ₹ 5/- each on Equity Shares for the Financial Year ended March 31, 2023.

3. To appoint a Director in place of Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594), who retires by rotation and being eligible, offers his candidature for re-appointment.

II. SPECIAL BUSINESS:

4. To re-appoint Mr. Vikas Vijaykumar Khemani (DIN: 00065941) as an Independent Director of the Company.

   To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, as may be required), Articles of Association of the Company and pursuant to the recommendations made by the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, Mr. Vikas Vijaykumar Khemani (DIN: 00065941), who holds office as an Independent Director up to March 11, 2024, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years with effect from March 12, 2024 upto March 11, 2029.

   RESOLVED FURTHER THAT any Whole-time Director, Chief Executive Officer, Chief Financial Officer or Vice President-Legal and Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

5. To ratify and increase overall remuneration limit for Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594), Whole-time Director of the Company.

   To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, as may be required, and pursuant to the recommendations made by the Nomination, Remuneration and Compensation ('NRC') Committee and the Board of Directors of the Company, the consent of the Members of the Company, be and is hereby accorded to increase the overall remuneration limit for Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594) , Whole-time Director of the Company to ₹ 1.50 Crore (Rupees One Crore Fifty Lacs Only) per annum with effect from April 1, 2023 for the remaining period of his term of appointment i.e upto June 24, 2026, and to ratify remuneration of Mr. Dossani for Financial Year 2022-23 to the extent of perquisite value of the stock options exercised by him which is within the overall maximum remuneration payable as per Section 197 of the Companies Act, 2013.

   RESOLVED FURTHER THAT the Board of Directors or NRC Committee of the Company is hereby authorised to alter and vary the said terms and conditions including Mr. Dossani's remuneration or any other amendments thereto within the aforesaid limit.

   RESOLVED FURTHER THAT the above ceiling limits shall not include the following:

   1) Gratuity: payable at the rate of half month's salary for every completed year of service.

   2) Contribution to Provident Fund: Company's contribution to Provident Fund @ 12% of salary.

   RESOLVED FURTHER THAT all other terms and conditions of remuneration of Mr. Dossani shall remain same.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any Financial Year, the remuneration payable to Mr. Dossani shall be governed by Schedule V of the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Director.

   RESOLVED FURTHER THAT any one of the Managing Director, Chief Executive Officer, Chief Financial Officer or Vice President-Legal and Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

6. To approve remuneration limit for Ms. Aziza Rafique Malik, related party for holding office or place of profit as President.

   To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, as may be required, and pursuant to the recommendation of the Board of Directors, Nomination, Remuneration and Compensation ('NRC') Committee and Audit Committee, consent of the Members be and is hereby accorded to fix a limit on remuneration not exceeding ₹ 3.6 crores (Rupees Three Crore Sixty Lacs Only) per annum for Ms. Aziza Rafique Malik, related party, for holding office or place of profit as President in the Company, with effect from November 26, 2023 with liberty to the Board of Directors or NRC Committee of the Company to alter and vary her remuneration and other terms and conditions within the said limits.

   RESOLVED FURTHER THAT Ms. Aziza Rafique Malik will also be entitled to benefits and perquisites as applicable to the other senior executives of the Company.

   RESOLVED FURTHER THAT all other terms and conditions of appointment of Ms. Aziza Rafique Malik shall remain same.

RESOLVED FURTHER THAT any one of the Whole-time Director, Chief Executive Officer, Chief Financial Officer or Vice President-Legal and Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

7. To approve limit on retainer fees for Ms. Mumtaz Amir Ali Jaffer, related party for holding office or place of profit as Retainer.

   To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, as may be required, and pursuant to the recommendation of the Audit Committee and the Board of Directors, consent of the Members be and is hereby accorded to avail services from Ms. Mumtaz Amir Ali Jaffer, related party for holding office or place of profit as Retainer for bags and accessories business in the Company, for a period of three (3) years, with effect from April 1, 2023, with a limit on retainer fees not exceeding ₹ 5 Lacs (Rupees Five Lacs Only) per month, plus GST and out of pocket expenses and such terms and conditions as may be applicable as per the policies of the Company, with liberty to the Board of Directors to alter and vary retainer fees within the said limits.

   RESOLVED FURTHER THAT any one of the Whole-time Directors, Chief Executive Officer, Chief Financial Officer or Vice President-Legal and Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

By Order of the Board of Directors
For Metro Brands Limited

Sd/-
Rafique Abdul Malik
DIN:00521563
Chairman and Executive Director

Place: Mumbai
Date: August 1, 2023

NOTES:

1. Pursuant to the General Circular No. 10/2022 dated December 28, 2022, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ('AGM') through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM"), without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company will be held through VC/OAVM.

2. Physical copy of the Notice of the 46th AGM along with the Annual Report for the Financial Year 2022-23 shall be sent to those Members who request for the same. Members may note that Notice of the AGM along with the Annual Report for the Financial Year 2022-23 will also be available on the Company's website at https://metrobrands.com/agm-egm-notices/, websites of the Stock Exchanges, i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Registrar & Share Transfer Agent ('RTA') at https://instavote.linkintime.co.in

3. A statement providing additional details of the Directors seeking re-appointment as set out at Item Nos. 3 and 4 of the Notice dated August 1, 2023 is annexed herewith as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

4. Since this AGM will be held through VC/OAVM, physical attendance of Members has been dispensed with in line with the MCA Circulars. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form, Attendance Slip & the Route Map are not annexed to this Notice.

5. In the case of Institutional/Corporate Members entitled to appoint authorised representatives to attend the AGM through VC/OAVM, it is hereby requested to send a scanned copy of the Board Resolution/ Authorization authorizing the representative to attend the AGM through VC/OAVM and vote on its behalf at the meeting. The said Resolution / Authorization shall be sent to the Company Secretary by email through its registered email address to investor.relations@metrobrands.com

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. To support the 'Green Initiative', Members holding Shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant ('DP').

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held by them in electronic form and to RTA having address at Link Intime India Pvt. Ltd ('LIIPL'), C-101, 1st Floor, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai, Maharashtra, 400083, in case the shares are held by them in physical form.

9. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on **Wednesday, September 6, 2023**, being the **cut-off date,** are entitled to vote on the Resolutions set forth in this Notice. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

10. Pursuant to the provisions of Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014, the Register of Members of the Company will remain closed from **Thursday, September 7, 2023, to Wednesday, September 13, 2023** (both days inclusive) in connection with the AGM.

11. Dividend on Equity shares as recommended by the Board of Directors for the Financial Year ended March 31, 2023, if approved at the AGM, will be payable, to those Members of the Company who hold shares:

    (i) In dematerialised mode, based on the beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited

('CDSL') as at the close of business hours on **Wednesday, September 1, 2023;**

(ii) In physical mode, if their names appear in the Company's Register of Members as on **Wednesday, September 1, 2023.**

The dividend will be payable after Monday, September 18, 2023.

12. Under the Companies Act, 2013, Dividends that are unclaimed/unpaid for a period of seven (7) years from the date of their transfer to the unclaimed/unpaid dividend account are required to be transferred to the Investor Education and Protection Fund ('IEPF') administered by the Central Government. The due date for transfer of unclaimed and unpaid dividends for the Financial Year ended March 31, 2016 and thereafter is as under:

Financial Year ended	Dividend	Date of declaration of dividend	Due Date for transfer to IEPF
2021-2022	Interim Dividend	07-03-22	06-04-29
2021-2022	Final Dividend	07-09-22	06-10-29
2022-2023	Interim Dividend	17-01-23	16-02-30

Members who have not encashed their dividend warrants/ demand drafts so far in respect of the aforesaid periods, are requested to make their claims to RTA well in advance of the above due dates. Pursuant to the provisions of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on May 31, 2023 on the website of the Company at https://metrobrands.com/unpaid-unclaimed-dividends/

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

13. Pursuant to Finance Act 2020, Dividend income will be taxable in the hands of Shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from Dividend paid to Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the DP. A resident individual Shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by visiting the link https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html by 5:00 p.m. IST on Friday, September 1, 2023. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under Section 206AB of the Income-tax Act ("the Act"), the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable. Non-resident Shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Non-resident Shareholders] can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by visiting the link https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html. The aforesaid declarations and documents need to be submitted by the Shareholders by 5:00 p.m. IST on Friday, September 1, 2023.

14. SEBI has made it mandatory for all companies to use the bank account details furnished by the DP and the bank account details maintained by the RTA for payment of Dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)/ Automated Clearing House (ACH)/ Real Time Gross Settlement (RTGS)/ Direct Credit/ IMPS/ NEFT etc.

15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company through email at investor.relations@metrobrands.com at least 7 days before the date of the meeting.

16. Attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

17. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the AGM.

18. At the 45th AGM held on September 7, 2022, the Members approved re-appointment of M/s. S R B C & CO LLP, Chartered Accountants (ICAI Firm Registration No. 324982E/E300003) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 50th AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

19. **VOTING THROUGH ELECTRONIC MEANS**

A. GENERAL INFORMATION

i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read together with MCA circulars and Regulation 44 of Listing Regulations, the Company has engaged the services of RTA to provide remote e-voting services and e-voting facility during the 46th AGM to all the eligible Members to enable them to cast their votes electronically in respect of the businesses to be transacted at the Meeting.

ii. Only those Members, who are present in the Meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting but shall neither be allowed to change it subsequently nor cast votes again during the Meeting.

iii. The Board of Directors of the Company has appointed Mrs. Ashwini Mohit Inamdar and failing her Mrs. Alifya Sapatwala, Partners of Mehta & Mehta, Practicing Company Secretaries (Firm Registration Number P1996MH007500), to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the Meeting in a fair and transparent manner.

iv. The Scrutinizer shall after the conclusion of AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company. The Scrutinizer shall submit the consolidated Scrutinizer's report, not later than two (2) working days from the conclusion of the AGM, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated Scrutinizer's report shall be placed on the website of the Company https://metrobrands.com/stock-exchange-disclosures/ and also be displayed on the Notice Board of the Company at its Registered Office and on the website of LIIPL viz., https://instavote.linkintime.co.in immediately after the results are declared. The results shall simultaneously be communicated to the Stock Exchanges.

v. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e., Wednesday, September 13, 2023.

vi. The recorded transcript of the proceedings of the AGM shall be made available on the Company's website at https://metrobrands.com/stock-exchange-disclosures/

Instructions for Remote e-Voting prior to the AGM

The remote e-Voting period will commence on Sunday, September 10, 2023 at 9:00 a.m. IST and ends on Tuesday, September 12, 2023 at 5:00 p.m. IST. The remote e-Voting module shall be disabled by LIIPL for voting thereafter.

As per the SEBI circular dated December 9, 2020, individual Shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual Shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL:

    i. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

    ii. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

    iii. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

    i. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

    ii. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

    iii. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

    iv. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile & email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants:

    You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual Shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the Company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-Voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in

2. Click on "**Sign Up**" under '**SHARE HOLDER'** tab and register as under:-

   A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

   C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

   D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

   * Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

   * Shareholders holding shares in **NSDL form**, shall provide 'D' above

   E. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

   F. Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER'** tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.**

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-Voting. Select '**View**' icon.

2. E-Voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against / Abstain'** (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

4. After selecting the desired option i.e. 'Favour / Against / Abstain', click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional Shareholders:

Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-Voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional Shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

Individual Shareholders holding securities in physical mode who have forgotten the password:

If an Individual Shareholders holding securities in physical mode has forgotten the USER ID [Login ID] or Password or both then the Shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- Click on **'Login'** under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

In case Shareholder is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain minimum 8 characters, at least one special character (@!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL who have forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Shareholders/ Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, Shareholders/ Members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Instructions for Shareholders/ Members to Vote during the AGM through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, Shareholders/ Members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same, the option 'Favour / Against / Abstain' for voting.
4. Cast your vote by selecting appropriate option i.e. 'Favour / Against / Abstain' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour / Against / Abstain'.
5. After selecting the appropriate option i.e. 'Favour / Against / Abstain' as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the Meeting. Shareholders/ Members who have voted through remote e-Voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the Meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case Shareholders/ Members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: 022-49186175.

20. **PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM**

Process and manner for attending the AGM through InstaMeet:

Open the internet browser and launch the URL: https://instameet.linkintime.co.in

- Select the "**Company**" and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.

- Shareholders/ Members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID.**
- Shareholders/ Members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.**
- Shareholders/ Members holding shares in **physical form shall provide** Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/

Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the Meeting).

Instructions for Shareholders/ Members to speak during the AGM through InstaMeet:

1. Shareholders who would like to speak during the Meeting must register their request 7 days in advance with the Company on the email id investor.relations@metrobrands.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other Shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please Remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the Meeting/ management will announce the name and serial number for speaking.

Instructions for Members whose e-mail ID's are not registered:

The process for those Members whose e-mail ID's are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the businesses mentioned in the Notice convening the AGM are as follows:

(i) In case shares are held in physical mode:

- by writing to the Company's RTA viz. LIIPL, with details of Folio Number, Name of Shareholder, Number of Equity Shares held, scanned copy of Share Certificate (both side) alongwith self-attested scanned copy of PAN card and self-attested scanned copy of any document (such as AADHAAR card/ latest Electricity Bill/latest Telephone Bill/ Driving License/Passport/Voter ID Card/Bank Passbook particulars) at Link Intime India Private Limited (Unit : Metro Brands Limited), 247 Park, C-101 L.B.S. Marg Vikhroli (West), Mumbai 400083; or

- by sending the scanned copy on email at rnt.helpdesk@linkintime.co.in; or

- by clicking on https://linkintime.co.in/emailreg/email_register.html.

(ii) In case shares are held in demat mode, with their DP(s) or providing Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement alongwith self-attested scanned copy of PAN and AADHAAR by email at rnt.helpdesk@linkintime.co.in.

(iii) If Member is an individual Shareholder holding securities in demat mode, then it is requested to refer to the login method explained above for e-Voting and joining virtual Meeting for Individual Shareholders holding securities in demat mode.

(iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by listed companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with DPs. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

EXPLANATORY STATEMENT

ITEM No. 4

Mr. Vikas Vijaykumar Khemani (DIN: 00065941), was appointed as an Independent Director at the 42nd AGM of the Company held on August 23, 2019, for a period of 5 years with effect from March 12, 2019 till March 11, 2024, pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and he is eligible for re-appointment for the second term of five (5) years. The Nomination Remuneration and Compensation (NRC) Committee, after taking into account the performance evaluation of Mr. Khemani during his first term and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board his re-appointment for a second term of 5 years. The NRC has considered his diverse skills, leadership capabilities and vast business experience, among others, as being key requirements for this role.

Based on the recommendation of the NRC Committee, the Board of Directors at its meeting held on August 1, 2023, has recommended the re-appointment of Mr. Vikas Vijaykumar Khemani, for the second term of five (5) years i.e from March 12, 2024 till March 11, 2029 (both days inclusive), for approval of the Members. The Board considers that the continued association of Mr. Khemani would be of immense benefit to the Company and is desirable to continue to avail his services as an Independent Director.

In terms of Section 149(10) read with Section 152 of the Companies Act 2013, an Independent Director shall hold office for a term of up to five (5) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report. In compliance thereof, the approval of the Members for re-appointment of the said Independent Director through Special Resolution is being sought at this AGM prior to expiry of his first term.

The Company has received notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Khemani for the office of Independent Director of the Company under Section 149 of the Companies Act, 2013.

The information as required under Regulation 36(3) of Listing Regulations, as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India is provided in annexure to this notice.

The Company has received from Mr. Khemani a consent in writing to act as Director in form DIR - 2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013 and a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, Mr. Khemani fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

Except Mr. Khemani, no Director, KMP of the Company or their relatives, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 4.

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

ITEM NO. 5

The Board in its Meeting held on June 25, 2021 and the Shareholders in the AGM held on August 20, 2021 had approved appointment of Mr. Mohammed Iqbal Hasanally Dossani as the Whole time Director of the Company for a period of five (5) years with effect from June 25, 2021 on a remuneration not exceeding ₹ 40 Lacs (Rupees Forty Lacs Only) per annum with annual increment as per the Company's policy or as may be decided by the Board of Directors /NRC Committee. The Shareholders of the Company have further authorized the Board of Directors of the Company to alter and vary the terms and conditions including remuneration or any other amendments thereto, as may be determined by the Board.

The Metro Stock Option Scheme, 2008 ('ESOP 2008') duly approved by Board & Shareholders of the Company is applicable to the eligible employees and Mr. Dossani, Whole Time Director of the Company was also identified as one of the eligible employees subject to the terms and conditions of the Scheme. Certain options were granted and which got vested in Mr. Dossani and were due for exercise in October 2022. The details of these grants have been appropriately disclosed in the Annual Report of the Company.

For the purpose of assessing the proportion of the remuneration to the net profits of the Company, all elements of remuneration package such as salary, benefits, bonuses, stock option, pension, perquisites etc. are taken into consideration. Accordingly, the perquisite value of the Options, exercised by Mr. Dossani during any Financial Year forms part of his total remuneration. The perquisite value is the differential value between the fair market price of shares on the date of exercise of Options and the exercise price. The perquisite value is directly linked to the fair market value of the shares of the Company on the date of exercise of Options. During the Financial Year 2022-23, as per vesting schedule under ESOP 2008, certain number of options have vested in him. These options were exercised and allotted to him on November 17, 2022 by the Share Allotment & Transfer Committee as per provisions of ESOP 2008. Taking into account the perquisite value which gets added to his remuneration, the total managerial remuneration payable to him exceeds the limit approved by the Board & Shareholders as aforesaid purely due to inclusion of the perquisite value of options exercised by him during the Financial Year 2022-23 and no cash pay-out has been made to him. His cash remuneration excluding the perquisite value arising out of ESOPs is well within the limits approved by the Board & Shareholders of the Company and the prescribed limits under Section 197 of the Companies Act, 2013. His remuneration as per his terms of appointment (even after including perquisite value of options exercised by him) is well within the approved limits of 5% of the net profits calculated as per Section 198 of the Companies Act, 2013.

Accordingly, on the recommendation of the NRC Committee, the Board of Directors at their Meeting held on August 1, 2023 had approved and recommended to the Members an increase in the overall remuneration limit of Mr. Dossani from ₹ 40 Lacs per annum (Rupees Forty Lacs Only) to ₹ 1.50 Crore per annum (Rupees One Crore Fifty Lacs Only), for the remaining tenure of his appointment i.e. with effect from April 1, 2023 to June 24, 2026 and to ratify the remuneration of Mr. Dossani for Financial Year 2022-23 to the extent of perquisite value of the ESOPs exercised by him amounting to ₹ 30.6 Lacs, which is within the overall maximum remuneration payable as per Section 197 and 198 of the Companies Act, 2013. There is no additional cash outflow for the Company upon exercise of ESOPs but a mere addition of perquisite value to his total remuneration. The Members are further requested to authorise the Board of Directors or NRC Committee of the Company to alter and vary the remuneration and other terms and conditions of his appointment within the approved limits.

Except Mr. Dossani, to whom the resolution relates, no Director, KMP of the Company or their relatives, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in Item No. 5.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

ITEM NO. 6

In accordance with the provisions of Section 188(1)(f) of the Companies Act, 2013, which govern the related party transactions, it is required for a Company to obtain approval of the Members for the related party's appointment to any office or place of profit in case of remuneration is in excess of ₹ 2,50,000/-(Rupees Two Lacs and Fifty Thousand only) per month.

Mrs. Aziza Rafique Malik, holds the position of President in the Company. She is spouse of Mr. Rafique Abdul Malik, Chairman of the Company and mother of Ms. Farah Malik Bhanji, Managing Director of the Company. Being a related party, the position/office held by Mrs. Malik in the Company falls within the preview of Section 188(1)(f) of the Companies Act, 2013.

Mrs. Aziza Rafique Malik has vast experience of over four and half decades in footwear production and design. She started her career in footwear sourcing for women in India. She subsequently went on to run a factory that was sold to her partner when she became a whole-time director in the Company. She has a strong strategic orientation and the unique ability to translate business goals into effective design strategies. She oversees and collaborates with cross functional teams including marketing, product design, visual merchandizing, and manufacturing to evolve the Company's brand identity, ensuring consistency across all design touchpoints and to align design efforts with business objectives. She also mentors and nurtures new brands in the portfolio like Cheemo. Cheemo is a premium Indian handcrafted and artisanal brand which preserves manufacturing and embroidery techniques that are rapidly disappearing in the country. Mrs. Malik is known to have an eye for aesthetics and rigorous follow up to complete the task. Her sharp eye towards quality and design is of great relevance in benchmarking the products of the Company. She is instrumental in leveraging the family's heritage and ensuring that the core values are central to decision making in the Company.

The NRC Committee and Board of Directors in their respective Meetings dated June 25, 2021 and Members in the AGM dated August 20, 2021, had approved the limit on her remuneration at ₹ 2.17 crores per annum plus benefits as per Company Policy for a period of 3 years from November 26, 2020 to November 25, 2023.

As tenure of approval for her remuneration is coming to an end, the Board of Directors of the Company on the recommendation of the NRC Committee & Audit Committee at their respective meetings held on August 1, 2023 had recommended an increase in limit on remuneration of Mrs. Malik not exceeding ₹ 3.6 crore (Rupees Three Crore and Sixty Lacs only) per annum on such terms, conditions, benefits & perquisites as may be applicable as per the policies of the Company to the grade of her appointment with effect from November 26, 2023. Her remuneration for Financial Year 2022-23 was within the overall maximum remuneration approved by the Shareholders. During Covid period, no increment was granted to her in line with the overall company decision considering covid impact on business. Her annual increments in Financial Year 2021-22 and Financial Year 2022-23 have been in range of 8%. The Board of Directors/ NRC Committee of the Company shall continue to regulate her remuneration based on her performance & Company policies within the said limits.

Except Mr. Rafique Malik, Chairman, Ms. Farah Malik Bhanji, Managing Director, Ms. Alisha Malik, President and Head Sports Division, E-Commerce and CRM of the Company and their relatives, no other director, KMP of the Company or their relatives are interested in or concerned, financially or otherwise, in passing the proposed resolution set out in Item No. 6.

The Board recommends the Ordinary Resolution as set out in Item No. 6 of this Notice for the approval of Members.

ITEM NO. 7

Ms. Mumtaz Amir Ali Jaffer is a Retainer in the Company. She is sister of Mr. Rafique Malik, Chairman of the Company. Being a related party, the position/office held by Ms. Jaffer in the Company falls within the preview of Section 188(1)(f) of the Companies Act, 2013.

Ms. Mumtaz Amir Ali Jaffer has rich experience in designing handbags and accessories. She creates bags that are not just trendy but are pieces of art and uses India's rich culture and its vibrant colors with art, sculpture, precious stones and jewellery for the today's smart, savvy, elegant and sophisticated women. She uses Indian inspiration with a western twist. The extension of Cheemo brand from bags into footwear category has been possible because of services received from Ms. Jaffer.

The Board of Directors of the Company on the recommendation of the Audit Committee at their meeting held on August 1, 2023 had approved and recommended the related party transaction to avail services of Ms. Mumtaz Amir Ali Jaffer as a Retainer for bags and accessories business, on terms set out in the resolution, subject to approval of the Shareholders by way of an ordinary resolution. The Board of Directors shall regulate her retainer fees based on her performance & Company policies within the said limits. Her annual retainer fees shall be determined in line with fee / commission paid to other buyers at arms-length with similar experience & knowledge.

Except Mr. Rafique Malik, Chairman of the Company and his relatives, no director, KMP of the Company or their relatives of the Company are interested in or concerned, financially or otherwise, in passing the proposed resolution set out in Item No. 7.

The Board recommends the ordinary resolution as set out in Item No. 7 of this Notice for the approval of Members.

By Order of the Board of Directors
For Metro Brands Limited

Sd/-
Rafique Abdul Malik
DIN:00521563
Chairman and Executive Director

Place: Mumbai
Date: August 1, 2023

Details of Directors seeking re-appointment at the AGM

(Additional Information of Directors seeking re-appointment as required under Regulation 36(3) of Listing Regulations, as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India)

Particulars	Item No. 3	Item No. 4
Name	Mr. Mohammed Iqbal Hasanally Dossani	Mr. Vikas Vijaykumar Khemani
Designation	Executive Director-Whole Time Director	Non-Executive – Independent Director
Director Identification Number (DIN)	08908594	00065941
Date of Birth/Age	December 25, 1970 (Age 52 years)	September 2, 1976 (Age 46 years)
Nationality	Indian	Indian
Qualification	Mr. Dossani holds a bachelor's degree in Financial Accounting & Auditing and also completed HarvardX: AESTHINT15Rhetoric: The Art of Persuasive Writing and Public Speaking from EdX Inc. He has also completed Leadership Orientation Program from National Council for India, Agha Khan Development Network (AKDN).	Mr. Khemani is a Chartered Accountant and Chartered Financial Analyst from ICFAI.
Original Date of Joining the Board	November 26, 2020	March 12, 2019
Experience (approx.)	20 years	24 years
Brief resume and nature of expertise in specific functional areas	Mr. Mohammed Iqbal Hasanally Dossani holds a bachelor's degree in commerce, in Financial Accounting and Auditing (Special) from University of Mumbai. He has also successfully completed 'AESTHINT15: Rhetoric: The Art of Persuasive Writing and Public Speaking', a course of study offered by HarvardX, an online learning initiative of Harvard University. He has also completed Leadership Orientation Program from National Council for India, Agha Khan Development Network (AKDN). He worked in various capacities in different commercial and social organisations over last 31 years with more than 15 years of experience in Senior Management. He is an active volunteer in the AKDN and is the Chairman of the Aga Khan Social Welfare Board. Prior to his time with the Company, he has been employed with Schefata Pharmaceutical and Development Laboratories as a factory accounts manager and M/s. Workforce Media Network as partner.	Mr. Vikas Vijaykumar Khemani, a qualified Chartered Accountant and CFA Charter holder, started his career in capital markets in 1999 at ICICI Securities and then moved to Edelweiss Financial Services Ltd. in 2002. He was instrumental in building and scaling up several capital markets and advisory businesses at Edelweiss. He ideated & built the Prime brokerage, Insurance Advisory and Forex & Rates businesses at Edelweiss. In Oct 2018, Mr. Khemani quit as CEO of Edelweiss Securities Ltd. to pursue his entrepreneurial dreams. Currently, he is the founder of Carnelian Capital Advisors LLP which is a boutique asset management firm focused on investing in various asset classes with an objective to protect and create wealth in most optimal manner. Mr. Khemani has been associated with several industry bodies and committees such as CII, FICCI, etc. He was awarded Young Professional Achievers Award for the service sector by the Institute of Chartered Accountants of India in 2014. He is known for his business acumen, talent spotting abilities, taking risk, building institutionalized businesses and deep passion for capital markets.

Particulars	Item No. 3	Item No. 4
Details of remuneration sought to be paid/ Remuneration last drawn	Increase in remuneration limit not exceeding ₹ 1.50 Crore per annum Remuneration last drawn during the Financial Year 2022-23: ₹ 54.2 Lacs (including perquisites of ₹ 30.6 Lacs pursuant to exercise of Stock Options).	Remuneration last drawn during the Financial Year 2022-23: Sitting Fees: ₹ 2 Lacs Commission: ₹ 3.96 Lacs
Disclosure of relationship with other Directors/KMP	Not Applicable	Not Applicable
Number of Equity Shares held in the Company	5,963 Equity Shares of ₹ 5/- each. (Mr. Dossani has also been granted Stock Options of the Company)	NIL
Number of Equity Shares held in the Company for any other person on a beneficial basis	NIL	NIL
List of Directorship in other Companies as on March 31, 2023	1. Metro Athleisure Limited (formerly Cravatex Brands Limited) 2. MHS Developers Private Limited 3. Metro House Private Limited 4. Metro Shopping Arcade Private Limited 5. Metro Shopping Plaza Private Limited.	1. BSAS Infotech Limited 2. Course5 Intelligence Limited 3. Young Presidents Organization (Mumbai Chapter) 4. Tibbs Foods Private Limited 5. Carnelian Asset Advisors Private Limited 6. Zicom SaaS Private Limited
List of Companies from which resigned in the past three years	NIL	NIL
Memberships/ Chairmanships across Listed Entities	Details mentioned in Annexure A	
Details of Board/Committee Meetings attended by the Directors during the year	Details mentioned in the Corporate Governance Report	

Annexure A

Membership/Chairmanship across Listed Entities of Mr. Mohammed Iqbal Hasanally Dossani

Sr. No.	Name of the Company	Name of the Committee	Whether Member/Chairman
1.	Metro Brands Limited	Stakeholders Relationship Committee	Member

Membership/Chairmanship across Listed Entities of Mr. Vikas Vijaykumar Khemani

Sr. No.	Name of the Company	Name of the Committee	Whether Member/Chairman
1.	Metro Brands Limited	Audit Committee	Member
		Risk Management Committee	Member

Given below is a statement of disclosures as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:

Name of the related party	Ms. Aziza Rafique Malik	Ms. Mumtaz Amir Ali Jaffer
Name of the director or key managerial personnel who is related, if any	Mr. Rafique A. Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director	Mr. Rafique A. Malik, Chairman
Nature of relationship	Mrs. Aziza Rafique Malik is the spouse of Mr. Rafique A. Malik, Chairman and mother of Ms. Farah Malik Bhanji, Managing Director.	Mrs. Mumtaz Amir Ali Jaffer is the sister of Mr. Rafique A. Malik, Chairman.
Nature, material terms, monetary value and particulars of the contract or arrangement	Limit on remuneration to Ms. Aziza Rafique Malik for holding office or place of profit in the Company not exceeding ₹ 3.6 crores per annum effective November 26, 2023 on such terms, conditions, benefits & perquisites as may be applicable as per the policies of the Company to the grade of her appointment.	Limit on Retainer Fees to Ms. Mumtaz Jaffer, for a period of three (3) years, with effect from April 1, 2023, for holding office or place of profit in the Company not exceeding ₹ 5 lacs per month plus GST and out of pocket expenses on such terms and conditions as may be applicable as per the policies of the Company.
Any other information relevant or important for the Members to take a decision on the proposed resolution	As per explanatory statement	As per explanatory statement

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