Date: August 26, 2024

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 47th Annual General Meeting (“AGM”) of Metro Brands Limited (“Company”) along with the Annual Report for the Financial Year ended March 31, 2024

Dear Sir / Madam,

This is to inform that the 47th Annual General Meeting (“**AGM**”) of the Company is scheduled to be held on **Thursday, September 19, 2024 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 2023-24
2. Notice of the AGM

The aforesaid documents have been sent today i.e. August 26, 2024 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. **Thursday, September 12, 2024**. The remote e-voting shall commence on **Monday, September 16, 2024 (9:00 a.m. IST) and ends on Wednesday, September 18, 2024 (5:00 p.m. IST)**.

The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 13, 2024, to Thursday, September 19, 2024** (both days inclusive) for the purpose of AGM. The "Record Date" for the purpose of ascertaining the eligibility of Shareholders for payment of Final Dividend for the Financial Year 2023-24, if declared at the AGM, shall be **Friday, September 6, 2024.**

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: 2024.08.26 17:31:58 +05'30'

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

Encl: As Above

47th

Annual Report | 2023-24

Metro Brands Limited

metro BRANDS

CURATING
India's Footwear Wardrobe

Confident Strides towards New Horizons

STEP INSIDE

01 Corporate Overview

48 Statutory Reports

136 Financial Reports

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

CURATING INDIA'S FOOTWEAR WARDROBE

Imagine the joy of finding the perfect pair of shoes, whether for a casual day out, a formal event, a neighbourhood stroll, a sports activity, or a grand wedding. At Metro Brands Limited, we have been walking alongside India for decades, dedicated to fulfilling the diverse footwear needs of people across the country.

Our mission is to curate shoes for everyone, across ages and genders, for every occasion and lifestyle. From affordable options to premium offerings and from region-specific ranges to collections that embrace the latest global trends, our comprehensive approach has made us a household name across India.

Over the years, we have expanded our brand portfolio to meet evolving customer needs. In-house labels like the iconic Metro Shoes and Mochi and the value-conscious, fast fashion Walkway share the stage with international favourites such as Crocs, FitFlop, and FILA. Recently, we partnered with Foot Locker, a globally renowned retailer, gaining access to sell premium global sports, athleisure, and sneaker brands in India. This first-mover advantage paves the way for us to transform this space and meet the aspirations of next-generation customers.

With a strong pan-India store presence, we reach customers across the country. Our skilled front-end employees play a pivotal role in providing the best product knowledge and customer experience. Additionally, we offer our curated footwear on leading e-commerce sites and our own platforms, ensuring seamless, personalised shopping journeys.

Retailing footwear is ingrained in our DNA. Since our journey began in 1955, we have grown into one of India's largest footwear specialty retailers. Our commitment to curating India's footwear wardrobe continues as we take **CONFIDENT STRIDES TOWARDS NEW HORIZONS...**

FY 2023-24 Highlights

CONFIDENT STRIDES TODAY, TO REACH NEW HORIZONS TOMORROW

Entered into strategic partnership with Foot Locker, positioning us to meet the growing demand for premium sportswear and athleisure in India

Extended partnership with Crocs India Limited, with exclusive rights in South and West India, further strengthening our play in casualisation and premiumisation categories

Surpassed the 800 store milestone^, underpinning our strong focus on network expansion

97 net store additions^, with a target to open a total of 225 stores over the next two fiscal years

~50% of business sales from products priced over ₹ 3,000, reflecting our success in driving our premiumisation strategy

₹ 2,357 crores
Revenue from operations
▲ 10.8% YOY

₹ 703 crores
EBITDA

29.8%
EBITDA margin

73%
Revenue contribution of in-house brands at MBOs^

33%
E-commerce revenue growth YOY^

Demerged the FILA business from Metro Athleisure Limited, a wholly-owned subsidiary and merged into Metro Brands Limited

US$ 4 billion
Market capitalisation reached

Recycled the equivalent of ~50% of the shoes sold, with a target to recycle one pair for every pair sold within two years

Note: ^These numbers exclude data for FILA and Proline
MBOs – Multi Brand Outlets
YOY - Year-On-Year

Company Overview

CURATING FOOTWEAR SINCE 1955

For over six decades, Metro Brands Limited (MBL) has been at the forefront catering to the diverse footwear needs of India with the most comprehensive range of products across categories, age groups, and market segments.

Led by our ongoing quest for quality excellence and meeting the evolving needs of consumers, we have consistently introduced the most unique designs as well as fast fashion products to be a trendsetter.

We are today one of India's largest specialty footwear retailers and a one-stop destination for all needs. In a market characterised by dynamic trends and evolving consumer preferences, we are well-positioned to lead the way in shaping the future of footwear wardrobe curation in India.

Our profile

Headquartered in Mumbai, India, MBL is listed on the Indian stock exchanges. Our rich portfolio includes a range of value-conscious as well as mid and premium segment products available across owned and select third-party brands. We ensure the widest availability through an extensive network of nationwide stores and a rapidly growing online presence. Beyond footwear, we also offer accessories such as belts, bags, socks, wallets, foot care, and shoe care products.

We have established various subsidiaries to ensure efficient operations. Our subsidiary, Metmill Footwear Private Ltd., manages shop-in-shop counters and distributes third-party brands. Our joint venture, M.V. Shoe Care Private Limited, focusses on the production and sale of shoe care and foot care products under its own brand.

Our VISION

To be India's largest specialty footwear and accessories retailer

Our PURPOSE

Get everyone on their feet

Our VALUES

- **P**assion for Excellence
- **R**espect & Empower Individuals
- **I**ntegrity
- **D**ifferentiation through Constant Innovation
- **E**xcellent Customer Relationship & Service

65+
Years Industry Experience

5
Store Formats^

836
Stores^

31
States & Union Territories^

193
Cities^

14+ million
Loyalty Membership^

250+
Footwear Vendor Partners

5,694^^
Employees

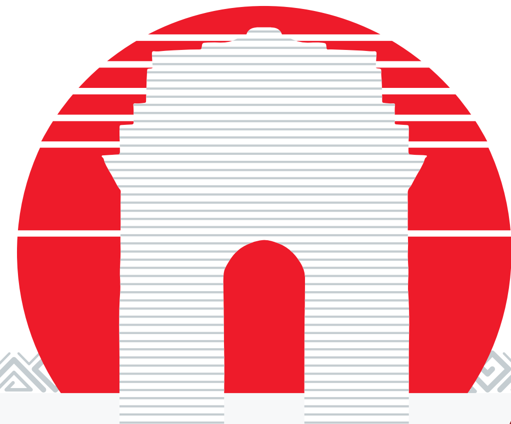
^ These numbers exclude data for FILA and Proline

^^ On a standalone basis (including those on payroll, contract, apprentices etc.)

Key Milestones

CONFIDENT STRIDES THROUGH THE YEARS

Since our humble beginnings, we have consistently focussed on meeting India's footwear needs, expanding our brand portfolio and store presence. Here's a glimpse into the key milestones of our illustrious journey.



1955 Started first Metro Store

1977 Incorporation of the Company

2000 Launched Mochi MBO

2009 Launched Walkway MBO

2010
- Launched e-commerce operations
- Crossed the 100-store milestone

2012 Crossed the 200-store milestone

2015 Entered into a tie-up with Crocs

2021
- Entered into an exclusive tie-up with FitFlop
- Crossed the 600-store milestone
- Listed on the BSE and NSE

2022
- Acquired Cravatex Brands Ltd.
- Secured exclusive licence for FILA
- Secured ownership of Proline brand

2023
- Entered into a strategic partnership with Foot Locker
- Crossed the 800-store milestone
- Reached market capitalisation of US$ 4 billion
- Crossed gross sales of ₹ 2,500 crores

Brand Portfolio

ONE-STOP SHOP FOR FOOTWEAR WARDROBE

Our dedication to curating India's footwear wardrobe is reflected in our robust portfolio of in-house and global brands. Designed to meet the complete footwear needs of Indian customers, they ensure that every step is taken with confidence.

In-house Brands

Metro is a contemporary Indian brand offering fashionable footwear, showcasing the latest designs and styles for every occasion. In addition to footwear, Metro provides a wide range of handbags, belts, wallets, and other accessories. The brand's footwear collection is carefully curated to meet the varied regional preferences across India.

Market Positioning
Mid and premium segment

Price Range
₹ 1,000 – ₹ 10,000^

Store Format
Multi Brand Outlet

317
Stores

Avg. Store Size
1,650 sq.ft.

166
Cities

Avg. Realisation per Unit
₹ 1,700^^

Mochi is a footwear and accessories brand that targets the youth while also serving the entire family. The brand provides a diverse range of footwear for young people, addressing their day-to-day, work, evening, and party needs, as well as special occasions like weddings.

Market Positioning
Mid and premium segment

Price Range
₹ 1,000 – ₹ 10,000^

Store Format
Multi Brand Outlet

237
Stores

Avg. Store Size
1,600 sq. ft.

115
Cities

Avg. Realisation per Unit
₹ 1,650^^

Walkway is a family-focussed brand that delivers fast fashion footwear and accessories for the mass market. Offering affordable options for men, women, and children, Walkway has become synonymous with everyday style.

Market Positioning
Value-conscious segment

Price Range
₹ 350 – ₹ 3,500^

Store Format
Multi Brand Outlet

66
Stores

Avg. Store Size
1,400 sq. ft.

47
Cities

Avg. Realisation per Unit
₹ 700^^

Note: Numbers are rounded off;
^Price Range refers MRP of the inventory and represents 85% of the total inventory value for the relevant customer segment;
^^Average Realisation per unit includes accessories.

Third-Party Brands

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 exclusive rights to operate and own Crocs "full price" stores across the western and southern states of India. Further, we have a non-exclusive retail agreement with Crocs for existing operating stores in the northern and eastern states of India.

Market Positioning
Premium segment

Store Format
Exclusive Brand Outlet

Avg. Store Size
600 sq. ft.

Avg. Realisation per Unit#
₹ 1,650^^

Price Range
₹ 1,500 - ₹ 8,000^

208
Stores

94
Cities

Foot Locker, a global leader in spearheading sports, athleisure and sneaker culture, has established itself as a premium retailer that fuels passion for self-expression and creates unrivalled experiences at the heart of the global sneaker community. As the go-to destination for sneaker enthusiasts, Foot Locker will offer an exclusive curated assortment tailored to India's next generation. We will commence opening Foot Locker stores in H2 of FY 2024-25, having entered into a strategic partnership with the New York-based specialty athletic retailer in FY 2023-24.

Market Positioning
Premium segment

Store Format
Power Store & Core Store

Store Launch Planned
H2 FY 2024-25

FitFlop is renowned for its shoes designed for all-day wear, combining biomechanics, comfort, and fashion. We have forged an exclusive strategic partnership with FitFlop, overseeing the entire distribution in India, including EBOs, MBOs, distribution channels, online marketplaces, and the web store. This partnership builds on our four years' experience in selling FitFlop products at our MBOs.

Market Positioning
Premium segment

Store Format
Exclusive Brand Outlet

Avg. Store Size
550 sq. ft.

Avg. Realisation per Unit
₹ 5,500^^

Price Range
₹ 3,500 - ₹ 12,000^

8
Stores

7
Cities

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.

We have acquired long-term rights as master licensee with sub-licensing rights to sell FILA products across India, Sri Lanka, Bangladesh, Pakistan, Nepal and Bhutan. Our rights include designing products as per India's needs with 100% flexibility on sourcing. We are currently resetting the FILA brand for the Indian market.

Market Positioning
Mid and Premium segment

Store Format
Exclusive Brand Outlet

3
Stores

2
Cities

Note: Numbers are rounded off; ^Price Range refers MRP of the inventory and represents 85% of the total inventory value for the relevant customer segment; ^^Average Realisation per unit includes accessories; #Average realisation per unit for Crocs EBO footwear excluding Jibbitz is ₹ 3,150 for FY 2023-24 (₹ 2,750 for FY 2022-23)

Business Differentiators

NEW HORIZONS ON PROVEN STRENGTHS

The Indian growth story offers exciting opportunities for scaling up each of our brands as well as launching new ones. Our confidence in striding towards new horizons stems from our business differentiators.

Strong Portfolio Across Multiple Categories

We have an outstanding portfolio of indigenous and global footwear brands that cater to the entire family's needs, spanning various price points and occasions. This extensive offering not only fosters strong customer loyalty but also expands our addressable market.

MBL: the ultimate destination for footwear and lifestyle essentials

FOOTWEAR

Market segments catered	Categories offered	Consumer segment covered
Economy	Casual	Men
Mid-premium	Formal	Women
Premium	Sportswear & Athleisure	Unisex
		Kids

ACCESSORIES

Bags — Clutches — Wallets — Foot Care — Belts — Shoe Care

Collaboration with Premium Third-Party Brands

We excel in designing, sourcing, marketing, and retailing activities. Our proven ability to nurture and expand both indigenous and global brands strengthens our position as a preferred partner for third-party brands seeking to establish and grow their presence in India.

Why Brands Prefer Metro Platform

- Market position
- Store economics
- Omni-channel presence
- Wide reach

Pan-India Retail Footprint

As one of India's largest footwear retailers, we have a robust presence across metro cities and tier 1, 2, and 3 cities, spanning the west, south, north, and east regions. This provides us with valuable insights into evolving customer preferences.

Our Pan India Presence (as of March 2024)

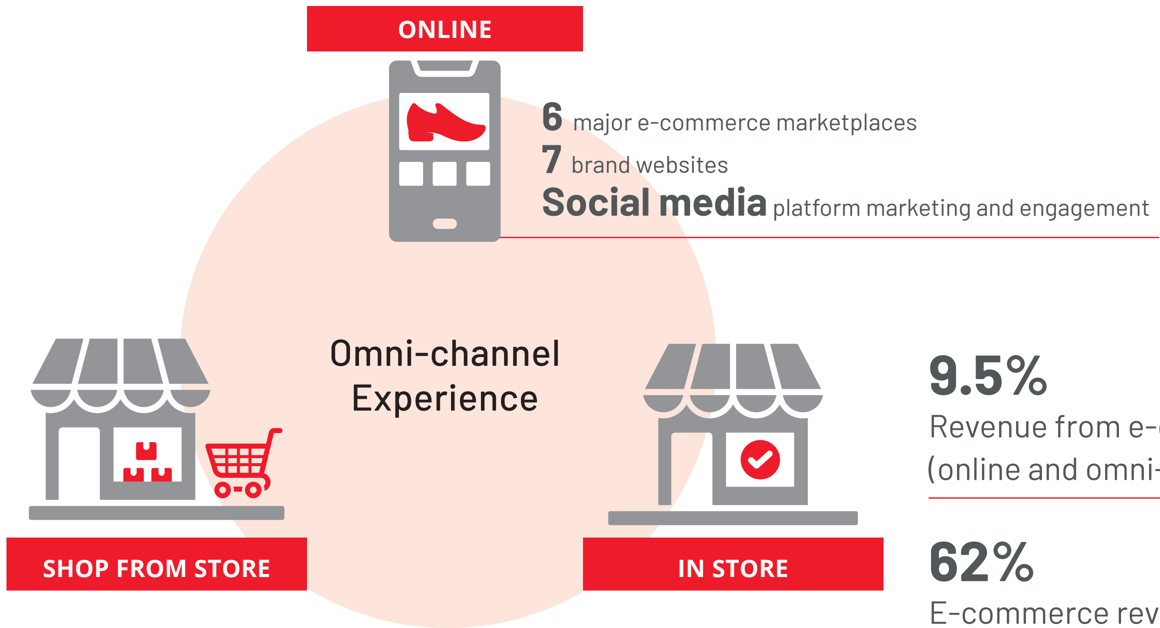
836
Stores

193
Cities

31
States and Union Territories

Omni-channel Presence with Seamless Integration

Our physical distribution network (EBO and MBO) is complemented by a robust online presence, spanning e-commerce marketplaces, social media marketing, and own brand websites. Our store network is seamlessly integrated with the online platform, creating a superior omni-channel experience for customers and enhancing our brand reach and accessibility.



9.5%
Revenue from e-commerce (online and omni-channel)

62%
E-commerce revenue CAGR (FY 2019-24)

Capital-light Business Model

We ensure capital-light operation by outsourcing all our footwear and products to trusted vendors instead of investing in own manufacturing. We also structure lease rentals on fixed or revenue-sharing basis, optimising store size and layout, and securing long-term lease arrangements.

Efficient Operating Model

Our large-scale operations and robust supplier network enable stronger negotiation power with both vendors and third-party brands. We maintain an efficient compensation structure, featuring significant variable pay for store managers and sales-linked incentive for store employees. Our AI-based supply chain model maximises capital efficiency and minimises dead stock.

250+
Footwear vendors partnered

29.8%
EBITDA margins (highest amongst the listed peers)

~100%
Store growth in the last six years

Proven Financial Performance

We have a proven track record of revenue growth, profitability, and disciplined financial management. We achieve one of the highest realisations per unit among listed footwear retailers in India. Additionally, our robust cash flow generation enables expanding business primarily using internal funds.

14%
5-year* revenue CAGR

16%
5-year* EBITDA CAGR

₹ 590 crores
Operating cash flow in FY 2023-24

*FY 2019-24

Strong ESG Focus

We incorporate Environmental, Social, and Governance (ESG) factors into our decision-making processes. This is reflected in our strong focus on embracing circular business models, reducing environmental impact, enhancing stakeholder well-being, and ensuring sound corporate governance. This approach supports our operational integrity and propels us towards a resilient, inclusive, and sustainable future.

~50%
Recycling coverage in FY 2023-24

~1,940 tonnes
Old and discarded footwear processed

Competent Management

Our leadership is characterised by a strong promoter background and a seasoned, entrepreneurial management team with a proven history of success. Their strategic vision has elevated us to a leading organisation renowned for growth, integrity, and respect. Our management team help drive operational efficiency, deliver exceptional customer experiences, identify opportunities, and execute strategies with precision.

CHAIRMAN'S COMMUNIQUÉ

IT IS A MATTER OF PRIDE FOR ALL OF US THAT MBL TODAY HOLDS A REPUTATION AS A BRAND THAT IS CURATING INDIA'S FOOTWEAR WARDROBE.

Dear Shareholders,

It is with immense pleasure that I present our 47th annual report for the financial year 2023-24. The year saw your Company achieve yet another record performance, building on our long history of stable and profitable growth. Our sustained progress is a result of the solid foundation that we have built – brands that resonate with our customers, exceptional products tailored to their evolving needs, excellent services and a robust network that ensures proximity to them.

It is a matter of pride for all of us that MBL today holds a reputation as a brand that is curating India's footwear wardrobe with product offerings for the entire family, across all occasions and price ranges. The loyalty of over 14 million customers is a testament to the immense faith they place in us.

In FY 2023-24, our sharp focus on nurturing these core areas alongside executing strategic priorities resulted in all-round performance. Recording a surge of 11% in revenue, we have now achieved years of consistent growth. In terms of operations, we added a net of 97 stores, almost doubling the total store count in the last six years which includes the COVID-19 era. This only highlights the growing demand for our products in both existing and newer regions.

I am particularly proud of our team, who have been instrumental in widening our product basket, especially the newer categories like sports, athleisure and sneakers which are gaining popularity among the increasingly fashion-conscious Indians. This aligns with our premiumisation and casualisation strategy and is poised to power our next leg of growth. It was only in the last year that we added renowned sportswear brands FILA and Proline to the brand profile. And now this year, the team struck yet another critical deal with the American premium sports & athleisure (S&A) retailer, Foot Locker We now have a strong and complete offering encompassing in-house and third-party brands, including a presence in the white space of S&A which is growing exponentially.

It is a revolutionary time for retailers from a technology standpoint given their potential to drive efficiency, scale customer experiences and stay ahead of the curve. To this end, we have invested in updating and upgrading our technology platforms. We are progressing towards leveraging the power of generative AI and robotic process automation across multiple departments. We remain focussed on being relevant and up-to-date with technology that enhances stakeholder value.

Sustainability is a cornerstone of our operations and a success driver in the long run. I would especially like to highlight one of our flagship initiatives, that of recycling to minimise our impact on the environment. Focussed on this, we have set up an extensive ecosystem of partners to collect used and discarded footwear for recycling and other uses rather than contributing to landfill waste. In FY 2023-24, we processed old & discarded footwear aggregating ~1,940 tonnes (~4.6 million pairs) in an eco-friendly manner as against ~900 tonnes (~2 million pairs) in the previous year, representing 50% equivalent of footwear that we sold. We have set a bigger task of recycling one pair of shoes for every pair sold within the next two years. It is an ambitious goal, but one that we are committed to achieving.

To reduce our carbon footprint, we have installed solar power systems at both our warehouses in Bhiwandi with capacities of 110 kW and 130 kW. This initiative has helped generate a total of 254,467 units of renewable energy during FY 2023-24.

Our community development efforts were focussed on improving living standards, health and well-being and promoting education. We donated ~3,500 pairs of shoes to children from underprivileged communities. We supported the cobbler community by creating awareness among 7,800 individuals on the government schemes and screened 1,400 individuals towards early detection of hypertension, diabetes and oral cancer. Our educational efforts included funding school fees, supporting infrastructure development, and providing practical exposure through on-the-job training at our retail stores.

MBL HAS BEEN BUILT OVER THE YEARS WITH THE SUPPORT OF ALL THE STAKEHOLDERS. YOUR TRUST AND CONFIDENCE IN US INSPIRE US EACH DAY TO PURSUE GREATER AMBITION.

With Foot Locker, FILA, Crocs, FitFlop, Proline and a robust in-house brands portfolio, we have one of the most extensive, trendiest and unique ranges of products. This versatility positions us to capitalise on the immense growth potential in India's branded retail footwear industry. Growing fashion aspirations, rising disposable incomes and a preference for branded products are driving consumption to new heights. Digital penetration is also propelling the e-commerce sector forward. At the same time, our solid balance sheet with adequate liquidity and sustainable working capital position ensures headroom to commit growth capex while maintaining disciplined, long-term returns. We are excited about our journey because a combination of efforts by the team and industry scenario put us on track towards our vision of becoming India's largest specialty footwear and accessories retailer.

MBL has been built over the years with the support of all the stakeholders. Your trust and confidence in us inspire us each day to pursue greater ambition. Together, let's create a company that we have always aspired to, that is the first name and last stop in footwear and grows to benefit all stakeholders while contributing to the nation's development.

Thank you for your continued support and belief in our vision.

With regards,

RAFIQUE A. MALIK
Chairman

Q&A WITH THE MANAGING DIRECTOR

MS. FARAH MALIK BHANJI
discusses the Company's performance and the success drivers.

How would you review the performance of the Company for FY 2023-24 on the back of a very strong growth in the previous year?

Let me first start with the industry context. After a period of hypergrowth, the footwear industry saw normalisation in growth in FY 2023-24. One may think that consumer demand weakened and the industry faced some slowdown. But the reality is far different. The truth is that the industry is now operating on a higher base and growing on that is only an indicator that India's consumption story is robust.

Coming to MBL, we delivered a stable performance in FY 2023-24, with revenue and profitability reaching record levels. We registered growth across all categories, regions and price points. Furthermore, with nearly a quarter of our stores getting operationalised in the last two years, they are yet to reach full maturity, resulting in a revenue per square feet per store of ₹ 18,700 in FY 2023-24.

Premiumisation is a major trend in the Indian consumer landscape. How is the Company performing on that front?

We continue to make significant advances in our premiumisation efforts. Across our in-house brands, we have been able to enhance the share of premium footwear. Our Crocs brand segment is performing well, while FitFlop is witnessing good traction. These efforts have contributed to the share of products priced higher than ₹ 3,000 increasing from 44% of sales in FY 2022-23 to now at 50%. A year earlier they were at 34%. So, clearly, premiumisation is playing out well for us.

The acquisition of the rights to FILA brand, and the partnership with Foot Locker during the year positions us to strengthen our presence in the sports and athleisure segment. With the targeted liquidation of old FILA stock and relaunch of premium FILA merchandise and the launch of Foot Locker store in the coming fiscal, we expect to further grow sales from the premium portfolio.

Third-party brand tie-ups are poised to be a key growth driver for the Company in recent years. How do we ensure the success of such tie-ups to maximise return on investment?

We have entered tie-ups with some great third-party brands, enriching our portfolio with greater diversity and dynamism. These tie-ups are a win-win for both. It helps our partner brands to build resonance among Indian consumers. For us, it enables curating a footwear wardrobe for Indians, supporting our vision of becoming India's largest specialty footwear and accessories retailer.

The Crocs tie-up way back in 2015 has been a major success for us and we have recently extended retail agreement with them for an exclusive licence for western and southern India territories. FitFlop tie-up is beginning to shape well and provides us with higher realisation. As for FILA, efforts are underway to reposition the brand at par with its global standing.

The most recent development is our partnership with Foot Locker, which will take shape soon with the launch of the first EBO in FY 2024-25.

As for the success of tie-ups, we adopt a comprehensive strategy that focusses on four areas:

- **Customer backwards:** We evaluate whether the brands align with our Indian customers' preferences and expectations, and meet their needs. This makes our offerings more relevant and appealing.
- **Scalability:** We assess the brand's market appeal, market potential and capacity for scalability to ensure long-term success.
- **Complement MBOs:** We seek out brands that offer unique and complementary products to our existing portfolio in MBOs. This helps differentiate our offerings and curate a diverse range of products for India's footwear wardrobe.
- **Exclusiveness to open EBOs:** We aim to tie up with brands that offer exclusive rights to operate. This ensures sole access to the brand in a specific market and no direct competition, allowing better control over brand presentation and customer experiences and scope for higher profitability.

What is your outlook on the industry scenario for FY 2024-25?

Barring some slowdown in the first quarter caused by the intense heatwave, extended elections, and fewer weddings, I believe that overall footwear demand will pick up pace for the remainder of the year. The Indian economy is headed for a period of fast-paced decadal growth and its trickle-down effect will be felt across all sectors. Consumer-facing industries like ours will be beneficiaries as rising income levels, digital penetration and fashion-related trends continue to gather pace. India is still way behind in terms of per capita footwear consumption, and as one of India's leading footwear players, we are well-poised to seize the opportunities and address the gap.

THE INDIAN ECONOMY IS HEADED FOR A PERIOD OF FAST-PACED DECADAL GROWTH AND ITS TRICKLE-DOWN EFFECT WILL BE FELT ACROSS ALL SECTORS.

CEO'S MESSAGE

MBL HAS AN EXCEPTIONAL TRACK RECORD OF DELIVERING CONSISTENT AND RESILIENT PERFORMANCE TO EMERGE INTO THE LEADING PLAYER THAT WE ARE TODAY.

Dear Shareholders,

At the close of yet another good year for MBL, I am delighted to share our achievements and the promising path ahead for our Company.

Our resilient performance this year, following the aggressive growth seen in the previous year due to the COVID-19 bump, highlights the inherent strength of our business model. We owe this to the multiple years of effort put in by the team to understand consumer behaviour and establish a solid brand reputation of offering top quality, trendy and comfortable products. These core strengths, combined with the strategic measures taken during the year, have set the momentum to propel us towards greater heights.

Demand Normalisation

In FY 2023-24, consumer demand normalised after an extraordinary period of COVID-19 bump due to immense pent-up demand and full-fledged return to offices and festivities celebrations. As a result, the industry players responded by ramping up manufacturing activity. However, as the demand normalised, they were faced with the challenge of managing inflated inventory levels. Furthermore, the delayed implementation of Bureau of Indian Standards (BIS) regulations prompted industry players to reassess strategies and adopt a cautious stance.

It is though pertinent to note that the overall scenario of the footwear industry remained buoyant.

Exhibiting Resilient Performance

Despite the high base effect, MBL delivered a stable performance in FY 2023-24. Our standalone revenues grew 11.3% to ₹ 2,305 crores supported by sustained consumer demand and various strategic efforts undertaken.

Our gross margins were stable. We achieved new peaks in profitability with EBITDA increasing by 5.4% to ₹ 703 crores and PAT by 18.0% to ₹ 418 crores. EBITDA and PAT margins were 30.5% and 18.1% respectively.

The Evolving Industry Landscape

Looking at the Indian retail landscape, I think the one major change transpiring is the evolution in consumer preferences. They are becoming more fashion-conscious and brand-aware, all thanks to digital penetration and exposure to global lifestyles. Gone are the days when they settled for products that merely served necessity; quality, latest trends, exclusivity and personalisation have become the new norms. The rising income levels and affordability are making this possible.

This has led to the trends of premiumisation and casualisation picking pace. Notably, the industry is witnessing a new growth pillar in the sports, athleisure and sneakers segment, which is projected to witness a strong double-digit, multi-decade growth. Furthermore, even as online shopping is gathering popularity, the charm of in-store shopping experiences, especially for footwear remains highly valued by customers. We expect these trends to shape the industry's future and redefine how the industry players operate.

Priorities to Lead the Future of Footwear

MBL has an exceptional track record of delivering consistent and resilient performance to emerge into the leading player that we are today. That said, we are not losing sight of the future, and remain inspired by the long-term. Our strategic priorities – delivering a world-class retail experience and owning our customers' footwear wardrobes – are well aligned with the industry trends and designed to keep us at the forefront of the industry.

In FY 2023-24, we remained agile and took proactive actions towards the effective execution of these strategies. To support our customer's aspirations of in-store retail experiences, we added a net of 97 stores in FY 2023-24, enhancing our network to 836 stores across 193 cities. We are further gearing up to launch 225 stores across all brands over the next two years. Tier 2 cities and beyond will be a priority to cater to demand in these emerging markets.

Our physical store network is adequately complemented by a robust e-commerce strategy. With a presence across e-commerce marketplaces, social media marketing, and own brand websites, we are providing customers with diverse channels to connect with us. Through this seamless integration of the store network with online platforms, we are creating a superior omni-channel experience and ensuring wider brand reach and accessibility. Additionally, we are deploying new-age tools like customer data platform, AI and machine learning to drive personalisation in products and experiences. The success of this strategy is evident in e-commerce sales growing by 33% for the year, with its share of revenue increasing to 9.5%, up from 7.9% in FY 2022-23.

FY 2023-24 proved to be a pivotal year in our efforts to expand our presence across the customer's footwear wardrobe, aiming to connect with them across more occasions and be their one-stop destination for all needs.

We entered a strategic partnership with US-based footwear retailer Foot Locker to gain exclusive rights to operate their branded stores in India. This partnership provides us access to a top-tier and exclusive range of sports, athleisure and sneaker footwear collections from top global brands. It will significantly enhance our portfolio and appeal to discerning consumers.

Our premiumisation strategy is yielding positive results, with the revenue share from products priced over ₹ 3,000 increasing to 50%, up from 44% the previous year. This shift reflects the positive response from our customers and reaffirms our commitment to delivering high-quality products and an enhanced customer experience.

FILA, an esteemed Italian sportswear brand, is well-known among Indian consumers. Our efforts, ever since securing its licence in the previous year, have been focussed on repositioning and establishing it as a significant player in the Indian athletic branded space.

In FY 2023-24, we made strides in realigning FILA's trajectory. We made steady progress in systematically liquidating FILA's surplus inventory that did not align with the brand's envisioned direction. The store count was rationalised from 24 EBOs to three as of March 31, 2024, which will be further brought down to two in future. A key milestone was the successful demerger of FILA business from Metro Athleisure Limited, our wholly-owned subsidiary company, and its integration into Metro Brands Limited. This strategic move enables us to harness cost efficiencies and operational synergies, alongside ensuring a dedicated management focus to drive revenue growth.

Our team has been working on repositioning initiatives, including the introduction of new products sourced from global and local vendors. These offerings will be made available in the next fiscal through the existing Metro/Mochi network. The year also marked the launch of FILA Global's marketing campaigns that perfectly align with our positioning and create synergies for us. We are confident that a combination of these efforts will assist FILA's penetration in the Indian market.

Closing comments

Looking ahead, we see a healthy growth trajectory driven by immense opportunity arising from the Indian economy and an expanding middle-class segment armed with greater affordability. We anticipate the BIS Quality Control Order (QCO) for footwear to pose some challenges. This order mandated factories to have BIS certification (or applied) by July 2024 to be able to sell footwear. To avoid potential supply chain disruptions, we front-loaded inventory purchases, resulting in temporarily higher inventory levels. We expect to fully align our operations with the regulations and return to optimal inventory levels by end of 2024-25.

Our operational rigour and the sharp focus of the team on executing strategic priorities position us firmly to take advantage of the immense opportunity. We will maintain a dedicated focus on three key areas – in-house products, third-party brands, and sports & athleisure segment – to drive growth and maximise market opportunities. With Foot Locker and FILA in our quiver, we are well-placed to capitalise on the journey of building sports & athleisure category. Further, we intend to add warehouse space in FY 2024-25 which will effectively enhance our warehousing capacity and will ensure that we continue growing our different business units.

I close on this positive, expressing my deepest gratitude to all stakeholders for being a vital part of our journey. To the shareholders, I deeply appreciate your confidence and faith in our vision and business model. I thank our valued customers for their trust and loyalty; you remain at the core of all that we do. I sincerely thank our passionate team who have been the foundation of our Company, and with their immense dedication and hard work continue to drive it forward. We remain committed to your interests and creating value for each of you.

With regards,

NISSAN JOSEPH
Chief Executive Officer

MESSAGE FROM THE PRESIDENT - SPORTS DIVISION, E-COMMERCE AND CRM

SPORTS AND ATHLEISURE (S&A) PENETRATION IS PERHAPS THE MOST SIGNIFICANT STRUCTURAL TREND IN THE INDIAN FOOTWEAR INDUSTRY.

Dear Shareholders,

Footwear fashion is all about delivering the finest quality, comfort and the latest fashion that resonate with customer's preferences. Simple as it may seem, but it involves a lot of nuances, especially a deep understanding of customers. This is an area where MBL excels – which allows us to curate a footwear wardrobe that reflects India's aspirations.

Our exceptional team prioritise customers in every decision, even going to the depths of tailoring product range across geographies to match local trends and sizes. Beyond products, we maintain a sharp focus on quality, service and responsible operations that make us a brand that customers like to associate with.

Elevating Customer Experiences

While MBL has consistently and surely stayed true to these aspects, we cannot overlook the pivotal role that technology has assumed. Retail is dynamic and fast-evolving, and staying ahead of customer preferences is essential to success. We leverage the power of data analytics to gain insights into upcoming trends and customer expectations to engage with them more profoundly through impactful, customised messaging. Our integrated Customer Data Platform empowers us to understand customer behaviour across our various brands, online vs offline shopping preferences and social media. These insights have opened a world of possibilities, including improving loyalty programmes to deliver better value to customers as well as optimising the performance of stores and brands across geography for sales enhancement.

Going a step ahead, we are leveraging the power of AI and our presence on social media platforms to understand customer interests. Machine learning has been deployed to understand customer queries tonality and prioritise them accordingly to respond appropriately.

These efforts are truly redefining how we engage with customers, address their needs and ensure superior experiences. They have solidified MBL's reputation as one of the top Indian footwear brands with high brand loyalty. Considering this, 56% of our sales come from repeat purchases by members of our loyalty programmes, a clear indication of the value we offer.

Omni-channel Delivering Model

The current digital age necessitates us to be where our customers want us to be. To this end, we have significantly invested in enhancing our omni-channel capabilities. We have invested in an e-commerce-specific warehouse management system that integrates our entire universe of inventory across stores and warehouses with our online platforms, including our own websites and various marketplaces. This complex and extensive integration ensures a seamless omni-channel experience, while also allowing us to track orders across stores and cities. By analysing these demand patterns, we can create a strategic roadmap for expansion, ensuring we meet our customers' needs wherever they are.

Tapping the White Space

Sports and athleisure (S&A) penetration is perhaps the most significant structural trend in the Indian footwear industry.

A year back, the acquisition of Metro Athleisure Limited gave us access to the FILA brand in India. While FILA has strong brand awareness among Indian consumers, it lacked product relevance. Immense R&D efforts are underway to identify the right products and markets to effectively reposition it and ensure stronger resonance. We have established an outstanding team and we are confident of relaunching this brand with much greater vigour.

The strategic partnership with the US-based footwear retail giant Foot Locker during the year marks another milestone in our efforts to lead the S&A space. The collaboration gives us exclusive rights to own and operate Foot Locker stores in India, and more importantly have access to an exclusive range of sports, athleisure and sneaker merchandise from the world's leading brands. So on one hand, we have the first-mover advantage in premium S&A in multi brand outlets, while on the other drive differentiation versus other sports brands in exclusive brand outlets through exclusive merchandise. This partnership fits strategically with our long-term focus and addresses big white space for us.

THE STRATEGIC PARTNERSHIP WITH THE US-BASED FOOTWEAR RETAIL GIANT FOOT LOCKER DURING THE YEAR MARKS ANOTHER MILESTONE IN OUR EFFORTS TO LEAD THE S&A SPACE.

The combination of Foot Locker, FILA and our in-house brands together will help create one of the most comprehensive sports and athleisure portfolios in India. This will make us a premier destination for customers and capitalise on the S&A trend which is expected to grow exponentially in future.

Building a Stronger Future

MBL has a well-established foundation, built over three decades of store network expansion, portfolio extension and establishing a robust financial position. While these continue to drive growth, the recent efforts around leveraging technology to understand customers, omni-channel model pivot and the focus on the S&A segment are poised to strengthen our long-term resilience.

Headed into the future, I express my gratitude to all our internal and external stakeholders for supporting us as always. We are excited about the opportunities ahead and remain committed to creating value for all.

With regards,

MS. ALISHA RAFIQUE MALIK
President - Sports Division, E-Commerce and CRM

WITH INDIA'S FASHION AND RETAIL MARKET PRESENTING EXCITING POSSIBILITIES, WE ARE BOLDLY FORGING AHEAD ON THE STRENGTH OF OUR BRANDS. WE'RE NOT JUST KEEPING PACE WITH EVOLVING CUSTOMER EXPECTATIONS; WE'RE SETTING THE TREND.

- Drive premiumisation
- Scale casual and sports footwear segment by launching new retail formats and brands
- Expand physical store presence
- Invest in technology and omni-channel experience
- Personal and professional development of employees
- Strengthen supplier collaboration to drive fashion forward
- Embed responsible business practices and circular economy principles
- Empower underprivileged communities

In the pages ahead, discover how we are not only curating India's footwear wardrobe but also taking confident strides towards new horizons. Join us on this exciting journey of meeting aspirations, driving growth and fostering positive impact.

Foot Locker Partnership

NEW HORIZONS BY PARTNERING GLOBAL SPORTS & ATHLEISURE RETAILER

A significant milestone in our journey towards curating India's footwear wardrobe was the signing of a long-term agreement to own and operate Foot Locker stores across the country.

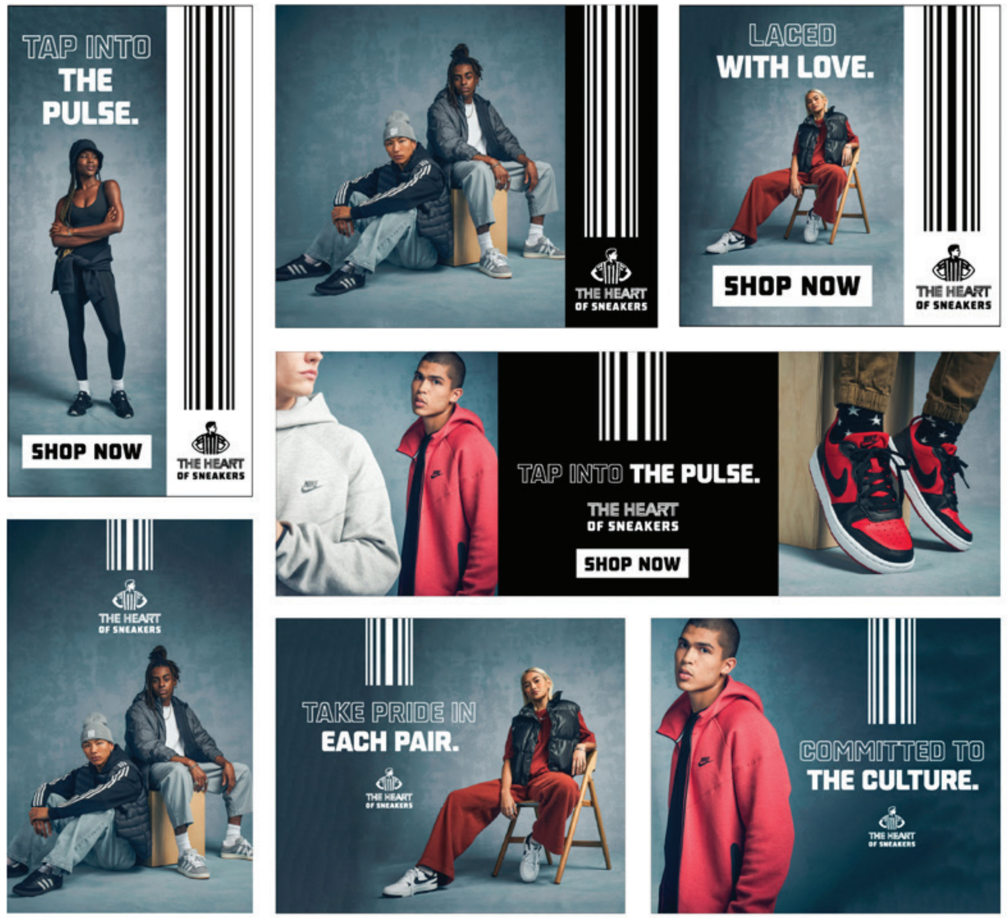
This partnership marks a pivotal step towards bringing the most comprehensive selection of global sportswear and footwear to India, enhancing the retail experience, and addressing our customers' evolving preferences.

About Foot Locker

Foot Locker, Inc., an American premium sports and athleisure retailer, boasts a rich 50-year history, global revenue of around US$ 8 billion, and a presence in 2,600 retail stores spanning 26 countries across North America, Europe, Asia, Australia, and New Zealand. Our collaboration aims to transform the sneaker segment in India and meet the evolving needs of next-gen customers.

Salient Features of the Agreement

- Multi-decade long-term licencing agreement with auto-renewal clauses.
- Exclusive rights to own and operate Foot Locker stores in India.
- MBL to pay royalty on Foot Locker sales in India.
- Foot Locker to connect MBL with global brands to directly deal and purchase merchandise for Foot Locker stores in India.



FOOT LOCKER PARTNERSHIP BENEFITS

01 Access to premium global brands in the sports, athleisure, and sneakers space.

02 First-mover advantage in the premium sports and athleisure MBO space.

03 Exclusive merchandise (~10%-20%) for Foot Locker stores drives differentiation versus other sports brands EBOs.

04 Addresses a white space for MBL in the rapidly growing sports and athleisure category in India.

Upcoming Plans and Priorities

Store Opening Plans

We plan to open two to three stores in key cities starting H2 FY 2024-25 onwards.

Market Focus

Foot Locker stores will primarily be located in metro and tier-one cities due to their premium nature. Our long-term vision includes multiple outlets in every major city over the next three to five years. The cluster strategy will guide our growth, with two types of stores: power stores and core stores.

Financial Commitment

We have carefully assessed the capital requirements for opening Foot Locker stores, including from an inventory standpoint. We are confident in our ability to allocate the necessary resources. Our phased approach mitigates risk and ensures sustainable growth.

Premiumisation and Casualisation Focus

NEW HORIZONS BY STRIDING IN SYNC WITH SHIFTING PREFERENCES

The trends of premiumisation and casualisation have accelerated across India's fashion retail segment. In response, we have doubled down our focus on these areas to stay ahead of the game, meeting our customers' lifestyle aspirations and keeping their footwear wardrobes contemporary.

The rise in digital penetration and exposure to global lifestyle are driving more fashion-conscious and brand awareness among Indian consumers. They are no longer willing to settle for ordinary. Rather they are increasingly demanding top-quality, trendy, and unique footwear designs. This coupled with the rising income levels, has enhanced individuals' affordability, driving the willingness to invest in aspirational products that reflect the latest trends and their personal style.

Our Success in Capturing Market Opportunities

As a trusted brand associated with exceptional quality, innovative design, comfort, and strong brand values, MBL is at the forefront of addressing our customer's evolving needs. Our competitive pricing guided by these factors and driven by a commitment to exceptional customer services, including a return policy that respects and honours customer needs, makes us a go-to brand for discerning consumers eager to explore the latest fashion trends with confidence.

Leveraging our established reputation and keeping our customers' needs at the forefront, we have significantly evolved and strengthened our product line-up in recent years. Our offerings today include high-quality premium footwear made of superior materials, comfortable casual footwear and ones that combine the best of both.

Our global brands, Crocs and FitFlop, are leading these efforts, with their world-class athleisure and casual footwear collections. Additionally, we are reinforcing our in-house brands with more fashionable and unique collections, aligned with the latest trends.

Our efforts around realigning portfolio and premiumisation to offer the right products to customers are evident in increase in the average realisation per unit. Products priced over ₹ 3,000 now represent half of our business sales, up from 44% the previous year. This reflects the positive response from our customers and highlights our commitment to delivering high-quality products and an enhanced customer experience.

Product Pricing-Wise Sales Mix[1]

	> ₹ 3,000	₹ 1,501 - ₹ 3,000	₹ 501 - ₹ 1,500	< ₹ 500
FY20	34%	44%	17%	5%
FY21	36%	44%	15%	5%
FY22	40%	44%	12%	4%
FY23	44%	42%	10%	4%
FY24	50%	37%	9%	4%

Note:

[1] *% of Total Store Product Sales; Numbers and decimal rounded off.*

Above figures are on standalone basis.

New Strides Towards Premiumisation and Casualisation

Foot Locker and FILA Partnerships

Our recent strategic partnership with the US-based footwear giant Foot Locker, marks a significant advancement in our journey to offer the best footwear. The exclusive range of sports, athleisure and sneaker footwear collections from the world's leading brands, that this partnership grants us access to, will strengthen our appeal to discerning consumers.

This is in addition to the FILA portfolio that we integrated in the previous year and where repositioning efforts are underway to ensure alignment with the Indian consumers.

Together, these will create one of the most comprehensive sports and athleisure collections anywhere in India, making us a premier one-stop destination for customers.

Retail Footprint

NEW HORIZONS WITH AGGRESSIVE STORE EXPANSION

Over the past six years, we have achieved 100% store growth with the addition of 417 stores. Our commitment to aggressive expansion remains unwavering as we set our sights on adding 225 stores over the next two years.

Physical Stores Dominate Footwear Shopping

In-store retail shopping remains the preferred channel for footwear purchases, even as online channels have gained popularity due to their convenience. The enduring appeal of brick-and-mortar stores lies in the unique shopping experience they provide, which many customers still highly value. More importantly, unlike apparel, where some flexibility in size is acceptable, the precise fit of a shoe is crucial. This necessity for an accurate fit drives customers to visit stores to try on footwear, ensuring both comfort and satisfaction with their purchase.

Expanding to Reach a Wider Customer Base

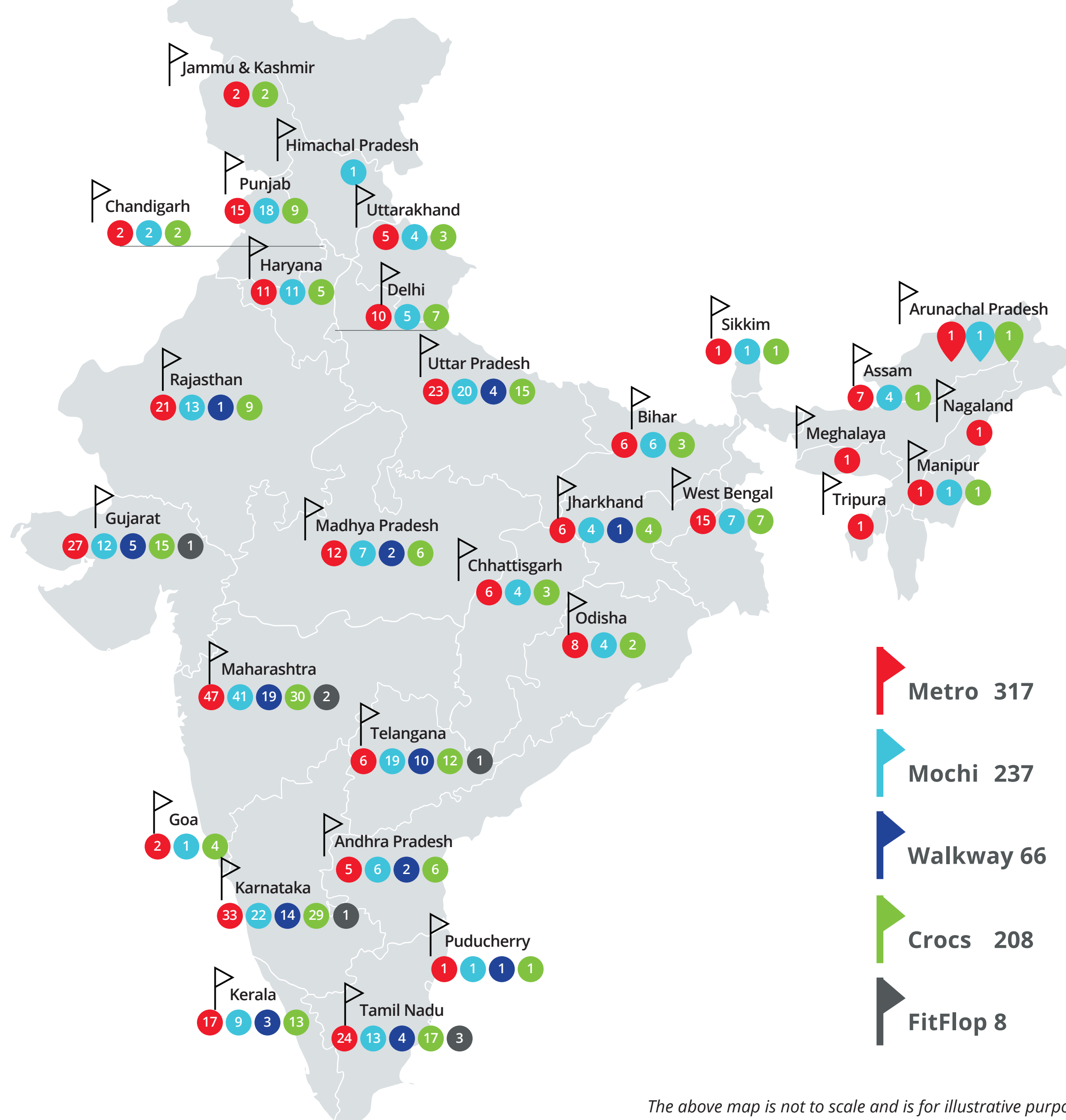
Expanding our retail footprint into new markets enables us to connect with a broader customer base, scale up our brands, and enhance their operating leverage. For our in-house brands, we are particularly focussing on Tier 2 and Tier 3 cities, where growing customer aspirations present immense opportunities. Simultaneously, across our brand portfolio, we continue to deepen our presence in existing cities to capitalise on growth opportunities. Our diversified presence across the north, south, east, and west regions further amplifies the growth potential for our brands.

We have a robust store selection process targeting high streets, malls, and airports. As part of our store expansion strategy, we primarily follow the "Company Owned and Company Operated" (COCO) model of retailing, which strengthens our ability to drive a superior retail experience. This approach has proven highly successful, as evidenced by our stores' consistently strong performance and a significant number of repeat customers.

Achieving the 800-store Milestone

We are aggressively expanding our nationwide presence across various formats. This year, we opened 97 net new stores, surpassing the 800-store milestone and reaching a total of 836 stores as of March 31, 2024. Our geographic reach now spans 193 cities, up from 174 in the previous year. As our new stores mature, they are poised to replicate the strong performance of our established locations.

Retail Network



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

Zone-wise, Tier-wise, and Location-wise Presence

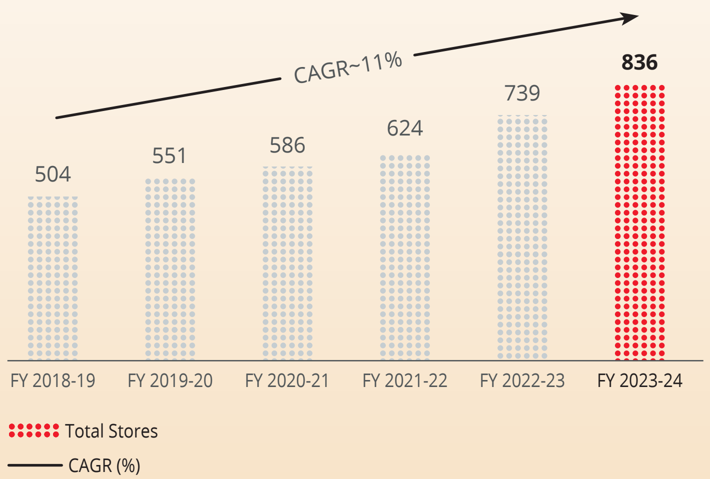
Zone-wise

Tier-wise

Location-wise

Note: Total Store Split as of March 31, 2024

Year-wise Store Additions (as of March 31)



Target to Open 225 Stores Over the Next Two Years

India's rapidly transforming consumer landscape, driven by the burgeoning middle-class segment and growing urbanisation, presents exciting opportunities for scaling up our brand formats. We remain focussed on our aggressive store expansion strategy, with a target to open 225 stores over the next two years. This target excludes the expansion plans for FILA, as the brand is currently in a reset phase. While we have set a goal to reach 1,000 stores by FY 2025-26, our approach remains flexible, focussing on opening stores that align with our strategic objectives and market opportunities. We are committed to capitalising on every opportunity to enhance our retail presence.

Store Expansion Strategy for Our Brand Formats

We see opportunities to grow stores across all our banners. Rather than adopting a one-size-fits-all approach, each brand will pursue a store expansion strategy tailored to its specific market reach and customer profile. Premium brands will focus on strategic expansion in select cities, while mid to premium market brands will aim for broader-based expansion with deeper penetration into smaller towns and cities. This differentiated strategy ensures that each brand can effectively reach and serve its unique target audience.

Technology and Digital Architecture

NEW HORIZONS WITH NEW-AGE CAPABILITIES

FY 2023-24 has been a transformative period marked by significant advancements in technology and digital initiatives, setting ourselves up to harness the power of generative AI and robotic process automation. By leveraging new-age capabilities across multiple departments, we are poised to explore new horizons and enhance stakeholder value.

Strengthening Our e-commerce Operations

In today's retail landscape, while a lot of customers still express a preference for shopping in stores, the importance of e-commerce cannot be overstated. With the growing penetration of digital technologies, most customers begin their shopping journey online, even if they eventually purchase in-store. This makes it essential to be present and competitive in the digital arena.

Our e-commerce operations are multifaceted. We sell products directly to online marketplaces through our direct sales model. Additionally, our omni-channel business integrates inventory across all stores and online platforms, which increases inventory utilisation and reduces delivery times. This integration also allows us to maintain control over discounting, ensuring it aligns with our brand strategy.

Our E-commerce Business Models

Direct Sales to Marketplaces

Products sold directly to online marketplaces

Omni-channel Sales

Online sales serviced through our physical stores

E-commerce Advancements

Currently, e-commerce comprises 9.5% of our business, surpassing the levels seen during the COVID-19 pandemic and highlighting the importance of continued investments in it.

To support our e-commerce efforts, we have invested in a dedicated warehouse management system (WMS) that seamlessly integrates our store network with our online platform, enhancing inventory management and fulfilment efficiency. We also implemented a state-of-the-art Order Management System (OMS). Both these systems have streamlined our supply chain, ensuring faster and more accurate order fulfilment. These upgrades are also enabling us to reach a broader customer base, driving growth in online sales.

Our e-commerce strategy emphasises maximising opportunities across digital channels while maintaining profitability and brand integrity. Rapidly achieving high e-commerce targets through aggressive discounting could harm our brands. Instead, we prioritise sustainable growth by curating product ranges that enhance brand value without compromising profitability. During FY 2023-24, our e-commerce business grew 33% year-on-year. Moving forward, we aim to reduce discounts, enhance operational efficiencies, and improve the customer experience.

Leveraging the Power of AI

In a dynamic operating landscape, AI is crucial to streamline operations and drive efficiency, innovate and better understand consumer behaviour for personalised experiences. At MBL, we are effectively deploying AI to stay agile and maintain our competitive edge. Some of the key efforts include:

AI-driven Planning and Merchandising

In our quest to optimise inventory and enhance the shopping experience, we are implementing an AI-based Planning and Merchandising system. This system uses advanced algorithms to analyse and predict trends and optimise stock levels. The AI-driven insights further position to empower our merchandising team to make data-driven decisions to ensure a more responsive and customer-centric approach.

Piloting AI-driven Store Operations Management

We are currently piloting an AI-driven Store Operations Management System to revolutionise the in-store experience. This system combines CCTV with machine learning to standardise store operations for real-time monitoring and analysis. It will enable enhancing the shopping environment for customers while also providing insights to drive improvements and operational excellence.

Upskilling Employees in AI Adoption

Understanding that technology is only as powerful as the people who use it, we have embarked on a comprehensive upskilling initiative to foster organisation-wide AI adoption. We are undertaking multiple training programmes to empower our people to understand and leverage AI tools in daily operations. Through this, we aim to create a culture of innovation and continuous improvement and drive the Company's growth.

Cloud-based Integrated Point of Sale (POS) System

We are actively evaluating a cloud-based next-generation integrated POS System to enhance the robustness of POS operations. Through this, we aim to have a comprehensive and scalable solution that can effectively manage sales, inventory and customer data.

People Strength

STRIDING TOGETHER TOWARDS NEW HORIZONS

I started my career with Metro Shoes in 2005 and have since been associated with it in various capacities. I started as a cashier, then got promoted to assistant manager and then to area manager before landing my current role.

The growth opportunities as well as the stability and support have allowed me to stay here for the longest time. Mr. Sultan B (Bana), the former General Manager, supported me extensively and more recently, Mr. Aashish Mashruwala who has been a guiding force for the last three years. Internal Job Posting (IJP) is a key feature at Metro, with the internal employee given first preference for the next level leadership role alongside necessary grooming. The time I have spent here makes me feel as though I am working for my own brands. The promoters and all top management make you feel "AT HOME", and home is where the heart is.

I strive to embody the values that I have learned from my past managers and seniors, offering my team the same support and liberty to express themselves and make important decisions. My growth within the Company has been organic and I wish to continue with the same energy and look forward to replicating my success for future assignments.

Mr. Mohd. Sajid

Designation: Regional Operations Head, North India (Metro)

Years of association: 19

I have been associated with the Company since 2006. I began my career as a salesman and in 2010 became the manager, and for the past six years, I have had the privilege of working in one of our largest stores.

The Company's commitment to its employees is what truly sets it apart. This is demonstrated in the supportive, inclusive and respect-driven culture that we have here along with employee-centric policies. In fact, the Company also provided us with the opportunity to become shareholders by offering shares at a discounted price. I still fondly remember and cherish our annual meet in Goa, where we celebrated the milestone of 200 stores. It truly highlighted the strong bond we share as a team and our collective pride in the Company's achievements.

As a long-time employee, I have witnessed first-hand, the Company's evolution into India's largest footwear company that commands immense brand value and prides itself in exceptional guest service. Our store at the mall is a testament to this. For the past six years, our team has consistently achieved the highest sales among all footwear companies operating here. I am sure together with the Company we will continue to set new standards.

Mr. Pankaj Gupta

Designation: Store Manager (Mochi)

Years of association: 18

I have been associated with the Company since 2006. The exceptional leadership and the tremendous amount of knowledge, learning, and growth opportunities continue to inspire me each day. At 19 years old, I was given the opportunity to become the Manager of the Pune store and later on was entrusted with the Area Manager role. It demonstrates the Company's confidence in my abilities and their support in my professional growth.

Metro's culture of collaboration, open communication, and a strong sense of support and inclusivity stands out to me. Freedom to share ideas, focus on work-life balance, and the commitment to professional development are some of the many benefits we get. The thing I value the most is the strong sense of teamwork and collaboration among employees. It's incredibly rewarding to be part of a supportive environment where everyone's unique skills and perspectives come together to achieve common goals. I feel proud to be associated with a Company that is committed to exceptional customer service, uses innovative approaches to solve problems, and is dedicated to environmental sustainability.

Looking back at my journey here, I am greatly gratified with my evolution. From starting with basic tasks, I have gained more experience and skills to take on bigger responsibilities, complex projects and be involved in decision-making processes. I am excited to continue contributing in new and meaningful ways.

Mr. Shafi Shaikh

Designation: Area Manager (Mochi)

Years of association: 18

I am thrilled to recognise and celebrate our long-standing partnership with Metro Shoes. Over the past three decades, their dedication and expertise have been instrumental in driving our success. Together, we've achieved countless milestones, overcome challenges, and grown exponentially.

Their exceptional team has consistently been the best support system with innovative solutions. Our collaboration has not only fostered a deep trust but also yielded remarkable results that have significantly impacted our business.

Here's to many more years of continued success, growth, and fruitful partnership!

M/s Star Trading Co.

Vendor

Business Sustainability

NEW HORIZONS WITH SUSTAINABLE STRIDES

Our abiding commitment to a sustainability-led business ethos is reflected in our social endeavours aimed at delivering environmentally friendly growth and enhancing community well-being.

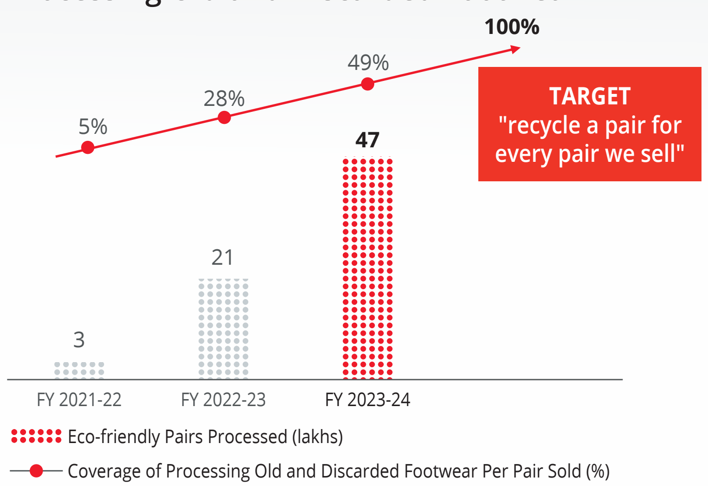
Our societal and environmental initiatives are conducted both directly and in collaboration with NGOs and social enterprises. Meticulously aligned with the United Nations Sustainable Development Goals (UN SDGs), our efforts are focussed on contributing meaningfully to a brighter, greener future.

Footwear Recycling

Old and discarded footwear, often end up in landfills or oceans, harming the environment. We implemented an eco-friendly processing of old, discarded, footwear project in collaboration with various partners. Under the initiative, footwear items are collected and sorted by material type for processing. Rubber and plastic materials are sent for recycling, while other worn parts are sent to cement kilns or power plants for co-processing as a coal substitute.

In FY 2023-24, we processed ~1,940 tonnes (~4.6 million pairs) of old and discarded footwear, up from ~900 tonnes (~2 million pairs) in FY 2022-23. Our long-term goal is to **"recycle a pair for every pair we sell",**.

Processing Old and Discarded Footwear



Educational Advancement

Project 1

An educational institute has been supporting the education of children from economically disadvantaged families in Maharashtra and Gujarat. Many of their students have completed their education and settled abroad. This year, we supported them by funding the education costs of 86 underprivileged children, aiming to help them excel academically.

Project 2

We collaborated with an NGO partner to fund the construction of a new classroom at the Sir Syed Ahmed Inter College. The initiative will help decongest the existing classrooms for a more comfortable learning environment.

Project 3

We supported a Foundation in introducing a digitised smart class programme and financing infrastructure creation and refurbishments in two rural schools in the Satara and Sindhudurg districts of Maharashtra.

Skill Development

We supported 228 trainees (unemployed youth) under the National Apprenticeship Promotion Scheme (NAPS). These individuals were provided practical exposure through on-the-job training at our various retail showrooms.

Community Empowerment

We associated with an NGO partner to create awareness and educate the cobbler community in the Mumbai Metropolitan Region and their families, enrolling 7,888 beneficiaries in various Government of India-sponsored benefit schemes. These schemes include E-shram cards, Jan Dhan bank accounts, Ayushman Bharat, Mahatma Jyotiba Phule mediclaim schemes, PMJJBY, and PMSBY insurance schemes.

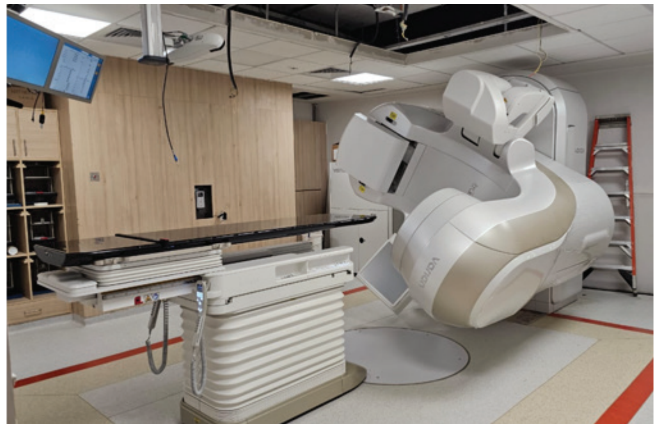
Healthcare Support

Project 1

We supported Prince Aly Khan Hospital in implementing 24 health checkup camps. These camps helped create awareness and facilitate early detection of hypertension, diabetes, and oral cancer among cobblers and other vulnerable communities in the Mazagaon area of Mumbai. These camps also leverage government services and schemes to cover treatment costs whenever possible.

Project 2

We supported in funding the construction of the Punyashlok Ahilyadevi Holker Head & Neck Cancer Institute of India in South Mumbai. This hospital aims to provide state-of-the-art treatment to needy patients at affordable rates.



Footwear Donation

Project 1

We partnered with an NGO working towards creating a brighter future for children in institutional care. We supported by donating footwear to more than 1,250 children residing in 41 childcare institutions spread across 16 districts in 4 states.

Project 2

We collaborated with our NGO partner to distribute footwear to 2,386 underprivileged children residing in the Mumbai and Palghar districts.

Awards and Recognition

STRIDES OF DISTINCTION

Mr. Rafique Abdul Malik was conferred the **'EY ENTREPRENEUR OF THE YEAR AWARD'** in the Consumer Products and Retail Category, 2024.

DUN & BRADSTREET ESG AWARD 2024
Apparel, Accessories & Footwear Sector

IMAGES RETAIL AWARDS
Most Admired Footwear Retailer, 2024

INDIA RETAIL CHAMPIONS AWARD
Retailers Association of India Footwear Category, 2024

23rd IMAGES FASHION AWARDS
Footwear Retailer of the Year, 2024

ET GREAT INDIA RETAIL AWARD
Retail Brand of the Year, 2024

MAPIC INDIA RETAIL AWARDS
Most Admired Retailer of the Year Footwear Category, 2023

IMAGES RETAIL AWARDS
India's Most Admired Footwear Retailer, 2023

ECONOMIC TIMES AWARDS
Iconic Brands of India Award, 2023

Financial Performance

10-YEAR FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22	2022-23	2023-24
No. of Showrooms*	290	317	362	419	504	551	586	624	739	836
Revenue from Operations	732.32	803.09	954.64	1,085.30	1,217.07	1,285.16	800.06	1,342.93	2,127.10	2,356.70
Increase over Previous Years	9.62%	9.66%	18.87%	13.69%	12.14%	5.60%	(37.75%)	67.85%	58.39%	10.79%
Earnings Before Interest, Tax and Depreciation (EBITDA)	130.98	142.31	154.66	226.41	337.33	353.51	172.08	410.41	680.78	702.59
Profit Before Tax	124.74	133.19	148.41	214.90	228.13	218.42	84.51	283.14	489.09	462.38
Profit After Tax (PAT)	82.19	87.41	97.69	142.28	152.73	160.57	64.62	214.20	365.39	415.47
Dividend Payout (%)#	25.79%	25.35%	24.50%	20.56%	25.15%	24.80%	61.64%	28.52%	29.75%	32.72%
Equity Share Capital	14.72	14.73	14.73	14.73	132.77**	132.77	132.77	135.75	135.87	135.95
Net Worth	339.26	404.68	479.25	591.78	669.38	830.76	847.43	1,287.14	1,574.13	1,893.09

KEY INDICATORS

(%)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19^	2019-20	2020-21	2021-22	2022-23	2023-24
Gross Margins	51.00	51.41	49.33	55.19	54.91	55.60	54.94	57.86	58.07	58.10
EBITDA Margins	17.89	17.72	16.20	20.86	27.72	27.51	21.51	30.56	32.00	29.81
PAT Margins	11.22	10.88	10.23	13.11	12.55	12.49	8.08	15.95	17.18	17.63
Return on Capital Employed (ROCE)	36.76	32.77	30.61	35.96	25.89	20.07	9.63	17.75	23.17	19.12
Return on Equity (ROE)	24.23	21.60	20.38	24.04	22.82	19.33	7.63	16.64	23.21	21.95

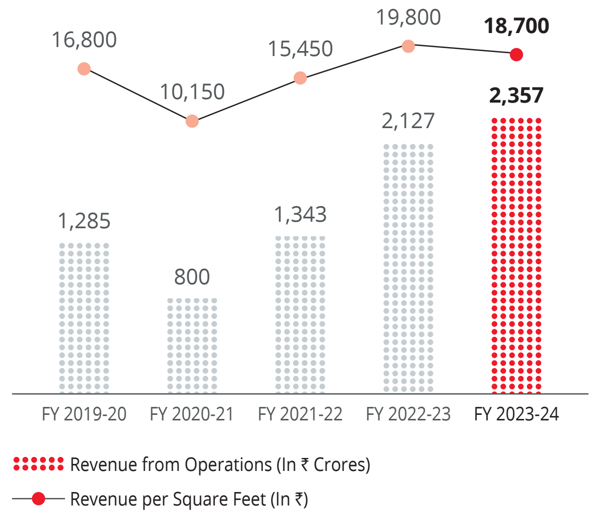
^Restated Consolidated Financial Information are prepared by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued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

** Stores count for MBL Standalone*

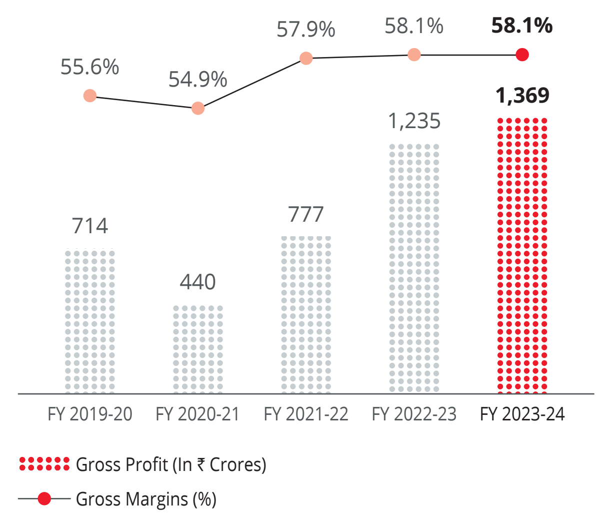
 # Computed basis dividend declared for particular financial year

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

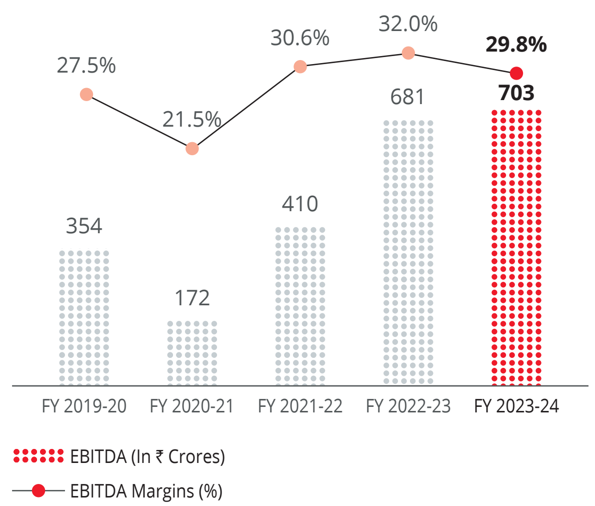
Revenue from Operations



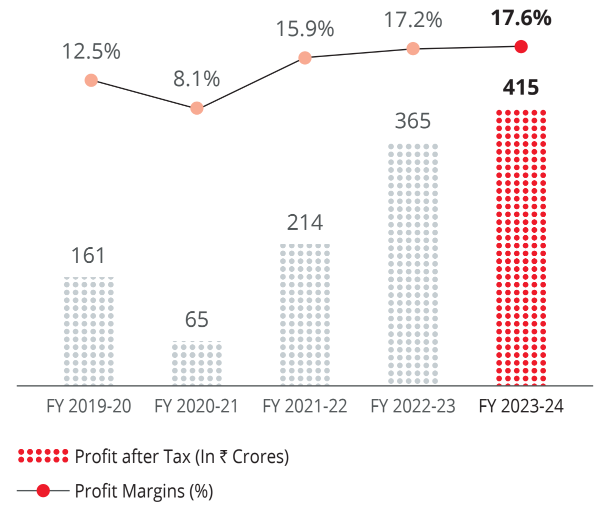
Gross Profit & Gross Margins



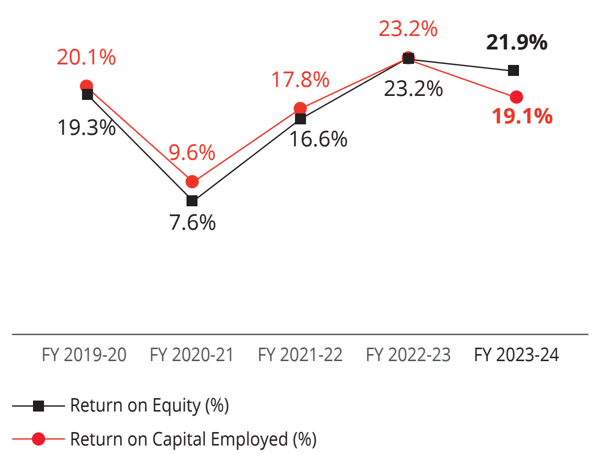
EBITDA & EBITDA Margins



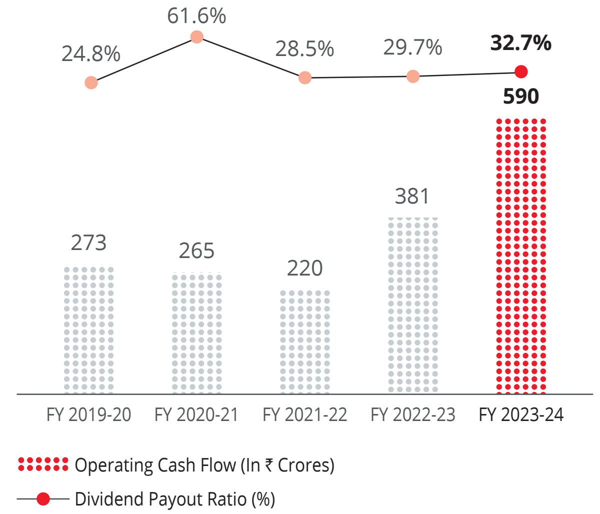
Profit After Tax & Profit Margins



Return on Equity & Return on Capital Employed



Operating Cash Flow & Dividend Payout Ratio



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 Programme 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 Programme 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. 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.

Mr. Manojkumar Madangopal Maheshwari

Independent Director

Mr. Manojkumar 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 CIE Automotive India Limited, R.J Investment Pvt. Ltd. and RPG Life Sciences Ltd.

Ms. Aruna Bhagwan Advani

Independent Director

Ms. Aruna Bhagwan Advani holds a Bachelor's degree in Science from the University of Sussex, has pursued the Advanced Programme in Financial Strategy at IIM Ahmedabad, and completed the OPM Programme at Harvard Business School. She 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 Managing Director of Technopak Advisors 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., and Zicom SaaS Pvt. 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. Mithun Padam Sacheti

Independent Director

Mr. Mithun Padam Sacheti holds a Bachelor's degree in Commerce from Sydenham College of Commerce and Economics, Mumbai, and is also a certified gemologist from the Gemological Institute of America (GIA). He previously served as the Founder, CEO, and Managing Director of CaratLane.

Mr. Mohammed Iqbal Hasanally Dossani

Whole Time Director

Mr. Mohammed 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.

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 Programme 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 an MBA degree in International Business from Western Sydney University. He was previously associated with Payless Shoes Pty Ltd, Hickory Brands Inc, Crocs, MAP Active, and 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. Utpal Hemendra Sheth
Non-Executive Nominee Director

Mr. Manojkumar Madangopal Maheshwari
Non-Executive Independent Director

Ms. Aruna Bhagwan Advani
Non-Executive Independent Director

Mr. Arvind Kumar Singhal
Non-Executive Independent Director

Mr. Vikas Vijaykumar Khemani
Non-Executive Independent Director

Mr. Srikanth Velamakanni
Non-Executive Independent Director

Mr. Mithun Padam Sacheti
Independent Director

Mr. Mohammed Iqbal Hasanally Dossani
Whole time Director

CHIEF EXECUTIVE OFFICER

Mr. Nissan Joseph

CHIEF FINANCIAL OFFICER

Mr. Kaushal Khodidas Parekh

COMPANY SECRETARY

Ms. Deepa Sood

CIN NUMBER

L19200MH1977PLC01944

REGISTERED AND CORPORATE OFFICE OF THE COMPANY

401, Zillion, 4^{th} Floor,
LBS Marg and CST Road Junction,
Kurla (West), Mumbai – 400070

STATUTORY AUDITORS

S R B C & CO LLP Chartered Accountants
The Ruby, 12^{th} 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

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), while the global economy has faced significant challenges such as supply chain disruptions, the energy and food crisis triggered by Russia's war on Ukraine, and a surge in inflation followed by synchronised monetary policy tightening, it has shown remarkable resilience. According to the IMF, the global economy achieved a modest growth rate of 3.2% in 2023 and is projected to achieve the same pace in 2024 and 2025. The current rate of expansion is slow compared to historical trends, attributed to near-term factors like persistently high borrowing costs and the withdrawal of fiscal support, as well as long-term effects from the COVID-19 pandemic, weak productivity growth, and increasing geoeconomic fragmentation. Headline inflation is expected to decrease from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025.

Indian Economy

Amid a volatile global economic landscape, the Indian economy maintained a steady growth trajectory, solidifying its position as the fifth-largest economy in the world. According to the provisional estimates of gross domestic product (GDP) growth released by the National Statistical Office (NSO), India's real GDP growth is estimated at 8.2% in FY 2023-24 as compared to 7.0% in FY 2022-23. The overall economic growth was supported by strong domestic demand, increased investment, moderate inflation and a stable interest rate environment.

According to the IMF, the Indian economy is expected to advance steadily at 6.8% in FY 2024-25 and 6.5% in FY 2025-26. The RBI's forecast is more optimistic, projecting a higher GDP growth of 7.2% for FY 2024-25. Additionally, CPI inflation is forecasted to decline to 4.5% in FY 2024-25. India's economic outlook is positive, buoyed by strong domestic demand, a broad-based revival in manufacturing and services sectors, increased capital expenditure, proactive government policies and improving rural consumption prospects, providing impetus to the growth momentum.

Business Review

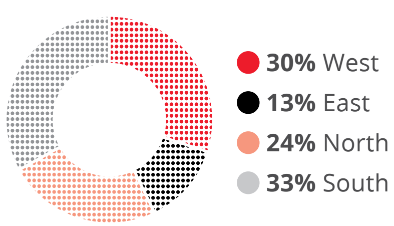
Metro Brands Limited (referred to as "MBL" or "the Company") is one of India's largest footwear and accessories specialty retailers. With a rich legacy of over 65 years, the Company has solidified its position among the aspirational Indian brands in the footwear category. It boasts a nationwide presence with 836 stores located in 193 cities spread across 31 states and union territories as of March 31, 2024. Its diverse and robust portfolio of brands and products across multiple categories, comprising both own and third-party brands, caters to varied needs across all age groups and occasions.

The Company maintained double-digit growth in FY 2023-24 compared to the previous year despite aggressive year-over-year comparisons with strong comparable sales from last year's post-COVID bump. This success was driven by sustained consumer demand and strategic efforts, increased sales and store count, improved gross margins and cost optimisation strategies. Following the Company Owned and Company Operated (COCO) model of retailing, the Company bolstered its reach and scalability by opening a net addition of 97 stores, closing 21 stores and relocating 8 stores to more strategic locations during the fiscal year. Its widespread presence extends across the north, south, east, and west regions, establishing a well-distributed network of stores across India.

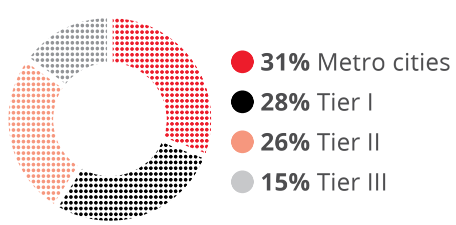
Brief Overview

PAN India Presence with 836 Stores | 193 Cities | 31 States and UTs (As of March 2024)

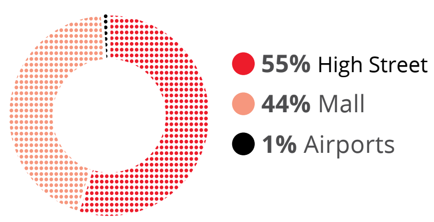
Zone-wise[1]



Tier-wise[1]



Location-wise[1]



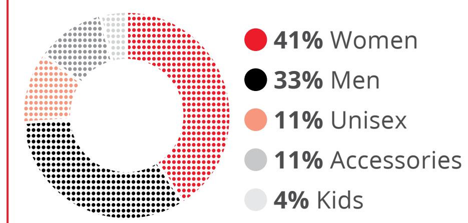
Primarily follows "Company Owned and Company Operated" (COCO) model of Retailing

Note: Numbers / Percentages are rounded off;

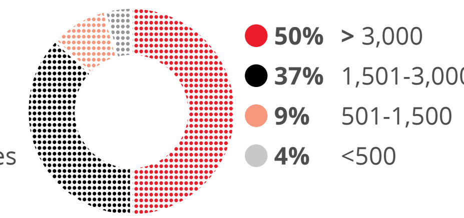
[1] Total Store Split as of March 2024

Products for entire family with focus on Mid and Premium Segments (FY 2023-24)

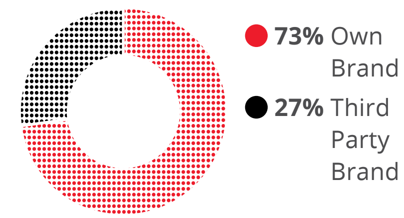
Categories[1]



Price Range (₹)[1]



Own vs Third Party Brands[2]



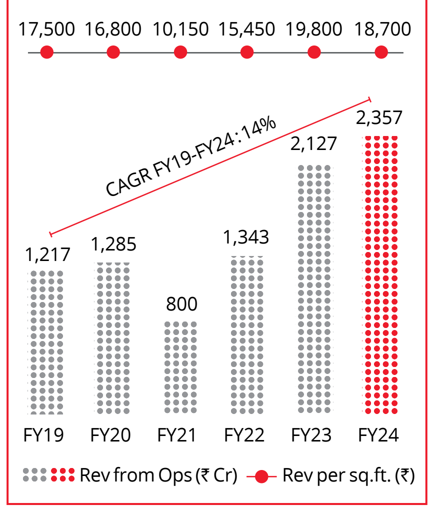
Note: Numbers / Percentages are rounded off;

[1] Split of Total Store Product Sales for FY 2023-24 on standalone basis

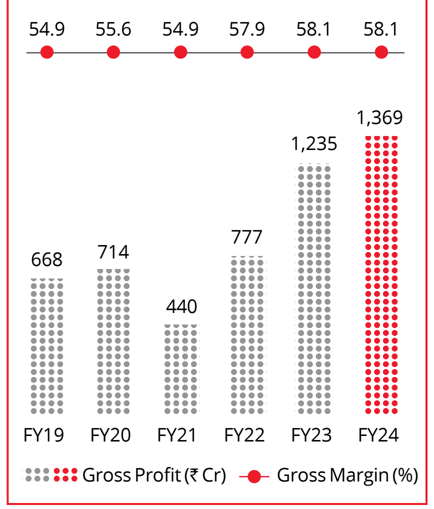
[2] Split of Total Store Product Sales on standalone basis for FY 2023-24 at MBOs.

The Company achieved healthy growth, recording a total income of ₹ 2,427.52 crores in FY 2023-24, marking an 11.3% increase from ₹ 2,181.51 crores in FY 2022-23. The net profit for the fiscal year stood at ₹ 415.47 crores, indicating a growth of 13.7% compared to ₹ 365.39 crores in the previous year. This growth was primarily attributed to sustained consumer demand, increased e-commerce sales, store expansion, improved product assortments and competitive pricing strategies. Additionally, the Company sustained an improved gross margin of 58.1% in FY 2023-24, consistent with the previous year.

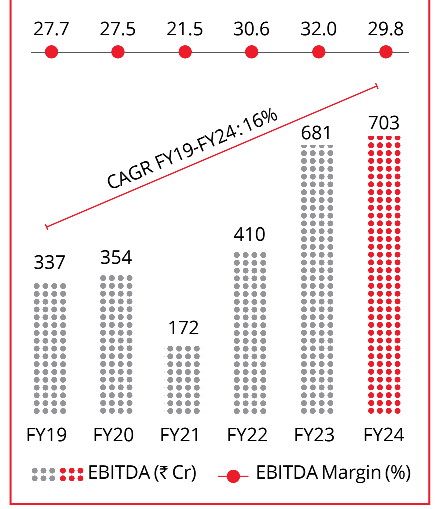
Revenue from Operations



Gross Profit and Gross Margins



EBITDA and EBITDA Margins



During Q4 FY 2023-24, FILA business was demerged from Metro Athleisure Limited (MAL), a wholly-owned subsidiary into Metro Brands. FILA business was included in the Consolidated financial statements for nine months ended December 31, 2023. Following the demerger, FILA business is incorporated into MBL's Standalone financial statements. On a consolidated level, the Company's PAT for FY 2023-24 includes a business loss of ₹ 8 crores from Metro Athleisure Limited (Proline) and a one-time non-recurring demerger-related impact of ₹ 4 crores.

On a standalone basis, e-commerce sales (including omni-channel) reached ₹ 215 crores in FY 2023-24, indicating a y-o-y growth of 33%. E-commerce sales contributed 9.5% to the total revenue from operations in FY 2023-24. Online sales grew at a CAGR of 62% in the last six years.

In FY 2023-24, the revenue share of in-house brands at MBOs was 73%, while third-party brands contributed 27%. These third-party brands at MBOs include Crocs, FitFlop and FILA, with which the Company has strategic long-term agreements. Furthermore, MBL has renewed its retail agreement with Crocs India, securing exclusive rights to operate and own Crocs stores across the western and southern states of India. Additionally, MBL will retain the rights to continue, renew and operate all existing stores currently operational in the northern and eastern states of India.

Another significant development in FY 2023-24 was the Company's strategic partnership with Foot Locker, a renowned American premium sports and athleisure retailer boasting a rich history of five decades, global revenue of ~US$ 8 billion, and a network of 2,600 retail stores across 26 countries. This partnership aims to transform the sneaker segment in India and cater to the evolving preferences of the next-generation customers.

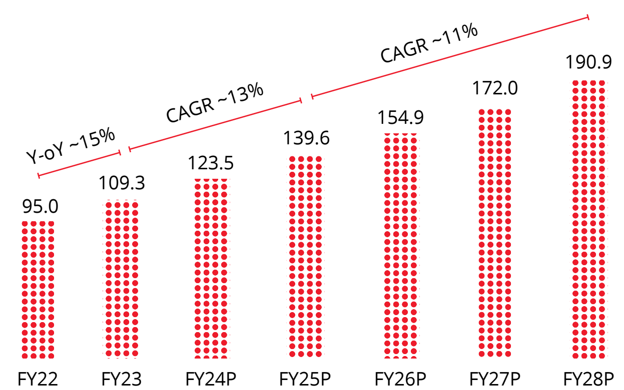
Under this multi-decade licensing agreement, MBL is granted exclusive rights to own and operate Foot Locker stores in India and sell authorised merchandise in Foot Locker stores. This partnership offers lucrative opportunities for MBL and facilitates access to premium global brands in the sports, athleisure, and sneaker segments. Additionally, MBL gains a first-mover advantage in the premium sports and athleisure Multi-Brand Outlet (MBO) space. Moreover, the availability of exclusive merchandise (~10%-20%) by brands for Foot Locker stores enhances differentiation compared to other sports brands' Exclusive Brand Outlets (EBOs). The Foot Locker partnership strategically aligns with MBL's objectives and addresses significant untapped opportunities in the sports and athleisure category, which is poised for exponential growth in India in the coming years.

Industry Structure and Development

India ranks as the world's second-largest producer of footwear after China. Footwear is one of the largest retail segments in India. The Indian footwear market was valued at ~₹ 123,500 crores in FY 2023-24. The industry is expected to witness significant growth, with a CAGR of ~11%, reaching ₹ 191,000 crores by FY 2027-28. Several factors have contributed to the industry's growth, including economic growth, increasing disposable income, population expansion, evolving consumer preferences, shift towards premiumisation, rapid urbanisation and technological advancements. Furthermore, the widespread adoption of e-commerce, evolving lifestyles and attitudes, the transition of footwear from a utilitarian item to a fashion statement, the increasing preference for branded footwear, greater female workforce participation, and the influence of social media are positive factors that bode well for premiumisation in the industry.

Footwear market in India

(₹ '000 Cr, FY22-FY28P)



(Note: P: Projected) Source: 1Lattice Report

According to Goldman Sachs, India's branded footwear industry is underpenetrated, indicating substantial growth potential. The upward trend in branded footwear is propelled by rising income levels, heightened brand consciousness, and improved availability of branded footwear. Goldman Sachs identified sports and athleisure (S&A) as a multi-decade, double-digit growth opportunity. S&A penetration is the most significant structural trend in the Indian footwear industry due to the rising adoption of an active lifestyle, growing health consciousness, the burgeoning sports culture, and the acceptance of casual attire in workplaces. India's branded S&A footwear category value is expected to grow at 13% CAGR from FY 2024-25 to FY 2044-45. Organised multi-brand footwear retailers are well-positioned to capitalise on the increasing demand for S&A footwear in the Indian market.

Opportunities and Strengths

The Indian footwear market is poised for robust growth in the coming years. Factors such as the rise in female workforce participation, rapid urbanisation, increased digital penetration, and a growing young workforce are expected to spur upward mobility in income classes in India. This trend is expected to foster increased consumption levels and create a favourable environment for boosting footwear demand.

Increasing disposable income: India's growing middle class with higher disposable incomes is driving higher spending on branded footwear. This shift from unbranded to branded options is raising the average selling prices as consumers prioritise quality and brand reputation.

Growth avenues in Tier II and Tier III cities: Tier II and III cities are transforming the footwear industry driven by a growing middle class with increased incomes and access to various brands through digital channels. Urbanisation and expansion of malls have expanded the footprint of footwear retailers, offering domestic and global brands.

Growing demand for sports and athleisure segments: The footwear industry is witnessing rising demand for sports and athleisure segments driven by health awareness, active lifestyles, and a preference for comfortable footwear. Additionally, the sneaker segment is rapidly growing among young consumers.

Digital penetration: Digital technology and social media are providing consumers with access to fashion trends and brands, presenting opportunities for branded footwear. The growing use of digital payments and e-commerce platforms has boosted footwear sales.

Meteoric rise of e-commerce: The expanding e-commerce is fuelling the growth of the footwear industry. The increasing penetration of e-commerce in small towns and cities is enabling convenient access to a wide range of branded footwear, appealing to customers of all ages and income levels.

Leveraging a portfolio of aspirational brands, an ambitious strategy to penetrate smaller towns and cities, a thriving online business, and strategic collaborations with international retailers set the stage for MBL to capitalise on the abundant opportunities in India's footwear retail landscape.

Key Strengths

Robust brand recall with pan-India presence: MBL is one of India's largest footwear retailers, captivating aspirational consumer segments with its compelling brand allure. It has built a formidable brand presence by leveraging its expansive market presence nationwide, catering to diverse customer bases. Notably, repeat sales contribute 56% to our total sales, underscoring the loyalty and trust our brand has fostered among consumers.

Omni-channel retail presence: Utilising its omni-channel presence across Exclusive Brand Outlets (EBOs), Multi-Brand Outlets (MBOs), and e-commerce platforms, MBL delivers a seamless and engaging customer experience.

Asset-light business model: The Company has adopted an asset-light business structure with an efficient operating model for sustained profitable growth.

Diversified portfolio: As a one-stop-shop family retailer, MBL provides a diverse array of brands and products, including formal, casual and sports footwear across the economy, mid and premium segments. It caters to all occasions across age groups, fostering strong customer loyalty.

Product premiumisation: The Company is witnessing a growing share of the revenue from products priced above ₹ 3,000, constituting half of its business, showcasing its effective delivery of premium offerings to the market. This surge in sales of premium products is anticipated to result in increased gross margins and improved profitability.

Strong vendor engagement and supplier network: MBL follows an efficient operating model by nurturing long-standing relationships with 250+ vendors. This approach facilitates the swift translation of trends into products and enhances margins with vendors.

Preferred choice for third-party brands: MBL is the preferred platform for third-party brands seeking market expansion in India, with a long track record of successful brand collaborations, including renowned names like Crocs and FitFlop. The strategic blend of in-house and third-party brands enhances product diversity within its portfolio.

Extensive expertise of promoters and management: The Company capitalises on the solid foundation of its seasoned promoters and experienced, entrepreneurial management team, with a proven track record of impressive growth, profitability and financial prudence.

Threats and Concerns

The Company is exposed to a myriad of risks and volatility in the external operating environment. However, it has implemented robust strategies to effectively identify, monitor and mitigate potential risks impacting its operations. The key risks and their corresponding mitigation measures are outlined below:

Implementation of BIS: The Department for Promotion of Industry and Internal Trade (DPIIT) issued the BIS Quality Control Order (QCO) for footwear, effective from January 1, 2024, making it mandatory for most footwear categories. However, according to a recent notification, the purchase of footwear from factories that have applied for BIS certification is permitted till July 2024. To mitigate potential supply chain disruptions, MBL has front-loaded inventory purchasing, resulting in higher inventory levels till July 2024. Furthermore, MBL continues to prioritise collaboration with its vendors, providing guidance and support throughout the process of testing products to ensure rigorous compliance with BIS guidelines.

Competition risk: MBL faces intense competition from unorganised retailers, established and emerging brands, and international players, leading to price competition and margin pressures. However, as a family store with a wide product range, MBL maintains its competitive edge. It has enhanced its multi-channel platforms, diversified sales channels, and expanded its presence on major B2C and B2B marketplaces and Indian e-commerce platforms. With a strong base of loyal customers, MBL ensures consistent business, supported by digitised loyalty programmes that provide valuable customer insights for optimised product offerings and targeted engagement campaigns.

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.

Vendor concentration risk: The Company's dependence on vendors located in specific regions poses a potential risk to the business. To mitigate this, MBL has cultivated enduring relationships with its vendors and collaborates with over 250 vendors nationwide. Consistent engagement with diverse vendor groups has resulted in enhanced product efficiency and streamlined supply operations.

Margin risk in online business: MBL may encounter margin erosion risks in its online sales due to promotions and discount competitions on digital platforms, aimed at stimulating sales. Despite this, the Company is witnessing growth in its online business and strives to improve margins by strategically reducing discounts and improving operational efficiencies. Additionally, the Company's robust offline sales model and brick-and-mortar presence play a vital role in safeguarding margins.

Rapidly evolving trends: MBL adapts swiftly to changing consumer preferences to avoid operational setbacks. Positioned as a one-stop shop, it updates its product assortment to align with emerging trends and serves diverse demographics and market segments. It prioritises digital marketing to boost brand visibility and customer engagement, leveraging e-commerce platforms to meet evolving demands.

Risk of future third-party brand acquisitions: Failure to successfully develop and integrate any future brand acquisitions with the Company is a potential risk. Presently, 73% of its products are sold under in-house brands – Metro, Mochi, and Walkway. New brands are introduced only after enhancing the customer journey and improving the in-store experience.

Outlook

The outlook for the Indian footwear industry is optimistic, supported by favourable factors such as economic growth, rising per capita income, urbanisation and increasing demand for branded segments from Tier II and III cities. Furthermore, brand-conscious consumers with enhanced access to domestic and international brands are expected to drive demand for premium footwear segments.

With a heightened focus on premiumisation and digitisation to maximise revenue potential across all channels, the strategic location of retail stores, robust e-commerce and a commitment to expanding its retail footprint, MBL anticipates enduring growth in the dynamic footwear industry. The Company's ability to navigate evolving industry dynamics, scale up operations effectively, sustain healthy margins, and maintain a resilient financial risk profile are pivotal factors shaping its growth trajectory. With its agile and customer-centric approach, the Company remains poised for sustained growth.

Key Business Strategies

The Company is strategically pursuing the following key organic and inorganic strategies to foster growth.

- **Expand pan-India presence:** The Company is committed to expanding its presence by increasing its store count and expanding into Tier II and III cities to seize the immense opportunity in India's retail footwear segment. It aims to open 225 stores (excluding FILA) across diverse formats in FY 2024-25 and FY 2025-26.
- **Leverage omni-channel platforms:** The Company is focussed on harnessing its omni-channel platforms to broaden the reach and accessibility of its brands, aiming to solidify its position as a one-stop shop for all footwear needs. It aims to build on the successful expansion of FitFlop/FILA and capitalise on the platform to explore similar opportunities. This strategy will enable MBL to optimise revenue across all channels.
- **Strengthen e-commerce:** The Company intends to utilise its existing capabilities to bolster its e-commerce operations, with a heightened emphasis on omni-channel segment, expanding revenue streams, and establishing itself as a digitally relevant brand.
- **Unleashing growth potential in the Sports and Athleisure segment:** MBL strives to seize growth opportunities in the Sports and Athleisure segment through strategic partnerships / acquisition like Foot Locker & FILA.
- **Enhance IT infrastructure:** The Company prioritises staying relevant and up-to-date on the technology front. It is making significant investments to update its tech platforms, enhance digital initiatives, leverage Gen AI and robotic process automation across departments and fortify supply chain, sales and e-commerce capabilities.
- **Inorganic opportunities:** The Company will evaluate opportunities for inorganic growth in the footwear and accessories space considering strategic alignment, targeted returns, operational scale and diversification criteria.

Human Resources

At Metro Brands, we prioritise our employees' well-being and engagement, fostering a culture of 'I belong here'. As of March 31, 2024, we had a dedicated team of 5,694 full-time employees, with cordial relations throughout the year. We celebrate diverse festivals, organise wellness programmes, and provide benefits like a doctor on call. Our Retail Employees Day and wellness initiatives, including yoga and mental wellness programmes, enhance overall well-being. Monthly HR Connect sessions, birthday celebrations, and focussed group discussions empower employees' voices, while safety programmes ensure a secure environment. Quarterly townhalls and annual awards recognise exceptional performances, boosting morale.

To foster a culture of performance, we hosted an annual Awards Night, honouring outstanding contributions across various functions. To future-proof our organisation, we are leveraging automation and AI, and upskilling employees. We launched emPort, our new HRMS, and DICE, a travel portal, simplifying processes and enhancing efficiency.

We are creating learning journeys for employees, offering induction, compliance, and competency modules, as well as domain-specific training. Our engagement scores are industry-leading, reflecting our successful efforts in creating a supportive work environment. These initiatives highlight our dedication to building a knowledgeable, engaged workforce ready for future growth. By making Metro Brands a home away from home, we promote an entrepreneurial mindset and create a vibrant, inclusive workplace.

Internal Control System

The Company has in place well-established and robust internal control systems which are commensurate with the nature of its business, size & scale and complexity of its operations and are implemented across all processes, units and functions. Internal control systems comprising policies and procedures are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilisation of resources, detect and prevent frauds and errors, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. The company's internal controls team are responsible for regularly monitoring and evaluating the effectiveness of these internal control systems. Any significant findings are promptly reported to management for swift corrective actions. The company's internal auditors independently evaluate existence and effectiveness of the internal control systems periodically and reports findings to audit committee.

The Audit Committee also periodically reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them.

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 judgements and estimates. Actual results may differ substantially or materially from those either expressed or implied in the Statement.

Directors' Report

Dear Members,
Metro Brands Limited

Your Directors are pleased to present the 47th (Forty-Seventh) Annual Report of Metro Brands Limited ("your Company") together with the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS & PERFORMANCE SUMMARY

The standalone and consolidated Financial Statements for the FY ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (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 Crore)

Particulars		Standalone		Consolidated	
		FY 2023-24	FY 2022-23*	FY 2023-24	FY 2022-23
	Gross Sales	2,711.64	2,431.12	2,773.59	2,495.44
Less:	Taxes	(407.16)	(360.63)	(417.70)	(369.00)
	Sales (Net of Tax)	**2,304.48**	**2,070.49**	**2,355.89**	**2,126.44**
	Profit before depreciation & Tax	693.46	656.58	691.50	670.10
Less:	Depreciation & amortisation	227.61	177.74	229.12	181.01
	Profit Before Tax	**465.85**	**478.84**	**462.38**	**489.09**
Less:	Provision for tax	78.94	135.65	80.98	136.85
Less:	Deferred Tax (Credit)	(31.01)	(11.10)	(31.52)	(11.32)
Less:	Tax pertaining to earlier years	0.11	0.30	0.47	0.21
Less:	Share of profit of Joint Venture		-	3.02	2.04
	Profit After Tax	**417.81**	**353.99**	**415.47**	**365.39**
Add/(Less):	Other comprehensive income/(Loss) (net of taxes)	1.14	(1.89)	1.21	(1.94)
	Total Comprehensive Income	**418.95**	**352.10**	**416.68**	**363.45**
Less:	Total Comprehensive Income attributable to Non-Controlling Interest		-	2.96	3.94
	Total Comprehensive Income attributable to Owners of the Company	**418.95**	**352.10**	**413.72**	**359.50**

**Comparative financial information in the financial statements of the Company has been restated to give the effect of demerger of "FILA business" into the business of the Company.*

Standalone Financial Results

Your Company has a strong track record of revenue growth and profitability. During the FY 2023-24, your Company recorded a Gross Turnover of ₹ 2,711.64 crore representing a growth of 11.54% as compared to a Gross Turnover of ₹ 2431.12 crore during the previous FY 2022-23.

The Profit before Tax decreased by 2.71% to ₹ 465.85 crore during FY 2023-24 as compared to ₹ 478.84 crore in the previous FY 2022-23. The Profit after Tax was higher at ₹ 417.81 crore compared to ₹ 353.99 crore in the previous FY 2022-23, representing a growth of 18.03%.

Consolidated Financial Results

During the FY 2023-24, the Company recorded a Gross Turnover of ₹ 2773.59 crore as against a Gross Turnover of ₹ 2,495.44 crore during the previous FY 2022-23, representing an increase of 11.15%.

The Profit before Tax was ₹ 462.38 crore compared to ₹ 489.09 crore in the previous FY 2022-23, decreased by 5.46%. The Profit after Tax was higher at ₹ 415.47 crore compared to ₹ 365.39 crore in the previous FY 2022-23, representing a growth of 13.71%.

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 220 and 218, respectively, as of March 31, 2024.

2. OPERATIONAL HIGHLIGHTS

In the month of October 2023, the Company opened its 800th store, marking a significant milestone in its retail expansion efforts. This expansion aligns with the Company's strategy to increase its footprint across various regions in India.

Your Company entered into/renewed the following strategic partnerships:

(i) Trademark License Agreement with Foot Locker Retail, Inc.:

Your Company has entered into a strategic partnership with Foot Locker Retail, Inc., a New York-based specialty athletic retailer granting exclusive rights to the Company for opening and operating athletic and casual footwear & athletic and casual apparel stores under the brand names "FOOT LOCKER®" and "KIDS FOOT LOCKER®" through brick-and-mortar stores in India. The partnership aims at transforming the sneaker segment in India, and address the evolving needs of next-gen customers, and will also help the Company pave the way in revolutionizing the sneaker market, enhancing the retail experience and meeting dynamic needs of our customers.

(ii) Renewal and Extension of Retail and Trademark License Agreement with Crocs India:

Your Company renewed an existing agreement with Crocs India Private Limited ("Crocs") by executing a Retail and Trademark License Agreement whereby Crocs has granted the Company exclusive rights to operate Crocs stores, kiosks and outlets across the western and southern states in India and increased the term (including renewal terms) of the Agreement. Your Company will continue to operate all existing stores operational in Northern & Eastern states of India. Currently, your Company operates over 200 exclusive stores of Crocs across India and is poised for further growth in advancing Crocs' presence in the country.

(iii) Integration of 'FILA Business' into Company:

With a strategic focus on optimizing costs, operational synergies, and enhancing management efficiency to drive revenue growth and unlock greater value through improved cash flows, your Company had applied to the National Company Law Tribunal ("NCLT") for approval of the Scheme of Arrangement between Metro Athleisure Limited (formerly known as Cravatex Brands Limited) ("MAL") and the Company, and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for the demerger of "FILA business" into the business of the Company.

Accordingly, your Company received Order from NCLT, Mumbai Bench on March 14, 2024 approving the Scheme. The appointed date of the Scheme was April 1, 2023 and the Scheme became effective from April 1, 2024. Consequently, the FILA business was transferred to the Company. In accordance with the Scheme, the Company did not issue any shares in consideration for the demerger and hence there was no change in the shareholding of the Company. The demerger has firmly empowered your Company to be future-ready enabling it to pursue its growth strategies with sharper focus and identity.

3. BUSINESS PERFORMANCE

During FY 2023-24, your Company continued its expansion plan and opened 118 new stores including relocation of 8 existing stores and closure of 13 stores. The total number of stores reached 836 at the end of the FY.

Your Company's growth strategy is centered around its customers. By utilizing first-party customer data from our loyalty programs ClubMetro, MyMochi, CrocsClub, and advanced data analytics, we can gain crucial insights into customer preferences and drive product innovation. This data-driven, customer-centric approach not only enhances experiences but also ensures sustainable growth, thereby increasing shareholder value. We are confident that the Company's strategic use of analytics and AI will lead to consistent growth, reinforcing our position as a leading destination for all footwear needs. Importantly, this approach ensures that customer satisfaction and shareholder growth are always aligned, reflecting our core values and goals.

Furthermore, your Company has achieved remarkable growth in its e-commerce sales by strengthening its presence in the digital marketplace and successfully transforming into an omni-channel footwear retailer. In the FY under review, e-commerce sales, including omni-channel sales, reached ₹ 215.15 crore, showcasing a remarkable 32.6% year-on-year growth. The momentum in online sales, including omni-channel, continues to be strong. In FY 2023-24, online sales (including omni-channel) accounted for 9.5% of the overall sales, as compared to 7.9% in FY 2022-23. This transition highlights the Company's responsiveness to evolving consumer preferences and its capability to adopt 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, ("Listing Regulations"), a statement on the use of proceeds of IPO is herein given below:

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 crore only	There were no instances of deviations or variations 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	206.57	18.80
2.	General Corporate Purposes	61.94	61.94	-
	Total	**287.31**	**268.51**	**18.80**

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

ESOP 2008 is administered by the Nomination, Remuneration and Compensation Committee ("NRC") 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 have been no material changes in the ESOP 2008.

During the FY under review, the Company granted 3,09,525 stock options to its employees. As of March 31, 2024, the total number of options granted and outstanding by the Company is 15,04,532, which now accounts for approximately 0.55% of the total equity capital.

These options entitle the grantees to exercise one Equity share of ₹ 5/- each for every option vested.

During the FY under review, 180,881 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/2024/07/ESOPdetails.pdf

6. SHARE CAPITAL

As of March 31, 2024, the Authorised Equity Share Capital of the Company was ₹ 1,50,00,00,000 comprising 30,00,00,000 Equity Shares of ₹ 5 each and the Paid-up Equity Share Capital of the Company was ₹ 1,35,95,70,510 comprising of 27,19,14,102 Equity Shares of ₹ 5 each.

After the end of the FY under review, the Company has allotted 28,902 Equity Shares of ₹ 5 each upon exercise of ESOP options. As on date, the Paid-up Capital of the Company is ₹ 1,359,715,020 comprising of 271,943,004 Equity Shares of ₹ 5 each.

7. PUBLIC DEPOSITS

During the FY under review, your Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Act read with Companies (Acceptance of Deposits) Rules, 2014. As on March 31, 2024, 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 18, 2024 had declared and paid an Interim Dividend of ₹ 2.75/- per Equity Share of the face value of ₹ 5/- per share. Keeping in view the strong performance, your directors have recommended a Final Dividend of ₹ 2.25/-per Equity Share of face value ₹ 5/- per Equity Share for the FY 2023-24 in its Meeting held on May 22, 2024. The total dividend payout for the FY 2023-24 would be 32.45%, which is higher than the 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. The total Dividend payment, if approved by the Members, for FY 2023-24 would be approx. ₹ 135.96 crore.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

As per Regulation 43A of the 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/2024/07/DividendDistributionPolicy.pdf

Based on the guidelines outlined in the Dividend Distribution Policy, the Board has recommended the dividend for the FY under review.

9. TRANSFER TO RESERVES

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

10. FINANCE

Your Company has been financing its operations and expansions through internal accruals. Your Company retained the 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 or commitment affecting the financial performance of the Company which occurred between the end of the FY to which the financial statements relate and the date of this Report.

12. AMENDMENT TO THE ARTICLES OF ASSOCIATION

After the end of the FY under review, the Board of Directors, in its meeting held on August 9, 2024 has recommended to the Members for their approval the alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company. This is to align with the provisions of the Act and the Rules made thereunder and to incorporate best governance practices. The amendments are aimed at updating various clauses to reflect current statutory requirements and governance practices. The proposed revised Articles of Association are available on the Company's website at https://metrobrands.com/investor-relations/.

13. 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 Listing Regulations, forms a part of the Annual Report.

14. SUBSIDIARIES AND ASSOCIATE COMPANY

(i) MAL

MAL is wholly owned subsidiary of the Company acquired on December 1, 2022. During the FY under review, MAL has reported Gross Sales of ₹ 12.63 Crore and loss after tax of ₹ 6.19 Crore.

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 - 1** to this Report.

The Audited Consolidated Financial Statements of your Company for the FY ended March 31, 2024, 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 of the wholly owned subsidiary, are available on the website of the Company at https://metrobrands.com/group-company/.

During the 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. FILA business in MAL was demerged into the Company vide Order dated March 14, 2024 of NCLT.

(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 recorded gross turnover of ₹ 49.32 Crore. The turnover decreased by 8.70% compared to the previous FY. Furthermore, the Profit after Tax for the same period stands at ₹ 5.96 Crore, a decrease of 24.17% 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 Statements of Metmill in the prescribed format, AOC - 1 is attached as **Annexure - 1** to this Report.

The Audited Consolidated Financial Statements of your Company for the FY ended March 31, 2024, 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 of the 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/2024/07/PolicyonMaterialSubsidiary.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 Gross Sales of ₹ 52.83 Crore, with a growth of 9.33% compared to the previous FY. Additionally, MVSC has reported the Profit after Tax growth amounting to ₹ 6.29 Crore, indicating a significant increase of 27.85% 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 Statements of MVSC in the prescribed format, AOC - 1 is attached as **Annexure - 1** to this Report.

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

15. BOARD OF DIRECTORS

As of March 31, 2024, your Company's Board had ten members comprising three Executive Directors, one Non-Executive Nominee Director and six Independent Directors including one Woman Director. The details of Board and Committee composition, tenure of directors, and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's business for effective functioning. The key skills, expertise and core competencies of the Board of Directors are detailed in the Corporate Governance Report, which forms part of this Annual Report.

During the FY under review, the following changes took place in the Directorships:

i. As reported last FY, the Board of Directors had proposed re-appointment of Mr. Vikas Vijaykumar Khemani (DIN: 00065941), as a Non-Executive Independent Director on the Board of the Company for a period of five (5) consecutive years w.e.f March 12, 2024. At the 46th AGM held on September 13, 2023, the Members approved his re-appointment as an Independent Director of the Company for a period of five (5) years i.e. from March 12, 2024 to March 11, 2029.

ii. Based on the recommendations of the NRC Committee and in accordance with the provisions of Section 149 read with Schedule IV to the Act and applicable Listing Regulations, the Board appointed Mr. Mithun Padam Sacheti (DIN: 01683592) as an Additional Director in the capacity of an Independent Director of the Company, not liable to retire by rotation, for a term of five (5) years commencing from October 19, 2023 to October 18, 2028. Mr. Sacheti brings to the Board his extensive knowledge and experience in design innovation and ensures the highest-quality execution. The Members of the Company, by way of a special resolution passed through postal ballot on December 13, 2023, duly approved the appointment of Mr. Sacheti as an Independent Director of the Company.

iii. At the 44th Annual General Meeting ("AGM") of the Company, based on the recommendations of the NRC and the Board of Directors, the Company had appointed Mr. Rafique Abdul Malik as Executive Chairman of the Company for a period of 5 (Five) years with effect from 1st April 2022. Mr. Rafique Abdul Malik has been associated with the Company since incorporation.

In line with the requirement of Regulation 17(1) (b) of the Listing Regulations, the Board of Directors pursuant to the recommendations of NRC at its meeting held on August 9, 2024, had approved and recommended to shareholders transition and re-designation of Mr. Rafique Abdul Malik, Executive Chairman to Non-Executive Chairman for a term of 3 (three) years with effect from September 19, 2024 to September 18, 2027, who shall not be liable to retire by rotation.

iv. Based on the recommendation of the NRC, the Board of Directors at its meeting held on August 9, 2024, approved the appointment of Ms. Alisha Rafique Malik (DIN: 10719537), related party, as an Additional Director in the capacity of Whole-time Director of the Company for a term of 5 (five) consecutive years with effect from September 1, 2024 to August 31, 2029, liable to retire by rotation. Ms. Malik shall hold office as Additional Director up to the date of this AGM and is eligible for appointment as a Whole-time Director.

The NRC & Board have assessed and determined that Ms. Alisha Rafique Malik is a fit and proper person to be appointed as a Whole-time Director of the Company and that she fulfils the conditions specified in the Act and the relevant Rules made thereunder and the Listing Regulations. Ms. Malik has confirmed that she has not incurred any disqualification under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014

The Board recommends her regularization as a Whole-time Director of the Company for approval of the Members and the same forms part of the notice of the ensuing AGM.

The information about the Directors seeking their appointment/re-appointment as stipulated under Secretarial Standards on General Meetings and Regulation 36 of the Listing Regulations has been given in the notice convening the AGM.

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Utpal Hemendra Sheth (DIN: 00081012), is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board recommends the re-appointment of Mr. Sheth as Director for your approval.

None of the Directors of the Company have incurred any disqualification under Sub-Section (1) & (2) of Section 164 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 the Securities and Exchange Board of India ("SEBI") 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.

16. KEY MANAGERIAL PERSONNELS ("KMPs"):

Pursuant to the provisions of Section 203 of the Act, the KMPs of the Company as on March 31, 2024, were:

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 - Sports Division, E-Commerce and CRM)

During the FY under review, there were no changes in the KMPs of the Company.

17. SENIOR MANAGEMENT PERSONNEL ("SMP")

Pursuant to the provisions of Regulation 34, read with Schedule V of the Listing Regulations, as amended, the list of the SMP of the Company as on March 31, 2024, along with the changes therein since the end of the previous FY is provided in the Corporate Governance Report, which forms part of the Annual Report.

18. DECLARATION BY INDEPENDENT DIRECTORS

There are six 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 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 the 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 that exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment without any external influence. The Board of Directors have taken on record the declarations 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 the Listing Regulations and are independent of the management.

19. NUMBER OF MEETINGS OF BOARD

During FY 2023-24, six (6) Board Meetings were held. The details relating to Board Meetings and attendance of Directors in each Board Meeting held during the FY under review has been separately provided in the Corporate Governance Report.

20. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION FOR DIRECTORS AND SMP

The NRC has devised a policy which is in accordance with the Act and the Listing Regulations for selection, appointment and remuneration of Directors, KMP and SMP. The Committee has also formulated the criteria for determining the qualifications, positive attributes, and independence of Directors. The Policy, *inter alia*, covers details of the remuneration of Directors, Key Managerial Personnel and Senior Management, 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/2024/07/NRCPolicy.pdf

21. ANNUAL GENERAL MEETING

The 46th AGM of the Members of the Company was held on September 13, 2023, through video conference/other audio-visual means in accordance with various circulars issued by MCA and SEBI to approve Financial Statements and other matters. All the Whole-time Directors, the Chairperson of the Audit Committee and NRC were present in the meeting.

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

The annual evaluation process of individual Directors, the Board and Committees was conducted in accordance with the provisions of the Act and the Listing Regulations. The Board along with the NRC has laid down the criteria of performance evaluation of the Board, its Committees and Individual Directors which is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2024/07/PerformanceEvaluationPolicy.pdf

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the SEBI.

The Board and the NRC reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

A separate meeting of the Independent Directors was held on March 1, 2024, without the attendance of non-independent Directors and members of the management. In this meeting, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into account the views of Executive and Non-Executive Directors in the aforesaid Meeting.

The Board also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board Meeting and performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

23. INDEPENDENT DIRECTORS' INDUCTION AND FAMILIARIZATION

In compliance with the provisions of the Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. The details of familiarization programmes for Independent Directors are posted on the website of the Company at https://metrobrands.com/wp-content/uploads/2024/07/FamiliarizationProgramme.pdf

24. COMMITTEES OF THE BOARD OF DIRECTORS

The Board Committees focus on certain specific areas and make informed decisions in line with the delegated authority. The constitution of Board Committees is in compliance with the provisions of the Act and the relevant rules made thereunder, the Listing Regulations and the Articles of Association of the Company.

During the FY under review, all recommendations as mandatorily required by the various Committees were 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.

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')

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company during the FY under review, 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**. The CSR Policy is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy.pdf

27. RELATED PARTIES TRANSACTIONS ("RPTs")

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a Policy on RPTs. The Policy on RPTs can be accessed on the Company's website https://metrobrands.com/wp-content/uploads/2024/07/RPTPolicy.pdf

All RPTs entered into, during the FY were on an arm's length basis and were in the ordinary course of business. There were no materially significant RPTs with the Promoters, Directors or KMPs which may have a potential conflict of interest with the Company at large. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

All RPTs are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPTs for transactions which are of repetitive nature.

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

The Company recognizes that risk is an integral and inevitable part of business and it is fully committed to managing the risks proactively and efficiently. Our success as an organization depends on our ability to identify and leverage the opportunities while managing the risks. The Company has a disciplined process for continuously assessing risks, in the internal and external environment along with minimizing the impact of risks. The Company incorporates the risk mitigation steps in its strategy and operating plans.

The objective of the Risk Management process in the Company is to enable value creation in an uncertain environment, promote good governance, address stakeholder expectations proactively, and improve organizational resilience and sustainable growth.

The Company has in place a Risk Management Policy which articulates the approach to address the uncertainties in its endeavor to achieve its stated and implicit objectives. This Policy is available on the website of the Company at https://metrobrands.com/wp-content/uploads/2024/07/RiskManagementPolicy.pdf

The Risk Management Committee of the Company has been entrusted by the Board with the responsibility of reviewing the risk management process in the Company and to ensure that all short-term and long-term implications of key strategic and business risks are identified and addressed by the management. The Audit Committee also reviews the risk management systems of the Company.

During the Financial Year review, the Company has also reviewed its Risk Management Policy and the Board, Risk Management Committee & Audit Committee approved the revisions in the said Policy. The Company regularly identifies uncertainties and after assessing them, devises short- term and long-term actions to mitigate any risk which could materially impact the Company's long-term plans.

The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

30. INTERNAL FINANCIAL CONTROLS AND SYSTEMS

The Company has in place well-established and robust internal control systems which are commensurate with the nature of its business, size & scale and complexity of its operations and are implemented across all processes, units and functions. Internal control systems comprising of policies and procedures are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations.

The Audit Committee also periodically reviews the adequacy and effectiveness of internal control systems and provides guidance for further strengthening them. During the FY under review, no material observation has been made by the Internal Auditor or Statutory Auditors of the Company in relation to the efficiency and effectiveness of such controls.

During the FY under review, 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

In line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'), the Company has formulated a Policy on Prevention of Sexual Harassment at the Workplace for prevention, prohibition and redressal of sexual harassment at the workplace and an Internal Complaints Committee has also been set up to redress any such complaints received.

The Policy aims to provide protection to employees at the 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. Internal Complaints Committee is in place 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 complaint was appropriately resolved.

The Company periodically conducts sessions for employees across the organization to build awareness about the Policy and the provisions of the POSH Act. Mandatory video based awareness E-module training has been developed in English and Hindi language for sensitizing all the employees of the Company regarding provisions of the POSH Act.

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 of the Company in Form MGT-7 for FY 2023-24, is available on the Company's website at https://metrobrands.com/annual-return/

33. AUDITORS

Statutory Auditors:

At the 45th 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 Auditors:

After reviewing the qualifications and experience of various Internal Auditors to commensurate with the size and requirement of the Company, the Board of Directors had re-appointed M/s. KPMG Assurance and Consulting Services LLP ("KPMG") as the Internal Auditor, in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, for FYs 2024-25 and 2025-26.

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 18, 2024 as the Secretarial Auditors of the Company for the FY 2023-24.

34. AUDITORS REPORT

(i) Statutory Audit Report:

The Auditors' Report prepared by the Statutory Auditor both in respect of Standalone and Consolidated Financial Statements of the Company for the FY ended March 31, 2024 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 - 3**.

Pursuant to provisions of Section 143 (12) of the Act, the Statutory Auditors and the Secretarial Auditors 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 the Listing Regulations, the Company has undertaken an audit for the FY 2023-24 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 has been duly submitted to the Stock Exchanges within the prescribed time and also uploaded on the Company's website https://metrobrands.com/wp-content/uploads/2024/07/ASCR2024.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 – 4** 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 of this Board Report.

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 - 5** 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 a quarterly basis. The Code of Conduct has been made available on the Company's website at https://metrobrands.com/wp-content/uploads/2024/07/InsiderTradingPolicy.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 the 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/2024/07/WhistleBlowerPolicy.pdf

There was one instance of such reporting during the FY under review, 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 confirms that,

a) in the preparation of the annual accounts for the FY ended March 31, 2024, the applicable accounting standards have 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, 2024 and of the profits of your Company for the FY ended March 31, 2024.

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 the Company and for preventing and detecting fraud and other irregularities.

d) the Directors have prepared the annual accounts for the FY ended March 31, 2024 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 are 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 the future.

43. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report for the FY under review, as stipulated under Regulation 34(2) of the 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**.

44. GREEN INITIATIVES

In commitment to align with green initiatives and surpassing them, the electronic copy of the Notice of the 47th AGM of the Company, along with the Annual Report for FY 2023-24, 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 the Listing Regulations a report on Corporate Governance along with a Certificate from the Secretarial Auditor towards compliance of the provisions of Corporate Governance, forms an integral part of this Annual Report and is given in **Annexure – 7**.

The CEO and the CFO have certified to the Board and confirmed *inter-alia*, 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 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, 2024.

ii. There was no issue of equity shares with differential rights as to dividend, voting or otherwise, issue of sweat equity shares and buyback of shares.

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

iv. There was no one time settlement done with any bank or financial institution.

v. No proceedings are filed by the Company nor are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

7. ACKNOWLEDGEMENT

Your Directors place on record their sincere gratitude and appreciation for all the employees of the Company. Our consistent growth has been possible through their hard work, solidarity, cooperation, and dedication during the FY.

The Board also conveys its appreciation to its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory, and government authorities for their continued support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Place: Mumbai
Date: August 9, 2024

Annexures

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

Annexure 1 – Statement containing the salient features of the Financial Statements of MAL and Metmill (Subsidiary Companies) and MVSC (Associate Company) - AOC – 1

Annexure 2 – Report on CSR Activities

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

Annexure 4 – Particulars of Employees

Annexure 5 – Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Annexure 6 – Business Responsibility and Sustainability Report

Annexure 7 – Corporate Governance Report

ANNEXURE 1 – 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, 2024.

(₹ in Crores)

Sr No	Particulars	Metmill Footwear Private Limited	Metro Athleisure Limited (formerly known as Cravatex Brands 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 year in the case of foreign subsidiaries	Not Applicable	
4.	Share capital	1.25	97.83
5.	Other Equity	58.78	(103.19)
6.	Total assets	65.98	21.12
7.	Total Liabilities	5.94	26.48
8.	Investments	-	-
9.	Turnover	41.37	12.96
10.	Profit before taxation	7.81	(5.67)
11.	Provision for taxation	1.86	0.52
12.	Profit after taxation	5.96	(6.19)
13.	Proposed Dividend	-	-
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, 2024
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 –** ₹ 4.92 Crores
   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 –** ₹ 14.80 Crores
8. **Profit or Loss for the year (after other comprehensive income)**
   a. **Considered in Consolidation –** ₹ 3.02 Crores
   b. **Not Considered in Consolidation –** ₹ 3.14 Crores

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

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

Place: Mumbai
Date: August 9, 2024

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's CSR policy emphasizes its commitment to improving the quality of life in communities, particularly around its business operations. It prioritizes local areas, socially and economically disadvantaged groups, and the broader society. Your Company's CSR efforts focus on health, education, environment, employability, and rural development, ensuring diversity and targeting needy communities across rural, semi-urban, and urban India.

Guided by the philosophy of achieving greater impact with efficient resource use, your Company engages in partnerships to extend its outreach and benefit more lives. Aligned with Schedule VII of the Act, the CSR initiatives include education, healthcare, women empowerment, environmental sustainability, rural development, skill training, and support for various underprivileged communities and marginalized workers including cobbler communities and shoe-shiners.

The objective of the CSR policy is to provide a clear roadmap for participating in CSR activities transparently, considering all stakeholders' interests and contributing to sustainable development and environmental preservation for future generations. 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:

Sr No.	Name of the 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	3

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 executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – Not Applicable

5.
(a) **Average net profit of the Company as per Section 135(5):** ₹ 275.91 Crores

(b) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 5.52 Crores

(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 (b+c-d):** ₹ 5.52 Crores

6.
(a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 4.77 Crores.

(b) **Amount spent in Administrative Overheads:** ₹ 0.24 Crores

(c) **Amount spent on Impact Assessment, if applicable:** Not Applicable

(d) **Total amount spent for the FY ((a)+(b)+(c)):** ₹ 5.01 Crores

(e) **CSR amount spent or unspent for the FY:**

Total Amount Spent for the FY (₹ in Crores)	Amount unspent (in FY 2023-24)				
	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 Crores)	Date of transfer	Name of fund	Amount (₹ in Crores)	Date of transfer
5.01	0.51	April 8, 2024	NA	Nil	NA

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

Sr No.	Particulars	Amount (₹ in Crores)
i.	Two percent of average net profit of the company as per section 135(5)	5.52
ii.	Total amount spent for the FY	5.01
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

7.
(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 Crores)	Balance Amount in Unspent CSR Account under section 135 (6) (₹ in Crores)	Amount spent in the reporting FY (₹ in Crores)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (₹ in Crores)	Deficiency, if any
					Nameof the Fund	Amount (₹ in Crores)	Date of transfer		
1	2022-23	0.06	NIL	0.06		Nil		NIL	-
2	2021-22	0.36	NIL	0.36	PM Cares Fund	0.04	21.12.2022	NIL	-
3	2020-21	0.58	NIL	0.24	PM Cares Fund	0.34	29.09.2021	NIL	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the FY: No

9. 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

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

Place: Mumbai
Date: August 9, 2024

ANNEXURE 3 – TO THE DIRECTORS' REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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, 2024, 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;

   (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 Non-Convertible Securities) Regulations, 2021;

   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 was a change 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 decisions 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 is 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, the Company has received approval of Trademark License Agreement between Foot Locker Retail, Inc. and the Company granting exclusive rights to the Company for opening and operating athletic and casual footwear & athletic and casual apparel stores under the brand names "FOOT LOCKER®" and "KIDS FOOT LOCKER®" through brick-and-mortar stores in India.

b) During the financial year under review, 1,80,881 Equity Shares of ₹ 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.

c) The Company has received Order from National Company Law Tribunal ("NCLT"), Mumbai Bench on 14th March 2024 on the Scheme of Arrangement between Metro Athleisure Limited (Formerly known as Cravatex Brands Limited), Wholly Owned Subsidiary, and the Company, and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for demerger of 'Fila' business. The Company has filed the certified true copy of the said Order and the Scheme with the Registrar of Companies and accordingly, the Effective Date of the Scheme is 1st April 2024.

sd/-
A. SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN: A008649F000407619

PLACE: MUMBAI
DATE: 22nd May, 2024

*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 records 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. The responsibility of the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit was conducted in accordance with applicable Standards. Those Standards require that the Auditor comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about level of compliance with applicable laws and maintenance of records.

3. 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 my opinion.

4. 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.

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

6. 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.

7. 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.

sd/-
A. SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN: A008649F000407619

PLACE: MUMBAI
DATE: 22nd May, 2024

ANNEXURE 4 – 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 2023-24, the percentage increase in remuneration of Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary in the FY 2023-24.

SR No.	Name of the Director/KMP	Designation	Remuneration of Director / KMP for the FY 2023-24 (₹ in Crore)	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration in FY 2023-24 as compared to FY 2022-23
1	Mr. Rafique Abdul Malik	Chairman	8.176	346.6	8%
2	Ms. Farah Malik Bhanji	Managing Director	3.441	145.9	9%
3	Mr. Mohammed Iqbal Hasanally Dossani	Whole Time Director	0.636*	26.9	10%
4	Mr. Nissan Joseph	Chief Executive Officer	3.829	162.3	12%
5	Mr. Kaushal Khodidas Parekh	Chief Financial Officer	1.696	71.9	15%
6	Ms. Alisha Rafique Malik	President Sports Division, E-Commerce and CRM	1.325	56.2	34%
7	Ms. Deepa Sood	VP – Legal, Company Secretary and Compliance Officer	1.051**	44.6	10%

**Including perquisites of ₹ 0.44 /- Crore pursuant to exercise of Stock Options.*

*** Including perquisites of ₹ 0.26/- Crore pursuant to exercise of Stock Options.*

2. The percentage increase in the median remuneration of Employees for the FY 2023-24 was 8.00%.

3. The Company has 3,908 permanent Employees on the rolls of Company as on March 31, 2024.

4. Average increase made in the salaries of Employees other than the managerial personnel in the FY 2023-24 was 8.8%. The Company has taken proactive reward and career related measures to ensure its talent feels valued and maintain 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, 2024

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, including the details of top ten employees of the Company:

S. No	Employee Name	Designation	Remuneration Received (₹ in Crore)	Qualification	Total Experience (in years)	Date of commencement of employment	Age (in years) Last Employment
1	Mr. Rafique Abdul Malik	Chairman	8.176	B.Com, OPM Harvard, U.S.A.	54	January 19, 1977	74 years Business
2	Mr. Nissan Joseph	Chief Executive Officer	3.829	MBA	24	July 1, 2021	59 years Map Active Philippines
3	Ms. Farah Malik Bhanji	Managing Director	3.441	B.A, B.B.A. in Finance (USA),OPM Harvard, U.S.A.	25	December 5, 2000	48 years Business
4	Mr. Kaushal Khodidas Parekh	Chief Financial Officer	1.707	B.Com, CA, CS	20	March 28, 2012	45 years Ernst & Young
5	Ms. Aziza Rafique Malik	President	2.390	B.Com	34	January 2, 1986	74 years Business
6	Mr. Aashish Dipak Mashruwala	Senior Vice President	5.05*	BE,MPD	18	October 1, 2020	52 Years Eco shoes
7	Mr. Rajgopal Narasimha Nayak	Chief Technology Officer	3.73*	BE, PGDCAM	21	May 4, 2020	48 years Marico Ltd
8	Mr. Mohmed Jaffer Yusuf Ali Panjwani	Assistant Vice President	2.45*	LLB	18	November 23, 2018	47 Years Shopper Stop Ltd.
9	Mr. Maulik Rajendra Desai	Vice President	1.84*	BSC,MMM	20	April 22, 2019	49 Years Crossword book store Mumbai
10	Mr. Manoj Singh	Assistant Vice President	1.395*	MBA	19	May 2, 2017	54 Years Liberty Shoes Ltd
11	Ms. Alisha Rafique Malik	President Sports Division, E-Commerce and CRM	1.325	BA in Finance	15	July 1, 2009	37 Years Business

*Includes perquisite value of Stock Options exercised during the FY 2023-24

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 Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Alisha Rafique Malik, President Sports Division, 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 5 – 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 its 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 2024
1	Warehouse 1	110 KW	June 10, 2020	116 MWh
2	Warehouse 2	130 KW	November 19, 2021	138 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 Crores)

Sr No.	Particulars	2023-24	2022-23
1.	**Foreign Exchange Earnings**		
	Sale of Footwear and Accessories	NIL	NIL
2.	**Foreign Exchange Outgo**		
	a) Purchase of Footwear and Accessories including Advance	156.72	114.74
	a) Travelling & Other Expenses	0.21	0.11
	b) Professional & Consultancy Fees	3.30	1.16

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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

Place: Mumbai
Date: August 9, 2024

ANNEXURE 6 – TO THE DIRECTORS' REPORT

Business Responsibility and Sustainability Report

1 Section A: General Disclosures

1.1 Details of the Listed Entity

1.1.1 Corporate Identity Number (CIN) of the listed entity: L19200MH1977PLC019449

1.1.2 Name of the listed entity: Metro Brands Limited

1.1.3 Year of incorporation: 19-01-1977

1.1.4 Registered office address: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070

1.1.5 Corporate address: 401, Zillion, 4^{th} Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070

1.1.6 Email address: Investor.relations@metrobrands.com

1.1.7 Telephone: +91 22 6656 0444

1.1.8 Website: https://metrobrands.com/

1.1.9 Financial year for which reporting is being done: FY 2023-24

1.1.10 Name of the Stock Exchange(s) where shares are listed: BSE Limited and National Stock Exchange of India Limited

1.1.11 Paid-up Capital: ₹ 1,359,570,510

1.1.12 Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report

Name: Aziz Fidai Designation: DGM - CSR & Process Assurance

Telephone number: +91 22 6656 0444

E-mail id: aziz.fidai@metrobrands.com

1.1.13 Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).

Disclosures made in this report are on a Standalone basis

1.1.14 Name of assurance provider: Not Applicable

1.1.15 Type of assurance obtained: Not Applicable

1.2 Products/Services

1.2.1 Details of business activities (accounting for 90% of the turnover)

Description of Main Activity	Description of Business Activity	% of Turnover of the entity
Retail sale	Retailer in fashion footwear, bags & accessories	100%

1.2.2 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%

1.3 Operations

1.3.1 Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	NA*	836 Showrooms (193 Cities), 2 Warehouses, 1 Office	839
International	Nil	Nil	Nil

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

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

1.3.2 Market served by the entity

1.3.2.1 Number of locations

Locations	Number
National (No. of States)	31
International (No. of Countries)	Nil

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

0.09%

1.3.2.3 A brief on types of customers

Metro Brands Limited (MBL/Company) is a leading footwear specialty retailer in India. With a retail presence spanning metro cities as well as Tier I, II, and III cities, MBL caters to the evolving needs of customers seeking high-quality and stylish footwear. The brand's diverse portfolio, covering a wide range of price points, allows it to serve the economy, mid-range, and premium market segments. MBL's stores offer a comprehensive selection of footwear for men, women, and children, along with bags and accessories, making it a one-stop shop for the entire family.

The Company's extensive product suite meets the demands for both casual and formal footwear, enhancing customer loyalty and expanding its market reach. MBL serves customers through two primary channels:

1. Digitally via its own website and various e-commerce marketplaces.
2. In-store, with direct walk-in customers.

1.4 Employees

1.4.1 Details as at the end of Financial Year

1.4.1.1 Employees and workers (including differently abled)

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	3,908	3,635	93.01%	273	6.99%
Other than Permanent (E)	1,786	1,700	95.18%	86	4.82%
Total employees (D + E)	5,694	5,335	93.69%	359	6.31%
Workers					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	0	0	0	0	0
Total workers (F + G)	0	0	0	0	0

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

1.4.1.2 Differently abled Employees and workers

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees					
Permanent (D)	3	3	100%	0	0%
Other than Permanent (E)	1	1	100%	0	0%
Total differently abled employees (D + E)	**4**	**4**	**100%**	**0**	**0%**
Differently Abled Workers					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	0	0	0	0	0
Total differently abled workers (F + G)	**0**	**0**	**0**	**0**	**0**

1.4.2 Participation/inclusion/representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	2	20%
Key Management Personnel	7	3	43%

1.4.3 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	Turnover rate in current FY			Turnover rate in previous FY			Turnover rate in the year prior to the previous FY		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	33.43%	3.56%	37%	17.12%	0.88%	18.0%	28.88%	1.93%	30.8%
Permanent Workers	0	0	0%	0	0	0%	0	0	0%

1.5 Holding, Subsidiary and Associate Companies (Including Joint Ventures)

1.5.1 Names of holding/subsidiary/associate companies/joint ventures

Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/ associate companies/ joint ventures	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Metmill Footwear Private Limited	Subsidiary	51%	No
Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)	Subsidiary	100%	No
M.V. Shoe Care Private Limited	Joint Venture	49%	No

1.6 CSR Details

1.6.1 Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

1.6.2 Turnover (in ₹)

2,305.00 Crores

1.6.3 Net worth (in ₹)

1,835.11 Crores

1.7 Transparency and Disclosures Compliances

1.7.1 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current Financial Year			Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, https://metrobrands.com/investor-contact/	Nil	Nil		1	Nil	
Investors (other than shareholders)	Yes, https://metrobrands.com/ investor-contact/	Nil	Nil		Nil	Nil	
Shareholders	Yes, https://metrobrands.com/ investor-contact/	27	Nil		44	Nil	
Employees and workers	Yes, https://metrobrands.com/ investor-contact/	2031	Nil		828	Nil	
Customers	Yes, https://metrobrands.com/ contact-us/	25121	Nil		23635	Nil	
Value Chain Partners	Yes, Escalation matrix has been duly communicated to all VCPs	Nil	Nil		Nil	Nil	No formal complaints received

1.7.2 Overview of the entity's material responsible business conduct issues

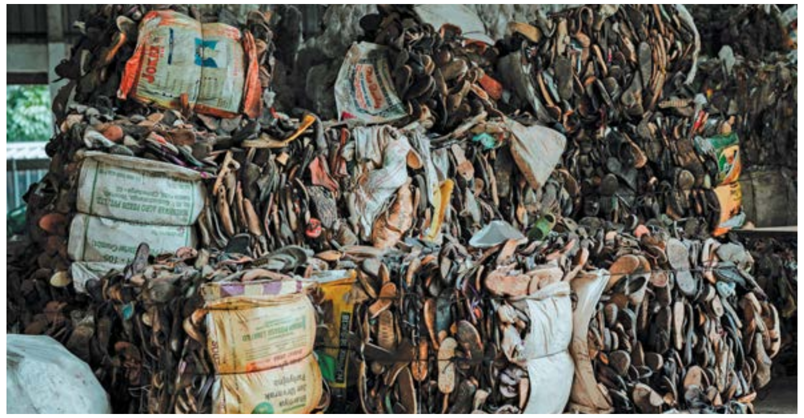
Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Waste Management	Opportunity	Footwear made from diverse raw materials poses a significant recycling challenge once discarded, leading to decades-long persistence in landfills, contaminating soil and water, and harming the environment	MBL's sustainability efforts diverted 1,941 tons of used footwear from landfills, with 48.06% recycled and 51.93% co-processed at a waste-to-energy plant, following CPCB guidelines for an eco-friendly outcome.	Positive Implication
Efficient Resource Use	Opportunity	Resource efficiency provides opportunities to reduce operational costs, enhance competitive advantage, and comply with regulations, while also boosting brand reputation and attracting investment. It aligns with sustainability goals, appealing to eco-conscious consumers and fostering innovation.	MBL has installed solar power systems with capacities of 110 kW and 130 kW at its two warehouses in Bhiwandi, generating a total of 254,467 units of renewable energy during the fiscal year 2023-24. This transition to solar energy plays a crucial role in reducing the Company's carbon footprint by lowering its reliance on fossil fuels.	Positive Implication

Interesting Initiatives

Metro Brands Ltd.'s Sustainable Footwear Processing Initiative: Diverted 1,941 tonnes of Old Footwear from Landfills

Metro Brands Ltd. addresses critical climate and environmental challenges posed by the footwear industry's rapid expansion through the processing of old, discarded footwear (ODF). With annual global footwear production reaching 21 billion pairs, improper disposal leads to significant environmental degradation. Our initiative aims to mitigate this by collaborating with social enterprises and NGOs, meticulously sorting collected ODF, and recycling materials like plastic and rubber. We repurpose worn-off components as coal substitutes in cement kilns and power generation, reducing costs and emissions.

This project not only empowers ragpickers with increased income but also fosters business growth, job creation, resource conservation, and emission reduction. Our commitment to eco-consciousness enhances our CSR reputation, promotes ethical consumption, and sets a pioneering model for sustainable industry practices.



2 Section B: Management and Process Disclosures

2.1 Management and Process Disclosure Questions

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes								
Has the policy been approved by the Board? (Yes/No)	Yes								
Web Link of the Policies, if available	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.								
Whether the entity has translated the policy into procedures. (Yes/No)	Yes								
Do the enlisted policies extend to your value chain partners? (Yes/No)	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, Senior Management, employees, business associates and suppliers, agent, distributor, or joint venture partner, etc.								
Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) 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, 2027.								
Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has identified key ESG (Environmental, Social, and Governance) areas, established internal targets, and is actively working towards achieving these goals, demonstrating the commitment to sustainability and ethical practices. The Company is transitioning to renewable energy sources by installing solar projects of 110 KW and 130 KW at two warehouses, respectively. To address the significant environmental challenges posed by the footwear industry, the Company processes old, discarded footwear and repurpose worn-out components as coal substitutes in cement kilns and power generation, thereby reducing both costs and emissions. The Company has started calculating its supply chain carbon footprint to address the adverse impacts of the supply chain processes.								
Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has made progress in the following areas in FY 2023-24: 1. Approximately 2.54 lac units were generated through solar projects in the Warehouses. 2. Approximately 1941.00 tonnes of old, discarded footwear have been recycled, repurposed and co-processed in an eco-friendly manner. 3. Approximately 44.91% VCPs by business value and 44.19% by count have been assessed for collecting data on ESG parameters to monitor and improve the scope 3 emissions and improve the Environmental and Social conditions of the supply chain.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
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 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 its 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.								
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								
Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details	Yes. Corporate Social Responsibility & Sustainability Committee								

2.2 Details of Review of NGRBCs by the Company

Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9
Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									
Performance against above policies and follow up action	Relevant policies of the Company are reviewed by the Board and its Committees periodically or on a need basis. The necessary changes to policies and procedures are implemented accordingly.								
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.								
Frequency (Annually/Half yearly/Quarterly/Any other - please specify									
Performance against above policies and follow up action	Annually/as per Statutory Requirement								
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.								

2.3 Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	Secretarial Auditor and Internal Auditor assess/evaluate the working of Company Policies as required.								

2.4 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

3 Section C: Principle Wise Performance Disclosure

3.1 PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

3.1.1 Essential Indicators

3.1.1.1 Percentage coverage by training and awareness programmes on any of the Principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	2	PRINCIPLE 3: Trainings on respect and promote the well-being of all employees, including those in their value chains. (HSE, Skill Upgradation) PRINCIPLE 5: Awareness Training on respect and promote human rights. (PoSH)	90%
Key Managerial Personnel	2		100%
Employees other than BoD and KMPs	6		91%
Workers	NA	NA	NA

3.1.1.2 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 financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Penalty/Fine	No fines/penalties/punishment/award/compounding fees/settlement amount were paid in proceedings (by the Company or by its Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the FY 2023-24 which crosses the threshold limit of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/No)
Imprisonment	No imprisonment/punishment			
Punishment				

Interesting Initiatives

A Culture of Continuous Learning

We recognize the potential within our retail staff and nurture talent through the Potential Manager Program, SEWA, SMART, KARTA, and MS Suite Trainings. These initiatives enhance customer service, sales, leadership, and technological skills. Strategym develops strategic thinking and leadership for senior leaders, including directors. Recently, we introduced AI training and personalized growth plans through GROW. WorkSmart emphasizes efficiency and well-being. Our Learning Management System (LMS) streamlines training delivery.

Compliance training is conducted annually, ensuring regulatory compliance. These initiatives foster a culture of continuous learning, driving our company to new heights of success.

3.1.1.3 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
No Appeal/Revision preferred	

3.1.1.4 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's Personnel must conduct their activities in connection with the Company's business in full compliance with the Ethics Policy of the Company's and the Anti-Corruption Laws. The Company does not pay and does not condone paying bribes or engaging in corruption. Company's 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/

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

	Current Financial Year	Previous Financial Year
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		

3.1.1.6 Details of complaints with regard to conflict of interest

	Current Financial Year		Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	No complaints received in relation to issues of Conflict of Interest of the Directors/ KMPs in the FY 2023-24.	0	No complaints received in relation to issues of Conflict of Interest of the Directors/ KMPs in the FY 2022-23.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

3.1.1.7 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.

3.1.1.8 Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format

	Current financial year	Previous financial year
i) Accounts payable x 365 days	91707 Crores	103290 Crores
ii) Cost of goods/services procured	958.26 Crores	861.84 Crores
iii) Number of days of accounts payables	96 Days	120 Days

3.1.1.9 Open-ness of business, Provide details of concentration of purchases and sales with trading houses, dealers, and related parties alongwith loans and advances & investments, with related parties, in the following format

Parameter	Metric	Current financial year	Previous financial year
Concentration of Purchases	a. i) Purchases from trading houses	1,031.80 Crores	1,033.53 Crores
	ii) Total purchases	1,031.80 Crores	1,033.53 Crores
	iii) Purchases from trading houses as % of total purchases	100%	100%
	b. Number of trading houses where purchases are made	444	405
	c. i) Purchases from top 10 trading houses	495.91 Crores	491.75 Crores
	ii) Total purchases from trading houses	1,031.80 Crores	1,033.53 Crores
	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	48.06%	47.58%
Concentration of Sales	a. i) Sales to dealer/distributors	Nil	Nil
	ii) Total Sales	2,305.00 Crores	2,071.15 Crores
	iii) Sales to dealer/distributors as % of total sales	-	-
	b. Number of dealers/distributors to whom sales are made	-	-
	c. i) Sales to top 10 dealers/distributors	-	-
	ii) Total Sales to dealer/distributors	-	-
	iii) Sales to top 10 dealers/distributors as % of total sales to dealer/distributors	-	-
Share of RPTs in	a. i) Purchases (Purchases with related parties)	22.24 Crores	23.92 Crores
	ii) Total Purchases	1,031.80 Crores	1,033.53 Crores
	iii) Purchases (Purchases with related parties as % of Total Purchases)	2.16%	2.31%
	b. i) Sales (Sales to related parties)	Nil	Nil
	ii) Total Sales	2,305.00 Crores	2,071.15 Crores
	iii) Sales (Sales to related parties as % of Total Sales)	NA	NA
	c. i) Loans & advances given to related parties	8. 62 Crores	8. 62 Crores
	ii) Total loans & advances	10.22 Crores	9.84 Crores
	iii) Loans & advances given to related parties as % of Total loans & advances	84.33%	87.60%
	d. i) Investments in related parties	28.36 Crores	28.43 Crores
	ii) Total Investments made	764.80 Crores	495.55 Crores
	iii) Investments in related parties as % of Total Investments made	3.71%	5.74%

3.1.2 Leadership Indicators

3.1.2.1 Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics/Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The Company provides training to its Karigar vendors on quality, packaging, and code of coduct as needed. In response to the BIS regulation requirements, the Company has engaged a consultant to assist the vendors and organised training sessions for them. Currently, approximately 80%-90% of the regular Karigar vendors have participated in these initiatives. In the FY 2023-24, a significant effort was made to deliver ESG-based training and support for collecting scope 3 related data.		

3.1.2.2 Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) 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 have adopted the said policy 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.

Interesting Initiatives

Building Futures: Metro Brands Commitment to Youth Employment

At Metro Brands Ltd., in FY 2023-24, we enhanced the employability of 228 unemployed youth through on-the-job training at our retail showrooms. This initiative, supported by the National Apprenticeship Promotion Scheme (NAPs), aims to skill and upskill candidates, aligning with the “Skill India Program”. This win-win project benefits society by providing opportunities to youth as young as 15, the government by fulfilling its skilling and job creation goals, and corporates like us can pay the stipend through CSR, get reimbursed a part of the training expenses and offers us with a potential talent pipeline. We’re proud to partner with the government in this initiative, contributing to the country’s skill development and job creation endeavours.

3.2 PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

3.2.1 Essential Indicators

3.2.1.1 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 Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	The Company does not have any specific expenditure on research and development in current year and previous year.
Capex	-	-	No investments have been made during current year and previous year.

3.2.1.2 Does the entity have procedures in place for sustainable sourcing? (Yes/No). If yes, what percentage of inputs were sourced sustainably?

No, the Company is in the process of establishing a sustainable sourcing policy.

3.2.1.3 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.

At MBL, we're committed to making a positive impact on the environment. Our sustainability initiatives have achieved impressive results:

1. The Company has successfully completed EPR target for 2023-24.
2. The Company has responsibly managed 310 kgs of e-waste, with 70 kgs recycled and 240 kgs treated and disposed of according to CPCB e-waste guidelines.
3. The Company has diverted 1,941 tonnes of old footwear from landfills, with 48.06% recycled and 51.93% co-processed at a waste-to-energy plant, adhering to CPCB guidelines.

The Company does not engage in direct operations or manufacturing causing hazardous emissions that could harm the environment. Our commitment to sustainability drives us to continually reduce plastic waste, e-waste, and processing millions of old, discarded footwear in an eco-friendly manner.

3.2.1.4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). 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

Yes. The Company has received Importer and Brand Owner registration certificate for recycling of plastic materials in Category-2 and the waste collection plan is in line with EPR requisites. The received recycling target from CPCB for FY 2023-24 is 42.92 Tonnes.

3.2.2 Leadership Indicators

3.2.2.1 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?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Company is not into manufacturing. Hence, no LCA was conducted.					

3.2.2.2 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.

Name of Product/Service	Description of the risk/concern	Action Taken
The Company is not into manufacturing. Hence, no LCA was conducted.		

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

Indicate input material	Recycled or re-used input material to total material	
	Current Financial Year	Previous Financial Year
The Company is not into manufacturing, hence this point is not applicable.		

3.2.2.4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format

	Current Financial Year			Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0 tonnes	0 tonnes	0 tonnes	0 tonnes	0 tonnes	0 tonnes
E-waste	0 tonnes	0.240 tonnes	0.070 tonnes	0 tonnes	0 tonnes	0.330 tonnes
Hazardous waste	0 tonnes	0 tonnes	0 tonnes	0 tonnes	0 tonnes	0 tonnes
Other waste	0 tonnes	933.00 tonnes	1008.00 tonnes	0 tonnes	427.00 tonnes	473.00 tonnes

3.2.2.5 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 2023-24 (95.38 lac pairs.)	48.97 % (46.71 lac footwear pairs) of old, discarded footwear processed in an eco-friendly manner.

3.3 PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

3.3.1 Essential Indicators

3.3.1.1 Details of well-being of Employees and workers

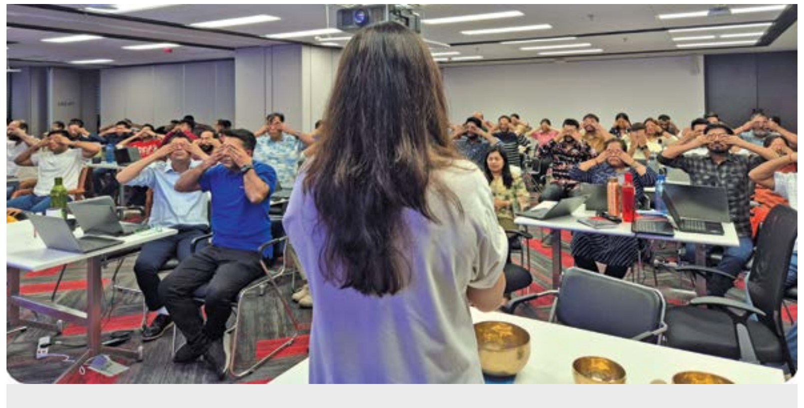
3.3.1.1.1 Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefit		Paternity Benefit		Day Care Facility	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	3635	399	10.98%	3635	100%	0	0%	3635	100%	0	0%
Female	273	97	35.53%	273	100%	273	100%	0	0%	0	0%
Total	**3908**	**496**	**12.69%**	**3908**	**100%**	**273**	**6.99%**	**3635**	**93.01%**	**0**	**0%**
Other than Permanent Employees											
Male	1700	843	49.59%	1700	100%	0	0%	5	0.29%	0	0%
Female	86	4	4.65%	86	100%	86	100%	0	0%	0	0%
Total	**1786**	**847**	**47.42%**	**1786**	**100%**	**86**	**4.82%**	**5**	**0.28%**	**0**	**0%**

Interesting Initiatives

Where People Matter: Our Employee-Centric Culture

At Metro Brands, we prioritize our employees' well-being and engagement, fostering a culture of 'I belong here.' Our leadership team and management drive this vision through various initiatives. We celebrate diverse festivals, organize wellness programs, and provide benefits like a doctor on call. Our Retail Employees Day honors our front-end staff, while wellness camps, yoga day, and mental wellness programs ensure their overall well-being. Monthly HR Connect sessions, birthday celebrations, and focus group discussions empower employees' voices. Robust safety and security programs ensure a secure environment. Quarterly townhalls and annual awards recognize exceptional performances, boosting morale. By making Metro Brands a home away from home, we motivate our employees, promote an entrepreneurial mindset, and create a vibrant, inclusive workplace.



3.3.1.1.2 Details of measures for the well-being of workers

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefit		Paternity Benefit		Day Care Facility	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other than Permanent workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Not Applicable as the Company does not have any workers.

3.3.1.1.3 Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	Current Financial Year	Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company	0.13%	0.15%

3.3.1.2 Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	Current Financial Year			Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	68.60%	NA	Yes	65%	NA	Yes
Gratuity	68.63%	NA	Yes	66%	NA	Yes
ESI	59.76%	NA	Yes	57%	NA	Yes

3.3.1.3 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.

3.3.1.4 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

The Company gives opportunities as per the Equal Remuneration Act.

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

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

3.3.1.6 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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
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	Same as above.

3.3.1.7 Membership of employees and worker in association(s) or Unions recognised by the listed entity

Category	Current Financial Year			Previous Financial Year		
	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 (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees						
Male	3,635	0	0%	2,346	0	0%
Female	273	0	0%	141	0	0%
Total Permanent Workers						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

3.3.1.8 Details of training given to employees and workers

Category	Current Financial Year					Previous Financial Year				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	5335	4651	87.17%	4423	82.91%	4,946	868	18%	3,723	75%
Female	359	350	97.49%	386	108%	258	80	31%	470	182%
Workers										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

3.3.1.9 Details of performance and career development reviews of employees and worker

Category	Current Financial Year			Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	5,335	5,335	100%	4,946	4,946	100%
Female	359	359	100%	258	258	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

3.3.1.10 Health and safety management system

3.3.1.10.1 Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

No

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

Internal and external safety audits are conducted regularly and any identified deviations are promptly addressed in accordance with regulatory and company requirements.

3.3.1.10.3 Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

This is not applicable as the Company does not have workers according to BRSR guidelines.

3.3.1.10.4 Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

"Doctor On Call" facility is available for employees and periodical health check camps are conducted.

3.3.1.11 Details of safety related incidents, in the following format

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

3.3.1.12 Describe the measures taken by the entity to ensure a safe and healthy work place

The Company prioritizes employee health through the "Doctor on Call" program, where a medical practitioner visits registered office and warehouse to address employee health concerns. Additionally, workplace safety is a top priority. Reporting Managers and Showroom Managers are authorized to take necessary actions to ensure a safe work environment. Employees at the Head Office and Warehouse receive regular training on basic and advanced fire safety, including periodic evacuation drills.

3.3.1.13 Number of Complaints on the following made by employees and workers

	Current Financial Year			Previous Financial Year		
	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 & Safety	Nil	Nil	No Complaints	Nil	Nil	No complaints

3.3.1.14 Assessments for the year

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

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

No actions required, as no significant risks/concerns arose from assessment of health & safety practices and working conditions.

3.3.2 Leadership Indicators

3.3.2.1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

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

3.3.2.2 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 vendor partners is released based on the statutory dues payment returns provided as supporting documents, ensuring that our vendor partners adhere to statutory dues.

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Current Financial Year	Previous Financial Year	Current Financial Year	Previous Financial Year
Employees	0	0	0	0
Workers	NA	NA	NA	NA

3.3.2.4 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, the entity provides transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

In the case of retirement the extension of employment has been considered on a case to case basis.

3.3.2.5 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	44.91%

The Company has implemented a multi-faceted approach to assess and ensure the compliance and performance of Value Chain Partners (VCPs). This strategy includes mandatory requirements for new vendor onboarding, ensuring that VCPs maintain standardized working conditions and adhere to robust health and safety practices.

In FY 2023-24, a collaboration was initiated with Newtral, an AI-enabled sustainability platform, to manage, track, and report ESG data from approximately 44.91% of the VCPs by business value and 44.19% of the VCPs by count. This partnership supports our annual ESG assessment, which evaluates environmental, social, and ethical standards. To enhance continuous improvement, we will analyze collected ESG data to identify trends, provide insights and recommendations, develop collaborative improvement plans for underperforming areas, and conduct regular follow-ups to monitor progress.

3.3.2.6 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.

The Company is committed to ensuring the health, safety, and proper working conditions throughout our value chain. In FY 2023-24, the company implemented a sustainability platform to manage, track, and report ESG data from Company VCPs. Approximately 44.91% of Company VCPs (based on business value) have submitted annual assessments covering environmental, social, and ethical standards. The Company systematically reviews the collected data to identify significant risks or concerns related to health, safety, and working conditions.

Interesting Initiatives

Empowering the Cobbler Communities: Enrolling 7,000 Cobblers in Various Government of India Benefit Schemes

Cobblers are vital stakeholders in our business but often receive minimal benefits from our activities. To address this, our CSR initiative aims to empower and support this community. Partnering with Renovate India, we educated and assisted over 7,000 cobblers in enrolling in various Government of India benefit schemes. Additionally, in collaboration with Prince Aly Khan Hospital, we organized 24 health camps across the MMR region, focusing on awareness and early detection of hypertension, diabetes, and oral cancer. These camps saw participation from over 1,400 cobblers. Through these initiatives, we are committed to supporting and uplifting the cobbler community, ensuring they receive the care and benefits they need.

3.4 PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

3.4.1 Essential Indicators

3.4.1.1 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.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Inbound Call Email Social Media	Ongoing	Customers Queries & Complaints help the Company analyze areas of improvement: Product Quality, Delivery, Returns and Refunds
Employees	No	Corporate Communication emailer & EmPort HRMS portal	Monthly, quarterly, and annual	Birthday Celebrations, Wellness Camps, Productivity, Sports, Town Halls etc.
Business Partners/Associates	No	Business Partners/ Associates meet through virtual modes such as e-mail, telephone and Video Conference	Monthly	The key areas of interest for the Business partners/ Associates are: Timely payments and collaboration Product Development and range presentations Sourcing and timely deliveries Innovations in the market
Vendors	No	Vendors meet Monthly throught virtual modes such as e-mail, telephone and Video Conference	Monthly	The key areas of interest for the Vendors are: Timely payments and collaboration Product Development and range presentations Sourcing and timely deliveries Innovations in the market
Shareholders	No	As needed: Email; Newspaper Advertisement; Meetings; Intimation to the Stock Exchanges; Press releases and press conferences; investor conferences and presentation; Company 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
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 Central Pollution Control Board, Ministry of Environment, Forest and Climate Change, Government of India GST	No	lm.doca.gov.in cpcb.gov.in GST portal	Whenever required Yearly Monthly/Yearly	For Importer, Manufacturer/ Packer Registration/Renewal For EPR Registration of Plastic waste & Renewal GST Returns

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

3.4.2 Leadership Indicators

3.4.2.1 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 constant and proactive engagement with 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.

3.4.2.2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). 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 operates in the footwear and accessories retail sector, and its operations have minimal direct negative impact on the environment or society, unlike heavy industries, leading to negligible operational grievances. The Company maintains regular communication with its vendors and retail agents, and actively engages with community stakeholders through its CSR initiatives to understand their needs and aspirations.

Based on the identified community needs, the Company designs and implements CSR projects to benefit these communities. Starting from FY 2023-24, the Company has partnered with Newtral Technologies Private Limited to identify areas for improvement and enhance ESG disclosures. As part of this initiative, the Company has begun collecting data from its supply chain to determine Scope 3 emissions. Projects will be identified and implemented to mitigate these emissions based on the collected data.

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

As part of the community initiatives, MBL has identified vulnerable communities, including cobblers, shoe-shiners, and unemployed youth, who face various challenges. The company is working to empower these marginalized groups through dedicated support in income generation, skill development, medical assistance, etc as under

1. **National Apprenticeship Promotion Scheme –** Under this project, the Company supported in increasing the employability quotient of 228 trainees (unemployed youth) by providing them practical exposure through on-the-job training at Metro Brands Limited retail outlets, thus enhancing their skills and making them employable
2. **Fidai Girls Education Institute –** The company supported 86 children of under privileged families with their school fees and uniform expenses.
3. **Renovate India –** Under this project, MBL created awareness, educated, convinced, and enrolled 7888 beneficiaries from the cobbler community spread across Mumbai Metropolitan Region and their family members in various GOI sponsored benefit schemes
4. **Sabrahad Education Society –** MBL supported their Sir Syed Ahmed Inter College to construct a new classroom to decongest the existing ones, so that school children can study comfortably.
5. **Prince Aly Khan Hospital –** Under this project, MBL created awareness and early detection of hypertension, diabetes & oral cancer through screening in 1401 cobblers as well as other vulnerable communities.
6. **Studeasy Bharat Foundation –** The company introduced digitized smart class program and supported some infrastructure creation/refurbishments in two rural schools of Satara & Sindhudurg districts of Maharashtra
7. **Cancare Trust –** Under this project, the Company supported them to fund the construction of a Cancer Hospital - Punyashlok Ahilyadevi Holker Head & Neck Cancer Institute of India in south Mumbai.
8. **Catalysts for social action –** Through them – CSA, the Company distributed Footwear pairs to 1298 children residing in CSA's 41 childcare institutions spread across 16 districts in 4 states. (In-kind donation)
9. **Renovate India –** Through them, MBL distributed Footwear pairs to 2386 underprivileged children residing across Mumbai and Palghar districts (In-kind donation).

Additionally, the Company collaborates and supports the MSME vendors to foster their growth and development, further contributing to the socio-economic upliftment of our community'

Interesting Initiatives

Footwear for a Brighter Future: 3,684 Pairs of Footwear Distributed to Underprivileged Children

Despite the footwear industry producing 21 billion pairs annually, 1.5 billion people suffer from illnesses due to inadequate footwear. Our partnership with Renovate India and Catalyst for Social Action enabled us to distribute footwear to underprivileged beneficiaries across four states. These in-kind donations aimed to alleviate health issues and improve quality of life for those in need. By bridging the gap between the privileged and the underprivileged, we strive to create a more equitable society. Through this initiative, we brought smiles to the faces of 3,684 individuals, underscoring our commitment to social responsibility and community empowerment.

3.5 PRINCIPLE 5: Businesses should respect and promote human rights

3.5.1 Essential Indicators

3.5.1.1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	Current Financial Year			Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,908	3,576	91.50%	3,414	2,981	87%
Other than Permanent	1,786	1,727	97%	1,790	1,697	95%
Total Employees	**5,694**	**5,303**	**94%**	**5,204**	**4,678**	**90%**
Workers						
Permanent	0	0	0	0	0	0
Other than Permanent	0	0	0	0	0	0
Total Workers	**0**	**0**	**0**	**0**	**0**	**0**

3.5.1.2 Details of minimum wages paid to employees and workers, in the following format

Category	Current Financial Year					Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	3,908	171	4%	3,737	96%	2,487	2,004	80.58%	483	19.42%
Male	3,635	144	4%	3,491	96%	2,346	1,935	82.48%	411	17.52%
Female	273	27	10%	246	90%	141	69	48.94%	72	51.06%
Other than Permanent	1,786	151	8%	1,635	92%	965	960	99.48%	5	0.52%
Male	1,700	136	8%	1,564	92%	943	938	99.47%	5	0.53%
Female	86	15	17%	71	83%	22	22	100%	0	0%
Workers										
Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Other than Permanent	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

In FY 2022-23, the minimum wage update was based on fixed salary only. However, in FY 2023-24, the minimum wage update includes both variable pay and incentives.

3.5.1.3 Details of remuneration/salary/wages

3.5.1.3.1 Median remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BoD)	8	2,60,000	2	1,74,05,908
Key Managerial Personnel	4	2,76,25,657	3	1,32,53,814
Employees other than BoD and KMP	3,635	2,34,669	273	2,53,031
Workers	0	0	0	0

Out of the eight male Directors, only two receive a salary, while the remaining six are compensated through sitting fees, resulting in a lower median compensation. Among the two female Directors, one receives a salary and the other is compensated through sitting fees.

3.5.1.3.2 Gross wages paid to females as % of total wages paid by the entity, in the following format

	Current Financial Year	Previous Financial Year
Gross wages paid to females as % of total wages	14%	14%

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

Yes

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

3.5.1.5 Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has Zoho Ticket System, monitored by Human Resource Business Partners, and reviewed by the Head HR

3.5.1.6 Number of Complaints on the following made by employees and workers

	Current Financial Year			Previous Financial Year		
	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	Nil		1	1	Complaint closed in FY 2023-24
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	

3.5.1.7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format

	Current Financial Year	Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees/workers	0.3%	0.3%
Complaints on POSH upheld	Yes	Yes

3.5.1.8 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.

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

Yes, 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.

Weblink: https://metrobrands.com/policies

3.5.1.10 Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	-
Discrimination at workplace	-
Wages	100%
Others – please specify	-

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

No risk arose during evaluation.

3.5.2 Leadership Indicators

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

NA

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

An Employee Satisfaction Survey was conducted, but no significant observations were noted.

3.5.2.3 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, the Company has provision across all the locations.

3.5.2.4 Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	As part of the vendor agreement, the Company has ensured that the VCPs comply with laws related to child labor, forced or involuntary labor, sexual harassment, workplace discrimination, and fair wages. To reinforce commitment to this transparency, the Company implemented sustainability platform, in FY 2023-24. This platform facilitates the management, tracking, and reporting of Environmental, Social, and Governance data from our VCPs. In the FY 2023-24, 44.91% of our VCPs by business value, have completed an annual assessment on the platform. This assessment evaluates their adherence to Environmental, Social, and Ethical standards. The collected data will enable the company to review and improve conditions across our value chain, driving continuous enhancement of our ESG practices.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

3.5.2.5 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 just begun data collection on these topics in FY 2023-24, the Company will assess the results once our data collection is complete for all the VCPs. The Company will then incorporate corrective actions to address significant risks and concerns arising from the assessments.

3.6 PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

3.6.1 Essential Indicators

3.6.1.1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Current Financial Year	Previous Financial Year
From renewable sources		
Total electricity consumption (A)	916.08 GJ	845.88 GJ
Total fuel consumption (B)	0 GJ	0 GJ
Energy consumption through other sources (C)	0 GJ	0 GJ
Total energy consumed from renewable sources (A+B+C)	916.08 GJ	845.88 GJ
From non-renewable sources		
Total electricity consumption (D)	98,109.57 GJ	65851.40 GJ
Total fuel consumption (E)	6,453.35 GJ	0 GJ
Energy consumption through other sources (F)	0 GJ	0 GJ
Total energy consumed from non-renewable sources (D+E+F)	104,562.92 GJ	65851.40 GJ
Total energy consumed (A+B+C+D+E+F)	105,479.0028 GJ	66697.28 GJ
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.0000045 GJ/₹	0.0000032 GJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	0.0001 GJ/₹	0.00007 GJ/₹
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Energy intensity per rupee of turnover, adjusted for Purchasing Power Parity (PPP), is computed using India's 2024 PPP factor of 22.17, sourced from the IMF.

3.6.1.2 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? (Y/N) 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, if any.

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

3.6.1.3 Provide details of the following disclosures related to water, in the following format:

Parameter	Current Financial Year	Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	0 kL	0 kL
(ii) Ground water	0 kL	0 kL
(iii) Third Party Water	64,057.5 kL	58,545 kL
(iv) Seawater/desalinated water	0 kL	0 kL
(v) Others	0 kL	0 kL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	64,057.5 kL	58,545 kL
Total volume of water consumption (in kilolitres)	64,057.5 kL	58,545 kL
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	0.0000027 kL/₹	0.0000028 kL/₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	0.000061 kL/₹	0.000063 kL/₹
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

In the absence of specific water withdrawal and consumption data in litres, the Company extrapolated using the IS 1172 Code of Basic Requirements for Water Supply, which averages consumption at 45 litres per person per day in office buildings. This figure was multiplied by the number of employees in our company and then by 250 days. These calculations were also applied to update the previous year's water consumption figures.

3.6.1.4 Provide the following details related to water discharged:

Parameter	Current Financial Year	Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0 kL	0 kL
- With treatment - please specify level of treatment	0 kL	0 kL
(ii) To Ground water		
- No treatment	0 kL	0 kL
- With treatment - please specify level of treatment	0 kL	0 kL
(iii) To Sea water		
- No treatment	0 kL	0 kL
- With treatment - please specify level of treatment	0 kL	0 kL
(iv) Sent to third-parties		
- No treatment	0 kL	0 kL
- With treatment - please specify level of treatment	0 kL	0 kL
(v) Others		
- No treatment	0 kL	0 kL
- With treatment - please specify level of treatment	0 kL	0 kL
Total water discharged (in kilolitres)	0 kL	0 kL

As a retail-focused company, our water usage is minimal compared to manufacturing operations. Water consumption is primarily for human use within our facilities. The company takes measures to ensure cautious water usage across our warehouse, stores, and Head Office premises. To this end, sensor taps have been installed in the washrooms of our Head Office. Our Head Office in Mumbai is part of the Kanakia Zillion Society, which operates a Sewage Treatment Plant for treatment of discharged sewage from the facilities.

3.6.1.5 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 waste water into the environment from our direct business operations.

3.6.1.6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year	Previous Financial Year
NOx	mg/Nm³	NA	NA
SOx	mg/Nm³	NA	NA
Particulate matter (PM)	mg/Nm³	NA	NA
Persistent organic pollutants (POP)	mg/Nm³	NA	NA
Volatile organic compounds (VOC)	mg/Nm³	NA	NA
Hazardous air pollutants (HAP)	mg/Nm³	NA	NA
Others – please specify	mg/Nm³	NA	NA

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

3.6.1.7 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	Current Financial Year	Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	448.45 tCO_2e	-
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	19,512.91 tCO_2e	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	tCO_2e/₹	0.00000086 tCO_2e/₹	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO_2e/₹	0.000019 tCO_2e/₹	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

The Company calculated Scope 1 and Scope 2 emissions for two offices in Mumbai, two warehouses in Bhiwandi, and 836 showrooms across India. Emissions from purchased electricity and fuel consumption were considered for Scope 1 and Scope 2 calculations. The latest emission factor from the Central Electricity Authority of India (CEA) was used for purchased electricity. Scope 1 and Scope 2 intensity per rupee of turnover, adjusted for Purchasing Power Parity (PPP), was calculated using India's 2024 PPP factor of 22.17, sourced from the International Monetary Fund (IMF). For the fiscal year 2023-2024, the Company has successfully determined its Scope 1 and Scope 2 emission figures for the first time. Consequently, there are no comparable figures available for the previous year.

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

Yes, the Company is committed to reducing greenhouse gas emissions through several key initiatives. It has installed solar power systems with capacities of 110 kW and 130 kW at its two warehouses in Bhiwandi, generating a total of 254,467 units of renewable energy during the fiscal year 2023-24. This transition to solar energy plays a crucial role in reducing the Company's carbon footprint by lowering its reliance on fossil fuels. Additionally, MBL has successfully diverted 1,941 tonnes of old footwear from landfills. This effort not only mitigates waste but also reduces greenhouse gas emissions associated with landfill decomposition and the production of new materials. By repurposing this waste, the Company exemplifies how waste management challenges can be transformed into innovative solutions for reducing environmental impact and promoting sustainability.

3.6.1.9 Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year	Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	95.137 tonnes	80.0 tonnes
E-waste (B)	0.31 tonnes	0.32 tonnes
Bio-medical waste (C)	0 tonnes	0 tonnes
Construction and demolition waste (D)	0 tonnes	0 tonnes
Battery waste (E)	0 tonnes	0 tonnes
Radioactive waste (F)	0 tonnes	0 tonnes
Other Hazardous waste. Please specify, if any. (G)	0 tonnes	0 tonnes
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0 tonnes	0 tonnes
Total waste generated (A+B+C+D+E+F+G+H)	**95.447 tonnes**	**80.32 tonnes**
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.00000000412 tonne/₹	0.00000000391 tonne/₹
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.0000000914 tonne/₹	0.0000000868 tonne/₹
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	Current Financial Year	Previous Financial Year
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	933.24 tonnes	427.00 tonnes
(ii) Re-used	0 tonnes	Nil
(iii) Other recovery operations	0 tonnes	Nil
Total	**933.24 tonnes**	**427.00 tonnes**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.07 tonnes	Nil
(ii) Landfilling	0 tonnes	Nil
(iii) Other disposal operations	1,008 tonnes	473.00 tonnes
Total	**1,008.07 tonnes**	**473.00 tonnes**

*** In FY 2023-24, the Company has recycled/co-processed 1941.0 tons of old, discarded, footwear pairs in an eco-friendly manner.*

3.6.1.10 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.

3.6.1.11 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 in the following format:

S.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
MBL has no operations/offices in/around ecologically sensitive areas.			

3.6.1.12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable as the Company is a footwear retail company and does not use any hazardous and toxic chemicals directly in our day to day operations.					

3.6.1.13 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 (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the noncompliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company is a footwear retail company and complies with all applicable laws/regulations/guidelines in India. Non- compliance if any – Nil.				

3.6.2 Leadership Indicators

3.6.2.1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

3.6.2.1.1 For each facility/plant located in areas of water stress, provide the following information:

Name of the area	Nature of operations
None of our store, warehouses and Head Office are located in areas of water stress.	

3.6.2.1.2 Water withdrawal, consumption and discharge in the following format:

Parameter	Current Financial Year	Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Ground water	NA	NA
(iii) Third Party Water	NA	NA
(iv) Seawater/desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed/turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) To Ground water		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) To Sea water		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

3.6.2.2 Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	Current Financial Year	Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	7,636.88 tCO_2e	-
Total Scope 3 emissions per rupee of turnover	tCO_2e/₹	0.00032 tCO_2e/₹	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Disclaimer: Metro Brands Limited has recently commenced the collection of Scope 3 emissions data. Given the extensive process involved with numerous VCPs, the company is in the initial phase of this effort. The data presented may be subject to change as we continue to refine our collection methods. The Company is committed to continuously improving the accuracy of our data. Rigorous checks and validation processes will be implemented in the upcoming reporting cycle to ensure data reliability.

3.6.2.3 With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & 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.

3.6.2.4 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, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Processing of old, discarded, footwear - ODF in an eco-friendly manner	CSR project - https://metrobrands. com/csr-2023-2024-project/	Under The Company's CSR activities through the implementing partners, The Company process old, discarded, footwear in an eco-friendly manner. In FY 2023-24, the Company recycled/co-processed 1941 tons i.e. 46.71 lac pairs in an eco-friendly manner. As of date the Company coverage of processing old, discarded footwear vis-à-vis selling footwear pairs stands at 48.97%.
2	Installation of Solar Power Systems	The company installed solar power systems with capacities of 110 kW and 130 kW at its two warehouses in Bhiwandi.	During the FY 2023-24, these systems generated 254,467 units of renewable energy, avoiding 182 tonne CO_2e of the Company's carbon footprint for Scope 2.

3.6.2.5 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.

3.6.2.6 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.

To enhance commitment to sustainability and transparency, the company has implemented a sustainability platform, in FY 2023-24. This collaboration enables the Company to effectively manage, track, and report Scope 3 emissions from its VCPs. For the FY 2023-24, the Company has calculated total Scope 3 emissions and is progressing towards setting specific goals and commitments to mitigate any significant impacts arising from the value chain activities.

3.6.2.7 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

In FY 2023-24, the Company has made significant strides in assessing the environmental impacts of its VCPs. Approximately 44.91% of th VCPs by business value and 44.19% by count, were assessed for environmental impacts. The annual assessment covers various ESG factors, with a specific focus on environmental standards and impacts. The assessment includes, but is not limited to Energy consumption and efficiency measures, Waste management practices, Water usage and conservation efforts, Carbon footprint and emissions data

This data collection enables MBL to review environmental performance across our value chain and identify areas for enhancement. The Company aims to increase the percentage of assessed VCPs and deepen the environmental impact analysis in subsequent years.

3.7 PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

3.7.1 Essential Indicators

3.7.1.1 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

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Retailers Association of India (RAI)	National
2	The Council for Leather Exports (CLE)	National
3	Confederation of Indian Industry (CII)	National
4	All India Footwear Manufacturers and Retailers Association (AIFMRA)	National

3.7.1.2 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.

Name of authority	Brief of the case	Corrective action taken
No such incidents occurred.		

3.7.2 Leadership Indicators

3.7.2.1 Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/ Others – please specify)	Web Link, if available
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.					

3.8 PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

3.8.1 Essential Indicators

3.8.1.1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

3.8.1.2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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.						

3.8.1.3 Describe the mechanisms to receive and redress grievances of the community.

The Company has its Ethics Policy and Whistle Blower/Vigil Mechanism Policy in place. Since the Company's operations do not directly create any grave negative impact on the environment or society (unlike heavy industries) there are less operation related grievances. However, the Company is in constant touch with the community stakeholders under the CSR projects to understand their needs and aspirations.

3.8.1.4 Percentage of input material (inputs to total inputs by value) sourced from suppliers

	Current Financial Year	Previous Financial Year
Directly sourced from MSMEs/small producers	42%	43%
Directly from within India	87%	91%

3.8.1.5 Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	Current Financial Year	Previous Financial Year
Rural	0.66%	-
Semi-urban	18.49%	-
Urban	80.82%	-
Metropolitan	0.03%	-

3.8.2 Leadership Indicators

3.8.2.1 Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
Not applicable	

3.8.2.2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

S. No.	State	Aspirational District	Amount spent (In INR)
No CSR projects were undertaken in designated aspirational districts as identified by government bodies.			

3.8.2.3 Procurement Policy

3.8.2.3.1 Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)

No

The Company works with MSMEs (42% of business coming from MSMEs) and it is in the process of establishing a preferential procurement policy.

3.8.2.3.2 From which marginalized/vulnerable groups do you procure?

No

The Company works with MSMEs (42% of business coming from MSMEs) and it is in the process of establishing a preferential procurement policy.

3.8.2.3.3 What percentage of total procurement (by value) does it constitute?

42%

3.8.2.4 Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

3.8.2.5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

3.8.2.6 Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	NAPS – Direct implementation	228	100%
2	Renovate India - Cobblers empowerment project	7,888	100%
3	Fidai Girls Education Institute	86	100%
4	Sabrahad Educational Society	3,526	100%
5	Prince AliKhan Hospital - Cobblers Health project	1,401	100%
6	Studeasy Bharat Foundation	131	100%

Interesting Initiatives

Transforming Education in Rural India: A Story of Hope and Innovation

At Metro Brands Ltd., our CSR project, in partnership with Studeasy Bharat Foundation, is transforming rural education. We focus on key challenges in schools like Parkhandi High School in Wai and Nadgive Madhyamik School in Kankhavali, Maharashtra. By introducing smart classrooms, we make learning engaging and enjoyable, turning lessons into captivating videos that aid teachers in lesson planning. Additionally, our efforts include crucial infrastructure improvements, such as repairs and painting, enhancing the overall school environment. This project is further driven by the dedication of Mahesh Shinde and Atul Jadhav, alumni of these schools, who volunteer to track and ensure its success. Together, we are creating lasting impacts on our employees, village children, society and redefining the educational experience in these two schools of rural India.

3.9 PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

3.9.1 Essential Indicators

3.9.1.1 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 checking with the relevant 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 within the specified timeline and all efforts are taken to resolve the same.

3.9.1.2 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, Mochi & Walkway 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	

3.9.1.3 Number of consumer complaints in respect of the following:

	Current Financial Year			Previous Financial Year		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Others	25,121	0		23,625	0	

3.9.1.4 Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

The Company has a process of checking items which come to the warehouses . Any product if found of poor quality or unsafe is not taken in and is scrapped.

3.9.1.5 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.

The Company has Information Security Policy in place. However, the Company is in the process of updating the data privacy policy as per the Digital Personal Data Protection Act (DPDPA) act.

3.9.1.6 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.

MBL has Information Security Policy in place. However, the Company is in the process of updating its data privacy policy as per the DPDPA Act. No further issues reported.

3.9.1.7 Provide the following information relating to data breaches:

3.9.1.7.1 Number of instances of data breaches

No data breach reported for FY 2023-24.

3.9.1.7.2 Percentage of data breaches involving personally identifiable information of customers

No data breach reported for FY 2023-24.

3.9.1.7.3 Impact, if any, of the data breaches

No data breach reported for FY 2023-24.

3.9.2 Leadership Indicators

3.9.2.1 Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Website Links are as follows:

www.metroshoes.com

www.mochishoes.com

www.walkwayshoes.com

www.mybiofoot.com

www.fitflop.in

www.fila.co.in

www.proline.in

(The "Contact Us" page has details of Customer Care number and email ID along with their respective timings.)

3.9.2.2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All the Salesmen provide information to customers about safe and responsible usage of products. Also, the Company has mentioned the Care Instructions on the product detail page of our website.

3.9.2.3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

If any store is under renovation the Company triggers SMS to customers informing store will be closed for 1-2 months. The Company provides the address of any other store nearby.

3.9.2.4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) 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? (Yes/No)

Yes. The Company displays all necessary information required as per legal metrology. The Company has enabled Customer Satisfaction surveys to be asked to customer post transactions at our physical store. This is done via SMS. Feedback Data is monitored via a dashboard.

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, 2024, pursuant to the Listing Regulations.

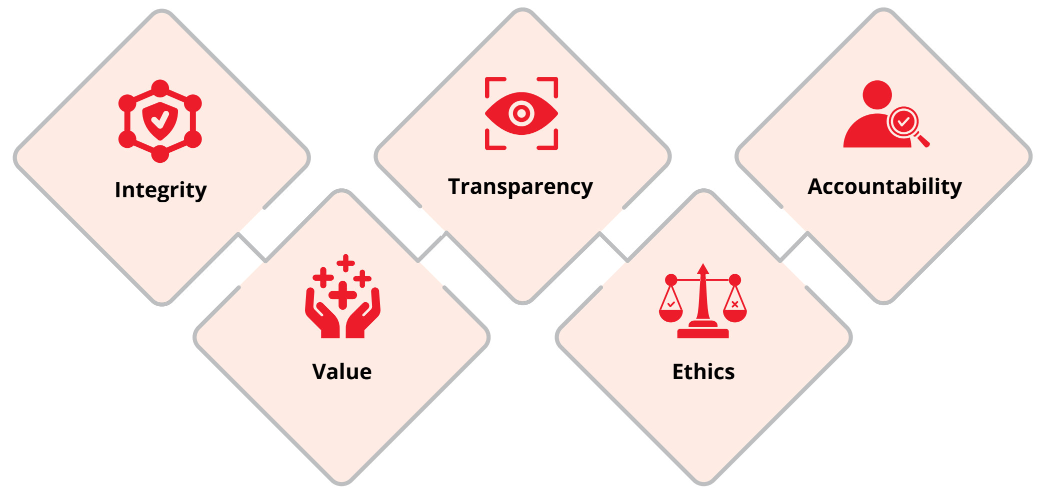
This Report is Divided into Below Sections

- Company's philosophy on Corporate Governance
- Board of Directors
- Committees of the Board
- General Meetings and Postal Ballot
- Means of Communication
- Other disclosures

1. Company's Philosophy on Corporate Governance

The Corporate Governance philosophy is founded on the principles of integrity, accountability, transparency, value and ethics. Through the Governance mechanisms , the Board of Directors ("Board") and its Committees undertake their fiduciary responsibilities to all their stakeholders, ensuring transparency, fair play and independence in decision making.

Core Principles of the Company's Governance



The Company has adopted an Ethics Policy applicable to all the Directors, officers, employees , merchandisers, sales managers, selling agents, and their staff. This Policy includes a mechanism for reporting any concern regarding non-adherence of the said Policy.

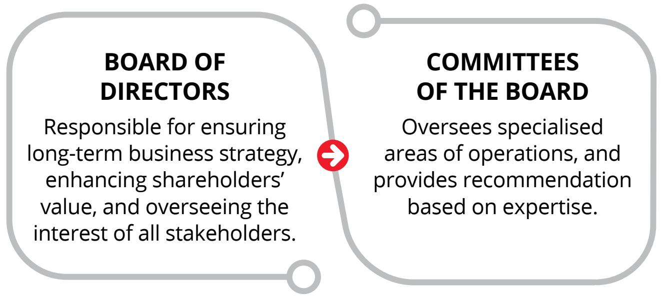
In addition, the Company has adopted a Code of Conduct for its Directors and SMP, as well as a Code for Independent Directors, as specified under Schedule IV to the Act and Regulation 26(3) of the Listing Regulations. Pursuant to Regulation 26(5) of the Listing Regulations, all members of the Senior Management have confirmed that there are no material, financial and commercial transactions in which they have a personal interest that may potentially conflict with the interests of the Company at large. In compliance with Regulation 26(3) of the Listing Regulations, all the Board Members and SMPs of the Company as on March 31, 2024 have affirmed adherence to their respective Codes of Conduct. A declaration to this effect, duly signed by the Chief Executive Officer of the Company, is reproduced at the end of this Report.

The Corporate Governance mechanism is further strengthened by the adoption of the Company's Code of Conduct for Prevention of Insider Trading, pursuant to Regulations 8 and 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**"SEBI PIT Regulations"**).

Risk management and the internal control process remain focus areas that meet progressive governance standards. The Company has implemented a comprehensive, robust, IT-enabled compliance management system for tracking, managing, and reporting on compliance with all applicable laws and regulations. Management presents a status report on a quarterly basis on regulatory compliance to the Board of Directors.

The Company complies 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 the Listing Regulations, as applicable to Corporate Governance.

Governance Structure and Defined Roles and Responsibilities



2. Board

The Board is responsible for ensuring long-term business strategy, enhancing shareholders' value, and overseeing the interest of all stakeholders.

The Directors actively participate in deliberations at Board and Committee Meetings, providing valuable guidance and expert advice to management on various aspects of business, policy direction, strategy, governance, compliance, and more. They play a critical role in strategic issues and add significant value to the Board's decision-making process.

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 the majority being Independent Directors including an Independent Woman Director. The Board composition is in conformity with the provisions of Sections 149, 152 of the Act and Regulations 17 and 17A of 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 of March 31, 2024, the Board consists of ten (10) Directors: three (3) Executive Directors, one (1) Non-Executive Nominee Director, and six (6) Independent Directors. Two (2) of the Directors are women. The day-to-day management of the Company's affairs is handled by the Executive Committee, which includes the Managing Director, CEO, CFO, and a few SMPs, who operate under the overall supervision and guidance of the Board. The Board plays a primary role as trustees, safeguarding and enhancing stakeholders' value through 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, 2024 is given below:

Name	DIN	Category	Number of Equity shares held as at March 31, 2024
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	10,466
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
Mr. Mithun Padam Sacheti	01683592	Non-Executive Independent Director	Nil

**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

During FY 2023-24, six (6) Board meetings were held in compliance with various provisions of the Act and the Listing Regulations. The interval between the two meetings was well within the maximum period specified under the Act and the Listing Regulations. Directors were also given the option to attend Board meetings via video conferencing. The necessary quorum was present for all meetings.

The attendance of each Director at the Board Meetings and the last AGM held during FY 2023-24, along with the number of directorships and committees in other companies, where they are members/chairperson as of March 31, 2024, are provided below:

Name of the Director	No. of Board Meetings attended during FY 2023-24	Whether attended last AGM held on September 13, 2023	No. of directorships in other companies°	No. of committee positions held in other companies *	
				Chairperson	Member
Mr. Rafique Abdul Malik	6 of 6	Yes	1	0	2
Ms. Farah Malik Bhanji	6 of 6	Yes	1	-	-
Mr. Mohammed Iqbal Hasanally Dossani	6 of 6	Yes	1	-	-
Mr. Utpal Hemendra Sheth	6 of 6	Yes	5	-	2
Mr. Manojkumar Madangopal Maheshwari	6 of 6	Yes	4	1	2
Ms. Aruna Bhagwan Advani	6 of 6	Yes	-	-	-
Mr. Arvind Kumar Singhal	6 of 6	Yes	1	1	2
Mr. Vikas Vijaykumar Khemani	4 of 6	Yes	6	-	1
Mr. Srikanth Velamakanni	6 of 6	Yes	2	-	-
Mr. Mithun Padam Sacheti#	2 of 3	NA	1	-	-

1. *°Excluding directorship held in the Company, 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 in other companies, excluding the Company.*
3. *#Mr. Mithun Padam Sacheti (DIN: 01683592) was appointed as an Independent Director of the Company with effect from October 19, 2023.*

Notes:

1. During FY, none of the Directors served as an Independent Director in more than seven (7) listed companies. None of the Directors on the Board held the office of Director in more than 20 companies, including ten (10) public companies. The Executive Directors did not serve as Independent Directors in more than three (3) listed companies. All Directors are in compliance with the limits on directorships/independent Directorships in listed companies as prescribed under Regulation 17A of the Listing Regulations.
2. None of the Directors are a member of more than ten (10) committees nor are they a chairperson of more than five (5) committees across all the public limited companies, whether listed or unlisted, in which they are a Director. The committees considered for this purpose are those specified in Regulation 26(1)(b) of the Listing Regulations, i.e., the Audit Committee and the Stakeholders' Relationship Committee.
3. None of the Directors are related to one another in accordance with Section 2(77) of the Act and the rules made thereunder, except for Mr. Rafique Abdul Malik, Chairman, and Ms. Farah Malik Bhanji, Managing Director.
4. During the FY ended March 31, 2024, none of the Independent Directors of the Company resigned. Therefore, disclosure of detailed reasons for 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, 2024

Name	Name of the other listed Companies and Category of the Directorships
Mr. Rafique Abdul Malik	1. Ador Fontech 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) 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	-
Mr. Arvind Kumar Singhal	1. Blue Star Limited – Director (Non-Executive, Independent)
Mr. Vikas Vijaykumar Khemani	-
Mr. Srikanth Velamakanni	NIIT Limited - (Non-Executive, Independent) IdeaForge Technology Limited - (Non-Executive, Independent)
Mr. Mithun Padam Sacheti	-

2.4 Meetings of the Board

During FY, six Board meetings were held and the gap between two Board meetings did not exceed one hundred twenty (120) days as prescribed under the Act and Listing Regulations. The annual calendar of Board meetings is agreed upon at the beginning of each year.

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 information as required under Schedule II (Part A) of the Listing Regulations is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated at least seven days prior to the meeting. Documents having consent of Board. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

The minutes of all Board and Committees meetings are circulated to the Directors as per provisions of the Act. Video conferencing facilities are used as and when required to facilitate Directors at other locations to participate in the Meetings.

The Board also, *inter alia*, reviews the strategy, annual business plan, capital expenditure budgets, adoption of quarterly/ half yearly/ annual financial results, compliance reports on all laws applicable to the Company, minutes of committees meetings and minutes of subsidiary companies.

Six (6) Board Meetings were held during the FY ended March 31, 2024, as below:

i. May 23, 2023,
ii. August 1, 2023,
iii. October 19, 2023,
iv. November 29, 2023
v. January 18, 2024, and
vi. March 15, 2024.

The requisite quorum was present at the above Meetings. During the FY, the Board also transacted some of its business by passing resolutions by circulation.

The Company did not have any pecuniary relationships or transactions with any of its Non-Executive Directors during the FY under review, except for payment of the sitting fees and commission paid to the Independent Directors. The Company has not granted any stock options to its Independent Directors.

With a view to leverage technology and reduce paper consumption, the Company has adopted a web-based application for transmitting Board/Committee agendas and pre-reads. The Directors of the Company receive the agenda and pre-reads in electronic form through this application, which can be accessed through web browsers, iPad, laptops, and mobile phones. The application meets high standards of security and integrity that are required for storage and transmission of Board/ Committee agendas and pre-reads in electronic form.

The Company has an effective governance mechanism wherein, the important decisions and suggestions of the Board and Committees are communicated to the respective functional departments after the meetings. Post-meeting follow-up; reviews, and action taken reports for the discussions are placed at the subsequent meetings of the Board and the Committees.

2.5 Directors Remuneration

The NRC Committee has adopted a policy for selection and appointment of Directors, including determining qualifications and independence of Directors, KMPs and SMPs, 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 remuneration of Mr. Mohammed Iqbal Hasanally Dossani, Whole–time Director was revised in the AGM held on September 13, 2023 for the remaining period of his term of appointment.

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 for attending Board meetings and Committee meetings. 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 2023-24 are as follows:

(₹ in Crore)

Name	Salary			Commission			
	Basic	Perquisites/ Allowances	Total	Others	Sitting Fees	Total Remuneration	Service Contract / Notice Period / Severance Fees
Mr. Rafique Abdul Malik	6.00	0.45	6.45	1.73	0.00	8.18	5 years with effect from April 1, 2022
Ms. Farah Malik Bhanji	2.56	0.15	2.71	0.73	0.00	3.44	5 years with effect from April 1, 2022
Mr. Mohammed Iqbal Hasanally Dossani	0.19	0.44**	0.64	0.00	0.00	0.64	5 years with effect from June 25, 2021
Mr. Utpal Hemendra Sheth*	-	-	-	-	Nil	Nil	Retire by Rotation
Mr. ManojKumar Madangopal Maheshwari	-	-	-	0.47	0.43	0.90	Re – appointed for 5 years with effect from February 6, 2020
Ms. Aruna Bhagwan Advani	-	-	-	0.47	0.40	0.87	Re – appointed for 5 years with effect from February 6, 2020
Mr. Arvind Kumar Singhal	-	-	-	0.47	0.26	0.73	Re – appointed for 5 years with effect from August 11, 2021
Mr. Vikas Vijaykumar Khemani	-	-	-	0.47	0.26	0.73	Re-appointed for 5 Years with effect from March 12, 2024
Mr. Srikanth Velamakanni	-	-	-	0.47	0.24	0.71	Appointed for 5 Years from the date of appointment i.e., from March 25, 2021
Mr. Mithun Padam Sacheti#	-	-	-	0.015	0.006	0.0.21	Appointed for 5 Years from the date of appointment i.e., from October 19, 2023

1. **Mr. Utpal Hemendra Sheth, Non-Executive Nominee Director, voluntarily waived his right to receive any remuneration.*
2. *** Includes ₹ 0.44 crore perquisite value on exercise of stock options.*
3. *#Mr. Mithun Padam Sacheti (DIN: 01683592) was appointed as an Independent Director of the Company with effect from October 19, 2023.*

Notes:

Except Mr. Mohammed Iqbal Hasanally Dossani, none of the Directors hold stock options as of March 31, 2024. 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 to 5th year at the rate of 20% options per annum subject to the terms and conditions as provided in ESOP, 2008. During the FY 2023-24, Mr. Dossani has exercised 4,503 stock options on October 1, 2023 converting them into 4,503 Equity Shares of ₹ 5 each which were issued at par value.

2.6 Independent Directors

A formal letter of appointment to Independent Directors as provided in the Act has been issued at the time of their appointment and draft of the same is disclosed on the 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 2023-24.

2.6A Independent Directors' Meeting

The Independent Directors met on March 1, 2024 without the presence of Non-Independent/Executive Directors and members of the Management. During this meeting, the Independent Directors, among other matters, reviewed the performance of the Non-Independent Directors and the Board as a whole, assessed the performance of the Chairman of the Board, and evaluated the quality, quantity, and timeliness of information flow between Management and the Board of Directors.

In addition to these formal meetings, the Chairman interacts with Independent Directors outside of Board Meetings. Independent Directors also have access to Statutory Auditors, Internal Auditors, Secretarial Auditors, and Management for discussions and queries, as needed.

2.6B Familiarization Programme for Independent Directors

The Company has a familiarization programme for its Independent Directors and other Non-Executive Directors which, inter alia, includes briefings on:

a. Role, responsibilities, duties, and obligations as a member of the Board.

b. Nature of business and business model of the Company.

c. Strategic directions for businesses.

d. Mergers & acquisitions and investment opportunities.

e. Macro-economic outlook and business conditions.

f. Matters relating to governance.

Board meetings begin with a recap of the strategic direction for the business, providing valuable insights for Directors. New Directors are taken through a detailed induction and familiarisation programme when they join the Board of the Company. The induction programme is exhaustive and includes information & documents on the Company profile, codes and policies, strategy documents, and other operational details.

Directors are continually familiarized with the Company's performance, risk management, HR processes, IT, CSR, safety, sustainability, regulatory developments, and governance initiatives.

Through Board strategy meetings, Directors interact with Company management.

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 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 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 above mentioned 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 Member's name does not mean that the Member does not possess the corresponding qualification or skill.

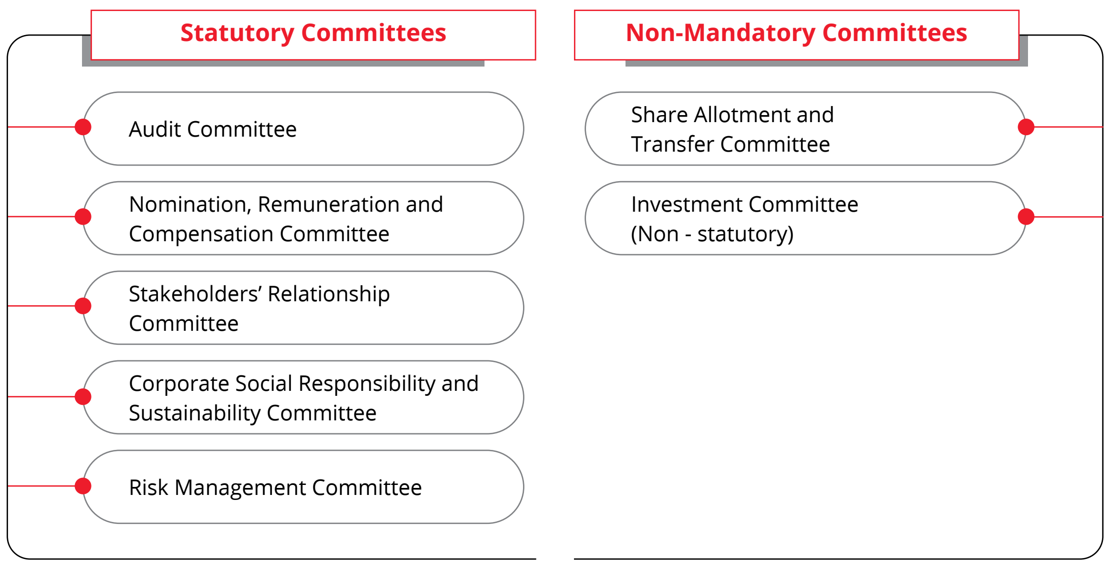
In the table below, the specific areas of expertise of individual Board Members are as under:

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	✓	✓		✓	✓
10.	Mr. Mithun Padam Sacheti	✓	✓	✓	✓	✓

3. Committees of Board

The Committees constituted by the Board 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. They are responsible for overseeing specialized areas of operations, and provide recommendations based on expertise. They also provide specific recommendations to the Board on matters in their areas of purview. The Chairperson of the respective Committee informs the Board about the summary of the discussions held at the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the Meeting, as appropriate.

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 follows:



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 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 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, 2024, 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 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 modifications of 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) scrutinizes 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, the 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 the 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 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 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 Listing Regulations.

Five (5) meetings of the Committee were held during the FY ended March 31, 2024 as below:

i. May 23, 2023,

ii. August 1, 2023,

iii. October 19, 2023,

iv. January 18, 2024, and

v. March 15, 2024

Requisite quorum was present at the above Meetings. The gap between any two Meetings did not exceed one hundred and twenty (120) days. The minutes of each of the Audit Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

Internal Auditors are also invited to present quarterly reports in the meetings of the Audit Committee. All the recommendations of the Audit Committee made in FY 2023-24 have been duly accepted by the Board.

The composition of the Committee and the attendance details of the Members are given below:

Name of the 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	4 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 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 Committee also plays the role of the compensation committee and is responsible for administering stock option schemes as applicable to the employees of the Company.

The terms of reference of the NRC Committee are as per the guidelines set out in Part D (A) of Schedule II of the Listing Regulations and include as follows:

(a) identify persons who are qualified to become directors or who may be appointed to senior management in accordance with the criteria laid down, recommend to the Board their appointment and 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 SEBI PIT Regulations 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 Listing Regulations or any other applicable law or by regulatory authority

Five (5) meetings of the NRC Committee were held during the FY ended March 31, 2024, as below:

i. May 23, 2023
ii. August 1, 2023
iii. October 19, 2023
iv. January 18, 2024 and
v. March 15, 2024

Requisite quorum was present at the above Meetings. All the recommendations of the NRC Committee made in FY 2023-24 have been accepted by the Board of Directors. The minutes of each NRC meeting are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by the requisite majority of the Committee members.

The composition of the NRC Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings attended
Ms. Aruna Bhagwan Advani (Chairperson)	Non-Executive Independent Director	5 of 5
Mr. Manojkumar Madangopal Maheshwari (Member)	Non-Executive Independent Director	5 of 5
Mr. Utpal Hemendra Sheth (Member)	Non-executive Nominee Director	4 of 5

The Company has formulated a Nomination, Remuneration & Compensation Policy which has been uploaded on the website of the Company at https://metrobrands.com/wp-content/uploads/2024/07/NRCPolicy.pdf

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 the performance of Independent Directors. The evaluation is based on the following criteria on 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 or her views on the issues discussed at the Board; and
4. Keeps himself or herself updated on areas and issues that are likely to be discussed in the Board meetings.

3.3. Stakeholders Relationship Committee ('SRC')

The SRC is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. The SRC is constituted in accordance with Section 178(5) of the Act and Regulation 20 of the 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 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, issuance 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 any other functions as may be specified by the Board from time to time or specified under the Act or Listing Regulations, or by any other regulatory authority.

During FY 2023-24, the Committee met once on October 11, 2023. The requisite quorum was present at the above meeting. The Company Secretary and Compliance Officer acts as the Secretary of the SRC. All recommendations of the SRC made in FY 2023-24 have been accepted by the Board of Directors. The SRC meeting minutes are placed at the next Board meeting. All decisions and recommendations made by the Committee were approved by requisite majority of its members.

The composition of the SRC and the attendance details of the Members are given below:

Name of the 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

SCORES (SEBI Complaints Redress System) Platform:

As a measure of speedy redressal of investor grievances, the Company has registered on SCORES 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 endeavors to redress the grievances of the Investors as soon as it receives the same from the respective forums.

Online Dispute Resolution (ODR) Mechanism

As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES/ with Stock Exchanges, as detailed in the Escalation Matrix for Investor grievance. After exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. During the FY under review, there were no complaints filed under the SEBI Smart ODR Mechanism.

Investor Grievances:

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 – 27*
- Total complaints resolved – 27
- Closing balance – NIL

**Primarily grievance related to non receipt of dividend.*

Name, designation and address of Compliance Officer under Regulation 6(1) of the Listing Regulations:

Ms. Deepa Sood, Senior 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/2024/07/CSRPolicy.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.

Four (4) meetings of the Committee were held during the FY ended March 31, 2024, as below:

i. May 10, 2023,
ii July 27, 2023,
iii October 10, 2023 and
iv February 26, 2024

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 2023-24 have been accepted by the Board. The minutes of each of the CSR Committee meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

The composition of the Committee and the attendance details of the Members are given below:

Name of the 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	3 of 4

3.5. Risk Management Committee ('RMC')

With an embedded approach to Risk Management which puts risk and opportunity assessment at the core of the Board's agenda, the Company has constituted a RMC, in line with the 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/2024/07/RiskManagementPolicy.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:

i. Formulating a detailed risk management policy for inter alia risk assessment and minimization procedures;

ii. Ensuring that appropriate methodology, processes and systems. are in place to monitor and evaluate risks associated with the business of the Company;

iii. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems including cyber security;

iv. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

v. Keeping the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

vi. Review of the appointment, removal and the terms of remuneration of the Chief Risk Officer;

vii. 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

viii. 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.

Three (3) meeting of the Committee were held during the FY ended March 31, 2024 as below:

i. May 10, 2023,
ii. October 5, 2023, and
iii. February 26, 2024

The gap between two meetings was not more than 180 days as stipulated under the Listing Regulations. Requisite quorum was present at the said meeting. 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 2023-24 have been accepted by the Board. The minutes of each of the RMC meetings are placed at the next meeting of the Board. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Members	Category	No. of Meetings attended
Ms. Farah Malik Bhanji (Chairperson)	Managing Director	3 of 3
Mr. Vikas Vijaykumar Khemani (Member)	Non-Executive Independent Director	3 of 3
Mr. Kaushal Khodidas Parekh (Member)	Chief Financial Officer	3 of 3

B. Non-Mandatory Committee

Share Allotment and Transfer ('SAT') Committee

The SAT 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 terms of reference of the SAT Committee are: -

i. Review & scrutiny of applications for issue and allotment of shares;

ii. Decide the basis of allotment of shares to the applicants;

iii. Authorise the RTA to initiate corporate action with respect to successful allottees;

iv. Issue the allotment letters / refund orders to the applicants;

v. 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;

vi. Any other matter related to issue, allotment and transfer of shares.

The SAT Committee comprises one (1) Executive Director who is also the Chairperson of the Committee, one (1) Non-Executive Director and Chief Executive Officer of the Company.

During the FY under review, the SAT Committee has approved allotment of 1,80,881 shares arising out of the exercise of stock options by Eligible Employees under Metro Stock Option Plan, 2008 via circular resolutions passed at different dates. The resolutions passed by the SAT Committee are placed before the Board of Directors in the next Board Meeting.

The composition of the SAT Committee is given below:

Name of the Members	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 which is a 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, 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 Investment Committee is given below:

Name of the Members	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, 2021	August 20, 2021 at 5:00 p.m.	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 p.m.	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, 2023	September 13, 2023 at 3:00 p.m.	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	
August 20, 2021	Yes	1	To consider appointment of Mr. Srikanth Velamakanni (DIN: 01722758) as an Independent Director of the Company effective 25th March, 2021.
		2	To consider re-appointment of Mr. Arvind Kumar Singhal (DIN: 00709084) as an Independent Director of the Company effective 11th August, 2021.
		3	To consider renewal of appointment of Mr. Rafique Abdul Malik (DIN: 00521563) as the Chairman of the Company effective 1st April, 2022.
		4	To consider renewal of appointment of Ms. Farah Malik Bhanji (DIN: 00530676) as the Managing Director of the Company effective 1st April, 2022.
		5	To appoint Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594) as the Whole-Time Director of the Company effective 25th June, 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		-
September 13, 2023	Yes	1	To consider re-appointment of Mr. Vikas Vijaykumar Khemani (DIN: 00065941) as an Independent Director of the Company effective March 12, 2024.
		2	To ratify and increase overall remuneration limit for Mr. Mohammed Iqbal Hasanally Dossani (DIN: 08908594), Whole-time Director of the Company.

Extraordinary General Meeting ('EGM')

No EGM of the Members was held during FY 2023 -24.

Postal Ballot

During the FY 2023-24, the following special resolution was passed through Postal Ballot:

Date of postal ballot notice	Special resolution passed	Approval date	Voting Pattern	
			% of votes cast in favour	% of votes cast against
November 14, 2023	Appointment of Mr. Mithun Padam Sacheti (DIN: 01683592) as an Independent Director of the Company to hold office for a period of 5 consecutive years from October 19, 2023 to October 18, 2028.	December 13, 2023	99.9997	0.0002

Procedure adopted for Postal Ballot was in compliance with Regulation 44 of the Listing Regulations, Sections 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"). The Company had provided electronic voting facility to all its members.

The Company had engaged the services of Link Intime India Private Limited, the Registrar and Share Transfer Agent for the purpose of providing electronic voting facility to all its members.

M/s. MSDS & Associates, Company Secretaries (Firm Registration Number: P2020MH084300) were appointed as the Scrutinizer for carrying out the aforesaid Postal Ballot voting process through electronic means in a fair and transparent manner. Ms. Meghna Shah (Membership No.F9425), Partner represented M/s. MSDS & Associates, Company Secretaries.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/Link Intime India Private Limited. The Company also published the notice in the newspapers declaring the details of completion of dispatch, e-voting details, and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by ICSI. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date. The notice of aforesaid Postal Ballots are available on the Company's website at https://metrobrands.com/agm-egm-notices/.

The Scrutinizer submitted its report to the Chairman of the Company, after the completion of scrutiny and the consolidated results of the voting by Postal Ballot were then announced. The voting results pursuant to Regulation 44(3) of the Listing Regulations and Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, and Scrutinizer's Report on remote e-voting were placed on the Company's website at https://metrobrands.com/agm-egm-notices/ and were available on the website of the Stock Exchanges. No Special Resolution(s) requiring a Postal Ballot is being proposed at the ensuing AGM of the Company.

5. Means of Communication

Effective communication of information is an essential component of Corporate Governance:

i. Results Announcements:

The quarterly, half-yearly and annual Financial Results of the Company are published in leading newspapers in India which include Financial Express (English-language daily) and Loksatta (Marathi-language 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.

ii. Press Releases:

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/.

iii. Annual Report:

Annual Report containing, *inter alia*, the Report of Board of Directors, Corporate Governance Report, Additional Shareholder's Information, the Business Responsibility and Sustainability Report, Management's Discussion and Analysis, audited Standalone and Consolidated Financial Statements together with Auditor's Report and other important information are circulated to the Members. The Annual Report is also available on the website of the Company in a downloadable form at https://metrobrands.com/annual-report/

The Management Discussion and Analysis report is provided separately as part of this Annual Report.

iv. Annual General Meeting:

At the AGM, the Shareholders also interact with the Board and the Management.

v. Company's Website:

In compliance with Regulation 46 of the 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 Transcript of the AGM is also available on the website of the Company.

vi. Analysts Meetings and Presentation:

As per the requirements of Listing Regulations, the presentations, audio and video recordings and transcripts of investor conferences are available of the website of the Company at https://metrobrands.com/stock-exchange-disclosures/

The Company also conducts calls/meetings with investors regularly and post declaration of financial results to brief on the performance of the Company. These calls/meetings are attended by the CEO and CFO of the Company.

vii. Designated Email IDs:

In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz. investor.relations@metrobrands.com exclusively for investor servicing.

viii. Stock Exchanges:

All price sensitive information and matters that are material to Shareholders are disclosed to the Stock Exchanges where the securities of the Company are listed i.e. BSE and NSE.

The quarterly results, quarterly reporting required under SEBI Regulations and all other corporate communications to the Stock Exchanges are filed with the Stock Exchanges for dissemination on their respective websites.

ix. SEBI, Stock Exchanges' and RTA Investor Grievance Redressal System:

SCORES platform of SEBI, 'Investor Complaints' sections of BSE and NSE websites, and Investor Self-Service Portal by RTA facilitate investors to file complaints online 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.

x. Policies of the Company:

The policies of the Company are uploaded at the website of the Company at https://metrobrands.com/policies/

6. Other Disclosures

Related Party Transactions

In terms of Regulation 23 (1) of the Listing Regulations, the Board of Directors has approved and adopted a policy on Related Party Transactions ("RPTs") and the same has been uploaded on the website of the Company and can be accessed at https://metrobrands.com/wp-content/uploads/2024/07/RPTPolicy.pdf

All RPTs entered into by the Company, were approved by the Audit Committee and were in the ordinary course of business and at arm's length basis. The Audit Committee also granted prior omnibus approval for RPTs which are in the ordinary course of business and on an arm's length basis that are repetitive in nature, in line with the Policy on Dealing with and Materiality of Related Party Transactions and the applicable provisions of the Act read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force). The Audit Committee reviewed on a quarterly basis, the details of RPTs, entered into by the Company pursuant to the omnibus approval granted. The Company did not enter into any material RPTs nor did it enter into any significant transaction with its related parties that may have a potential conflict with the interests of the Company. The RPTs undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules issued thereunder and relevant provisions of the Listing Regulations. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements.

The Register of Contracts containing transactions in which Directors are interested is placed before the Board quarterly. Pursuant to Regulation 23(9) of the Listing Regulations, the Company had filed the half-yearly reports on related party transactions with the stock exchanges on which the equity shares of the Company are listed.

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

In accordance with the SEBI PIT Regulations, the Company has a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons ("Code for Prevention of Insider Trading") and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure").

Further, the Company has established systems and procedures to prohibit insider trading activity.

The Code for Prevention of Insider Trading is reviewed and amended suitably from time to time, to incorporate the amendments carried out by SEBI. All compliances relating to the Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal onboarded by the Company. The Company periodically circulates the informative emails on prevention of Insider Trading, Do's and Don'ts, etc. to the Designated Persons to familiarise them with the provisions of the Code for Prevention of Insider Trading and educate and sensitize them on various aspects of Code for Prevention of Insider Trading. The management also conducted several trainings and workshops with the Designated Persons to create awareness on various aspects of the Code for Prevention of Insider Trading and the SEBI PIT Regulations and to ensure that the internal controls are adequate and effective to ensure compliance. These activities have created substantial awareness amongst the Designated Persons. During the FY, the Audit Committee has reviewed the compliance with the provisions of the SEBI PIT Regulations and has verified that the systems for internal controls are adequate and operating effectively.

Any non-compliances of the SEBI PIT Regulations is promptly intimated to the Stock Exchanges in the prescribed format and penalty, if any, is being directly deposited by the Designated Person with SEBI's Investor Protection and Education Fund. A summary of non-compliances by the Designated Person is reviewed by Audit Committee on quarterly basis.

The Board has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure as per the requirements of the SEBI PIT Regulations. The Code for Prevention of Insider Trading and Code of Fair Disclosure is available on the Company's website at https://metrobrands.com/policies.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to ensuring that all the employees work in an inclusive environment that allows them to bring their best selves at workplace. The Company also strives to provide a work environment where every person is treated with dignity, respect and fairness.

The Company has formulated a Policy on Prevention of Sexual Harassment in accordance with the provisions of the POSH Act and the Rules made thereunder. This Policy aims to create a workplace that promotes diversity and equality and also fosters mutual trust, equal opportunity and respect for human rights. An Internal Complaints Committee has been established to address complaints of sexual harassment.

The following are the details of the complaints during the FY under review:

Sr. No.	Particulars	FY 2022-23	FY 2023-24
a.	Number of complaints filed during the FY	1	1
b.	Number of complaints disposed of during FY	NIL	2*
c.	Number of complaints pending as on end of the FY	1	NIL

*Note: *Pending complaint of FY 2022-23 was resolved in April 2023.*

Statutory Non-compliance and Penalties

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital market during the last three years.

There were no cases material in nature, which may lead to material loss or expenditure to the Company. 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 Listing Regulations, as amended, the Senior Management Personnel (SMP) of the Company as on March 31, 2024, 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 - Sports Division, E-Commerce and CRM
6.	Ms. Deepa Sood	Vice President - Legal & Company Secretary
7.	Mr. Aashish Mashruwala	Vice President - Sales Metro
8.	Mr. Arun Pillay	Assistant Vice President - BD Projects and Administration
9.	Mr. Nishitosh Nand	Assistant Vice President - Merchandise Planning
10.	Mr. Manoj Singh	Assistant Vice President - Sales Walkway
11.	Mr. Shaji Thekkayil	Senior Vice President & Head Strategic Businesses & Brands
12.	Mr. Amit Kumar	Senior Vice President – Buying & Merchandising

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. Shaji Thekkayil	Senior Vice President & Head Strategic Businesses & Brands	August 8, 2023
2.	Mr. Amit Kumar	Senior Vice President – Buying & Merchandising	October 5, 2023

(ii) Resignation:

Sr. No.	Name of the SMP	Designation	Date of Appointment
1	Ms. Deepika Deepti	Senior Vice President – Marketing	March 26, 2024

(iii) Change in SMP (No more SMP but continue as full time employee):

Sr. No.	Name of the SMP	Designation	Date of Change
1.	Mr. Maulik R. Desai	Vice President – Business Head Crocs	March 15, 2024
2.	Ms. Shuchi Singh	Vice President – E-Commerce	March 15, 2024
3.	Mr. Anil Bhalla	Assistant Vice President -Business Head FitFlop	March 15, 2024
4.	Ms. Soni Rastogi	Assistant Vice President - Business Head Fila	March 15, 2024

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 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 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.

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/2024/07/PolicyonMaterialSubsidiary.pdf

Commodity Price Risks or Foreign Exchange Risks and Hedging Activities

This has been discussed in the Management Discussion and Analysis, which forms part of the Annual Report.

Compliance Certificate from CEO and CFO

As required by Regulation 17(8) of the 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 Listing Regulations. The Company has submitted the compliance report in the prescribed format to the Stock Exchanges for all the quarters in FY under review. 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 Listing Regulations.

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 Listing Regulations, the compliance certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

The Company has also obtained 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 and the same forms part of the Annual Report.

Payment to Statutory Auditors in FY 2023-24

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 (including Limited Review Report)	42.50
Tax Audit Fees	1.50
One-time fees towards audit procedures performed for demerger of FILA business from the wholly owned subsidiary to the Company	6.00
TOTAL	**50.00**

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/2024/07/WhistleBlowerPolicy.pdf

There was one instance of such reporting during the FY, which was duly reported to the Board and Audit Committee and resolved during the said FY.

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 April 30, 2024 on the website of the Company at https://metrobrands.com/unpaid-unclaimed-dividends/

Nodal Officer under IEPF Rules:

Details of Nodal Officer of the Company, appointed in accordance with the provisions of IEPF Rules, are given below. The same is also available on the website of the Company at https://metrobrands.com/investor-contact/

Name: Mr. Kaushal Khodidas Parekh, Chief Financial Officer

Email ID: kaushal.parekh@metrobrands.com

Code of Conduct

The Code of Conduct for Directors and SMP is available at the website of the Company at https://metrobrands.com/wp-content/uploads/2024/07/CodeOfConduct-BoardSMP.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 SEBI PIT Regulations.

7. General Shareholder Information

FY: The FY of the Company is from April 1 to March 31.

AGM for FY 2023-24

Date and Time	:	Thursday, September 19, 2024 at 3.00 p.m.
Venue Facility	:	Annual General Meeting through Video Conferencing / Other Audio-Visual Means [Deemed Venue for Annual General 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 2024-25 (Tentative and subject to change)

Results for quarter ending June 30, 2024	:	On or before August 14, 2024
Results for quarter ending September 30, 2024	:	On or before November 14, 2024
Results for quarter ending December 31, 2024	:	On or before February 14, 2025
Results for quarter ending 31st March 31, 2025	:	On or before May 28, 2025
Annual General Meeting for the FY ending March 31, 2025	:	On or before September 30, 2025

Book Closure Date

Your Company's Share Transfer Books and Register of Members of Equity shares shall remain closed from September 13, 2024 to September 19, 2024 (both days inclusive) for the purpose of Annual General Meeting.

Dividend Payment Date: The Dividend, if declared at AGM, will be paid on or after September 23, 2024.

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 2023-24. The Company has paid Listing Fees for the FY 2024-25 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
National Securities Depository Limited	INE317I01021
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 2023-24 on NSE and BSE are given below:

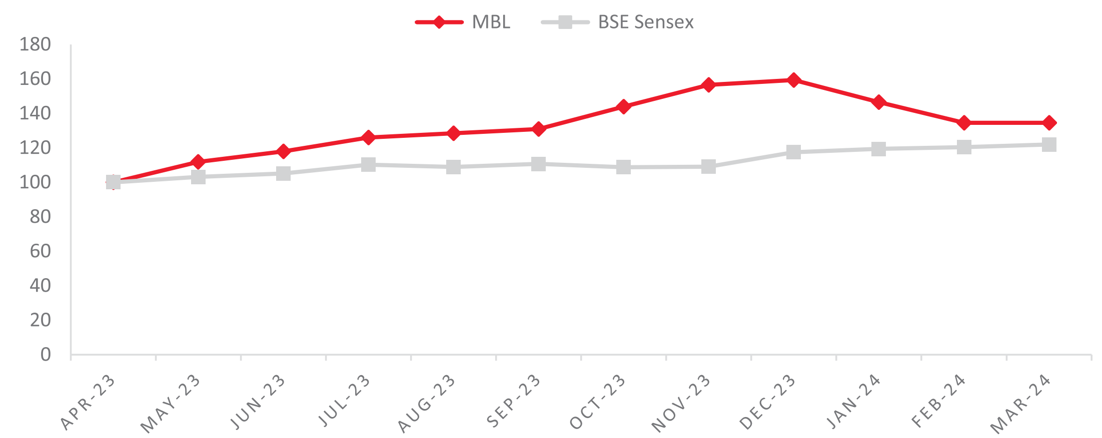
Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	No. of Shares Traded	High (in ₹)	Low (in ₹)	No. of Shares Traded
April 2023	877.75	784.45	1,30,585	879.75	788.00	2,757,918
May 2023	990.90	830.45	3,14,593	991.10	828.00	5,110,770
June 2023	1,031.50	930.00	1,78,139	1,034.30	929.00	2,904,076
July 2023	1,109.00	939.20	1,75,480	1,110.00	940.00	2,634,905
August 2023	1,127.90	988.90	1,52,991	1,127.20	982.55	3,225,772
September 2023	1,147.80	994.00	88,312	1,149.80	985.55	2,819,309
October 2023	1,298.00	1,113.30	3,48,451	1,298.80	1,112.20	8,119,933
November 2023	1,440.45	1,162.20	1,26,311	1,441.20	1,160.50	3,131,581
December 2023	1,402.65	1,241.90	1,43,078	1,404.95	1,242.75	1,857,262
January 2024	1,315.60	1,050.05	2,34,599	1,317.25	1,055.75	4,493,298
February 2024	1,181.85	1,022.10	1,95,173	1,183.20	1,021.50	4,160,353
March 2024	1,237.95	1,016.50	4,19,915	1,238.50	1,016.05	10,914,977

[Source: This information is compiled from the data available from the website of BSE & NSE]

Share Price Performance in Comparison to Broad Based Indices – BSE Sensex

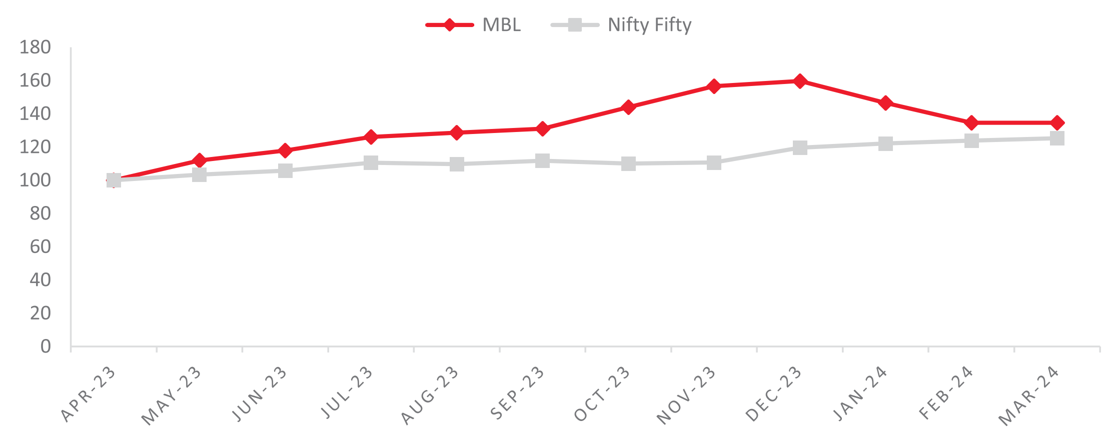
Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex

Base 100 = Monday, April 1, 2023



Average monthly closing price of the Company's shares on NSE as compared to NSE Nifty

Base 100 = Monday, April 1, 2023



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 authority to the RTA to handle share transfers, splits, consolidations, sub-divisions, issuance of duplicate share certificates, re-materialization, and dematerialization as requests are received. Shares held in dematerialized form are traded electronically in the Depositories. As of March 31, 2024, no equity shares were pending transfer.

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained the yearly certificates from a Company Secretary in Practice to ensure due compliance with share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with SEBI requirements. The Reconciliation of Share Capital Audit reports for the FY under review have been filed with the stock exchange within thirty (30) days 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 dematerialized form w.e.f. April 1, 2019. Accordingly, your Company and our RTA have stopped accepting any fresh lodgment of transfer of shares in physical form.

Distribution of Shareholding on the basis of shareholders class as on March 31, 2024:

Distribution Schedule as on March 31, 2024

Sr. No	No. of Shares	No. of Shareholders	% of Total Shareholders	Share Amount (₹)	% of Total Share Amount
1	1 to 2500	62,243	98.2758	1,29,51,230	0.9526
2	2501 to 5000	432	0.6821	15,54,865	0.1144
3	5001 to 10000	229	0.3616	16,28,335	0.1198
4	10001 to 15000	87	0.1374	10,64,350	0.0783
5	15001 to 20000	43	0.0679	7,62,155	0.0561
6	20001 to 25000	22	0.0347	5,02,165	0.0369
7	25001 to 50000	69	0.1089	25,28,015	0.1859
8	50001 and above	210	0.3316	1,33,85,79,395	98.456
	TOTAL :	**63,335**	**100**	**1,35,95,70,510**	**100**

Distribution of Shareholding (Category wise) as on March 31, 2024

Category	No. of Shareholders	No. of Shares held	% of Shareholding
Promoters	18	20,16,40,995	74.16
Insurance Companies	7	11,31,376	0.41
Bodies Corporate	287	6,28,780	0.23
Non-Resident Indians (NRI's)	1,184	2,07,956	0.076
Resident Individuals /others	60,820	5,98,60,566	22.07
Clearing Members	7	1,386	0.00
Hindu Undivided Family	954	1,32,082	0.04
Alternate Investment Funds (AIF)	8	10,12,887	0.37
Foreign Portfolio Investors (Corporate)	53	72,98,074	2.68
Total	**63,335**	**27,19,14,102**	**100**

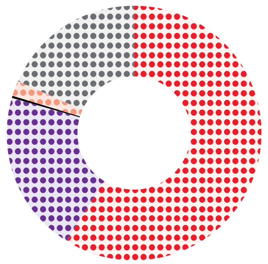
Dematerialization of Shares and Liquidity

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, 2024 and are available for trading through both the Depositories in India viz. NSDL and CDSL.

Details of Equity shares of the Company in dematerialized form, as on March 31, 2024 are given below:

Category	Total Positions	% of holding
NSDL	26,76,47,267	98.43
CDSL	42,66,835	1.57
Total	**27,19,14,102**	**100**

Shareholding Pattern as at March 31, 2024



- **74.16%** Promoters
- **25.84%** Public
- **0.37%** Alternate Investment Funds
- **2.68%** Foreign Portfolio Investors
- **22.79%** Others

Outstanding Global Depository Receipts/American Depository Receipts/Warrants or any Convertible instruments

The Company has not issued any GDRs/ADRs during the FY 2023-24. There are no warrants or any convertible instruments outstanding as on March 31, 2024.

Plant / Store Location

As on March 31, 2024, the Company had 836 retail stores in 193 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, senior VP- Legal, 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, 2024 is given below:

Instrument(s)	Amount (₹ In Crore)	Rating
Long-term / Short-term Bank Facilities	46.00	CARE AA; Stable/CARE A1+ (Double A; Outlook: Stable/A One Plus)

The details of Credit Rating is available on the website of the Company at https://metrobrands.com/stock-exchange-disclosures/

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:

As on March 31, 2024, 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 Chairman and Chief Executive Officer:

Mr. Rafique Abdul Malik is the Chairman and Mr. Nissan Joseph is the Chief Executive Officer 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 present their reports to the Audit Committee for their consideration.

DECLARATION BY THE CEO ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Nissan Joseph, Chief Executive Officer 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 2023-24.

sd/-
Nissan Joseph
Chief Executive Officer

Place: Mumbai
Date: August 9, 2024

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, 2024)

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, 2024 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, 2024 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 2023-24;

f. That there have been no significant changes in the accounting policies during the FY 2023-24.

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.

Place: Mumbai
Date: August 9, 2024

sd/-
Nissan Joseph
Chief Executive Officer

sd/-
Kaushal Parekh
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, 2024 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 year ended March 31, 2024.

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.

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649F000924731

Place: Mumbai
Date: 9th August, 2024

CERTIFICATE ON THE NON-DISQUALIFACTION 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 400 070 (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 31st March, 2024, none of the Directors on the Board of the Company as follows, 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:

Serial No.	Name of Director	DIN	Initial Date of Appointment
1.	Mr. Rafique Abdul Malik	00521563	19/01/1977
2.	Ms. Farah Malik Bhanji	00530676	05/12/2000
3.	Mr. Mohammed Iqbal Hasanally Dossani	08908594	26/11/2020
4.	Mr. Utpal Hemendra Sheth	00081012	14/03/2007
5.	Mr. Manojkumar Madangopal Maheshwari	00012341	24/07/2009
6.	Ms. Aruna Bhagwan Advani	00002956	27/07/2010
7.	Mr. Arvind Kumar Singhal	00709084	12/08/2016
8.	Mr. Vikas Vijaykumar Khemani	00065941	12/03/2019
9.	Mr. Srikant Velamakanni	01722758	25/03/2021
10.	Mr. Mithun Padam Sacheti	01683592	19/10/2023

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.

A SEKAR
COMPANY SECRETARY
ACS 8649 CP 2450
UDIN A008649F000924731

Place: Mumbai
Date: 9th August, 2024

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, 2024, 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, 2024, 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, 2024. 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 procedures addressed the key audit matter
Revenue recognition (as described in note 1.B (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. • 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.
Impairment of Goodwill of FILA business (as described in note 45 of the standalone financial statements)	
As disclosed in note 45 of standalone financial statements, the Company has goodwill amounting to ₹ 40.37 crores as at March 31, 2024 which represents goodwill of FILA business acquired through demerger of FILA business of Metro Athleisure Limited (formerly known as Cravatex Brands Limited), a wholly-owned subsidiary of the Company into the Holding Company. A cash generating unit ("CGU") 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. As disclosed in note 45, impairment of goodwill is determined by assessing the recoverable amount of CGU to which these assets relate. We have identified the annual impairment assessment as key audit matter because of the amounts involved, complexity in assessment, judgmental by nature and further, is based on projected future cash inflows and assumptions such as expected growth rate, discount rate and terminal growth rate.	Our audit procedures included the following: • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation model used in assessment of impairment in the value of goodwill. • Obtained an understanding of the process followed by the management in determining the CGU to which goodwill is allocated and determination of recoverable amounts of CGU. • Evaluated the competence, capabilities and independence of the specialist engaged by the Company and reviewed the valuation report issued by such specialist. • Engaged valuation expert to assist in evaluating the key assumptions of the valuations. • Performed sensitivity analysis around impact of future cash flows due to changes in key assumptions considered by management. • Tested the arithmetical accuracy of the computation of recoverable amounts of each CGU. • Assessed the disclosures provided by the Company in relation to its annual impairment test in note 45 to standalone financial statements.

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 do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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, 2024 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

In connection with the merger of FILA business ("Demerged Undertaking") of Metro Athleisure Limited into the Company as more fully described in note 45 of the standalone financial statements, we did not audit the financial information of Demerged Undertaking as considered in these standalone financial statements for the year ended March 31, 2023, whose financial statements reflects total assets of ₹ 123.03 crores as at March 31, 2023, total revenues of ₹ 21.15 crores and net cash flows of ₹ Nil for the period December 1, 2022 to March 31, 2023.

This financial information has been audited by an independent practitioner whose report has been furnished to us by the management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect to the Demerged Undertaking, is based solely on the report of the independent practitioner, as adjusted for the accounting effects of the Scheme recorded by the Company (in particular, the accounting effects of Ind AS 103 – Business Combinations) and other consequential adjustments, which have been audited by us.

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 except for matters stated in paragraph (i)(vi) below on reporting under Rule 11(g);

   (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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (i)(vi) below on reporting under Rule 11(g).

   (g) 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;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 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;

   (i) 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 (A) 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 (B) 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. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 48 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software where the audit trail has been enabled.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360
UDIN: 24109360BKFMCQ4754

Place: Mumbai
Date: May 22, 2024

"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.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(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, 2024.

(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 46 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. 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 not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(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 with respect to provident fund and employees' state insurance. The provisions relating to sales-tax, service tax, duty of excise and value added tax are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(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 (Rs. in crores)*	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	0.09	Apr'2006 - Mar'2014	CESTAT, Mumbai
Chapter V, Finance Act,	Service Tax	0.11	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	0.46	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) – Bihar
		0.01	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
		0.13	F.Y. 2015-2016	Excise and Taxation Department, Punjab
Goods and Services Tax Act, 2017	GST	0.58	F.Y. 2017-2018 and F.Y. 2018-2019	Assistant Commissioner of State Tax-Bihar
		0.52	F.Y. 2018-2019	Deputy Commissioner, Rajasthan
		0.57	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit: Corporate Division: West Bengal
Professional Tax	Professional Tax	0.96	F.Y. 2020-2021	Assistant Commissioner of Sales Tax Professional

** net of deposit paid under protest*

(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 3(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.

(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: 24109360BKFMCQ4754

Place: Mumbai
Date: May 22, 2024

"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, 2024 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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, 2024, 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: 24109360BKFMCQ4754

Place: Mumbai
Date: May 22, 2024

Standalone Balance Sheet

as at March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023 (Restated - Refer Note 45)
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	347.84	289.19
(b) Capital work-in-progress	2d	7.29	17.10
(c) Goodwill	45	40.37	40.37
(d) Intangible assets	2c	117.16	121.76
(e) Intangible assets under development	2e	2.01	0.74
(f) Right-of-use assets	2b	970.34	835.11
(g) Financial assets			
(i) Investments	3	29.69	29.76
(ii) Loans	4	-	8.62
(iii) Other Bank Balances	9c	35.10	0.14
(iv) Other financial assets	5	76.76	64.30
(h) Deferred tax assets (Net)	24a	36.96	5.95
(i) Non-current tax assets (Net)	24b	3.43	0.28
(j) Other non-current assets	6	2.60	1.48
Total non - current assets		**1,669.55**	**1,414.80**
2 Current assets			
(a) Inventories	7	698.19	624.64
(b) Financial assets			
(i) Investments	3	735.10	465.79
(ii) Trade receivables	8	37.49	47.71
(iii) Cash and cash equivalents	9a	44.95	29.28
(iv) Bank Balances other than (iii) above	9b	42.39	153.78
(v) Loans	4	10.22	1.22
(vi) Other financial assets	5	13.57	27.89
(c) Other current assets	6	37.73	62.45
Total current assets		**1,619.64**	**1,412.76**
Total assets (1+2)		**3,289.19**	**2,827.56**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	135.96	135.87
(b) Other equity	11	1,699.15	1,377.66
Total equity		**1,835.11**	**1,513.53**
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	29	952.56	810.07
(ii) Provisions	13	-	2.05
(iii) Other financial liabilities	12	0.32	2.93
Total non - current liabilities		**952.88**	**815.05**
3 Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	29	145.87	128.13
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14	61.11	11.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	190.14	271.34
(iii) Other financial liabilities	12	31.69	34.24
(b) Other current liabilities	15	62.78	43.90
(c) Provisions	13	8.03	8.19
(d) Current tax liabilities (Net)	24c	1.58	1.53
Total current liabilities		**501.20**	**498.98**
Total equity and liabilities (1+2+3)		**3,289.19**	**2,827.56**

See accompanying notes from 1 to 50 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - Refer Note 45)
I Income			
Revenue from operations	16	2,305.00	2,071.15
Other Income	17	69.30	52.55
Total Income (I)		**2,374.30**	**2,123.70**
II Expenses			
(a) Purchases of stock-in-trade	18a	1,031.80	1,033.53
(b) Changes in inventories of stock-in-trade	18b	(73.55)	(171.69)
(c) Employee benefits expense	20	216.89	175.75
(d) Finance costs	21	78.50	62.72
(e) Depreciation and amortisation expenses	19	227.61	177.74
(f) Other expenses	22	427.20	366.81
Total Expenses (II)		**1,908.45**	**1,644.86**
III Profit before tax (I-II)		**465.85**	**478.84**
IV Tax expense			
(a) Current tax	23	79.05	135.95
(b) Deferred tax (credit)	23	(31.01)	(11.10)
Total tax expense		**48.04**	**124.85**
V Profit after tax for the year (III-IV)		**417.81**	**353.99**
VI Other comprehensive income		1.14	(1.89)
(i) Items that will not be reclassified to profit or loss			
- Gain/(Loss) on remeasurements of the defined benefit plans		1.74	(1.52)
- Income tax relating to items that will not be reclassified to profit or loss		(0.44)	0.32
(ii) Items that will be reclassified to profit or loss			
- Loss arising on fair valuation of quoted investments in bonds		(0.16)	(0.69)
- Income tax relating to items that will be reclassified to profit or loss		-	-
VII Total comprehensive income for the year (V+VI)		**418.95**	**352.10**
Earnings per equity share (face value of ₹ 5 each)			
Basic (₹)	30	15.37	13.03
Diluted (₹)	30	15.31	12.98

See accompanying notes from 1 to 50 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Standalone Statement of Cash Flows

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - Refer Note 45)
Cash flow from operating activities		
Profit before tax for the year	465.85	478.84
Adjustments for:		
Depreciation and Amortisation expenses	227.61	177.74
Interest Expense	78.45	62.70
Gain on termination of lease	(3.39)	(2.84)
Loss on Sale / Discard of Property Plant & Equipment (net)	4.35	1.42
Dividend income from Current Investments in Mutual Funds	(0.47)	(0.12)
Net gain on sale of Investments	(3.95)	(6.80)
Net fair value gain arising on current Investments designated at FVTPL	(9.66)	(7.77)
Interest Income	(43.99)	(29.54)
Liabilities no longer required, written back	(3.42)	(0.97)
Employee's Stock Options Expenses	13.83	9.01
Operating profit before working capital changes	**725.21**	**681.68**
Movement in working capital:		
(Increase) / Decrease in Trade Receivable	11.29	9.00
(Increase) / Decrease in other financial assets	(8.50)	(17.26)
(Increase) / Decrease in other current assets	28.39	13.92
(Increase) / Decrease in Inventories	(73.55)	(171.16)
(Increase) / Decrease in other non-current assets	0.29	2.15
Increase / (Decrease) in trade and other payables	(36.53)	33.48
Increase / (Decrease) in Other current liabilities	16.29	(43.94)
Increase / (Decrease) in Other financial liabilities	4.57	2.30
Increase / (Decrease) in Provisions	(0.48)	2.18
	(58.23)	**(169.33)**
Cash generated from operations	**666.98**	**512.35**
Less: income taxes paid	(82.44)	(140.69)
Net cash generated from operating activities	**584.54**	**371.66**
Cash flows from investment activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditors	(115.88)	(99.53)
Proceeds from Sale / Discard of Property Plant & Equipment	0.95	8.15
Interest Received	43.69	21.02
Investments in Fixed Deposits	(154.89)	(323.38)
Redemption of Fixed Deposits	231.33	504.61
Purchase of Current Investments	(1,629.40)	(1,346.11)
Redemption of Current Investments	1,373.45	1,285.55
Dividend Income from Mutual Funds	0.47	0.12
Investment in subsidiary	-	(95.92)
Investment in Company	-	(1.33)
Net cash used in investment activities	**(250.28)**	**(46.82)**

Standalone Statement of Cash Flows

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - Refer Note 45)
Cash flows from financing activities		
Repayment of borrowings	-	(103.22)
Proceeds from issue of shares	4.20	2.80
Proceeds from Share application money pending allotment	0.15	0.02
Payment of lease liabilities (Principal)	(207.41)	(166.23)
Final and Interim Dividends including Dividend Tax paid	(115.53)	(88.30)
Net cash from/(used in) financing activities	**(318.59)**	**(354.93)**
Net increase / (Decrease) in cash and cash equivalents	**15.67**	**(30.09)**
Cash and cash equivalents at the beginning of the year	29.28	59.37
Cash and cash equivalents at the end of the year [Refer Note 9a]	44.95	29.28

₹ in Crores

Change in liabilities arising from financial activities	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - Refer Note 45)
Opening balance	-	-
Add: Transfer pursuant to merger (Refer Note no. 45)	-	103.22
Less: Repayment of borrowings	-	(103.22)
Closing balance	-	-

See accompanying notes from 1 to 50 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity share capital (refer note 10)

₹ in Crores

Particulars	As at March 31, 2024		As at March 31, 2023 (Restated - Refer note 45)	
	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	271,733,221	135.87	271,507,426	135.75
Changes in equity Share Capital during the year				
Shares Alloted on exercise of ESOP	180,881	0.09	225,795	0.12
Balance at the end of the year	**271,914,102**	**135.96**	**271,733,221**	**135.87**

B. Other Equity (refer note 11)

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income*	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings*			
Balance as at April 01, 2023	**294.38**	**0.03**	**10.80**	**1,072.51**	**0.02**	**(0.08)**	**1,377.66**
Profit for the year	-	-	-	417.81	-	-	417.81
Other comprehensive income (net of income tax)	-	-	-	1.30	-	(0.16)	1.14
Total comprehensive income for the year	**-**	**-**	**-**	**419.11**	**-**	**(0.16)**	**418.95**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	3.93	-	(3.93)	-	-	-	-
Received from Employees on exercise of options	4.11	-	-	-	-	-	4.11
Employee stock option plan recognized	-	-	13.83	-	-	-	13.83
Payment of Final Dividend	-	-	-	(40.76)	-	-	(40.76)
Payment of Interim Dividend	-	-	-	(74.77)	-	-	(74.77)
Shares allotted	-	-	-	-	(0.02)	-	(0.02)
Share issue money accepted	-	-	-	-	0.15	-	0.15
Balance as at March 31, 2024	**302.42**	**0.03**	**20.70**	**1,376.09**	**0.15**	**(0.24)**	**1,699.15**

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income*	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings*			
Balance as at April 01, 2022	**290.19**	**0.03**	**3.29**	**808.02**	**-**	**0.61**	**1,102.14**
Profit for the year	-	-	-	353.99	-	-	353.99
Other comprehensive income (net of income tax)	-	-	-	(1.20)	-	(0.69)	(1.89)
Total comprehensive income for the year	**-**	**-**	**-**	**352.79**	**-**	**(0.69)**	**352.10**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	1.51	-	(1.51)	-	-		-
Received from Employees on exercise of options	4.51	-	-	-	-		4.51
Employee stock option plan recognized	-	-	9.02	-	-	-	9.02
Payment of Final Dividend	-	-	-	(20.37)	-	-	(20.37)
Payment of Interim Dividend	-	-	-	(67.93)	-	-	(67.93)
Shares allotted	-	-	-	-	0.02	-	0.02
Share issue expense on IPO and Private Placement	(1.83)	-	-	-	-	-	(1.83)
Balance as at March 31, 2023 (restated - refer note 45)	**294.38**	**0.03**	**10.80**	**1,072.51**	**0.02**	**(0.08)**	**1,377.66**

** Restated Refer Note 45*

Note: There are no prior period errors during the current and previous year.

See accompanying notes from 1 to 50 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

Note 1.A - CORPORATE INFORMATION

Metro Brands Limited ['the Company'] is a listed Public Limited Company and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. 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, 2024, were approved by the Board of Directors, and authorised for issue on May 22, 2024.

Note 1.B - MATERIAL 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 from time to time 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 crores except when otherwise indicated. Figures less than rupees 50,000 are represented as "0.00".

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. Further, comparative financial information in the financial statements of the Company has been restated for accounting the impact of demerger.

During the year ended 31 March 2024, the Hon'ble National Company Law Tribunal approved the merger of FILA business of Metro Athleisure Limited (Formerly known as Cravatex Brands Limited) with the Company pursuant to provision of sections 230 to 232 and other applicable provisions of the Act. Thus, the Company has accounted for merger in accordance with Appendix C of Ind As 103- "Business Combination" and accordingly previous years figures for the year ended 31 March 2023 have been restated (refer note 45).

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, 2024

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.

The Company uses the expected value method to estimate the sales return. Based on historical return data of each product, expected return percentage is determined. These percentages are applied to derive the sales return.

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 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:

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

- 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
- Licences- 20 Years
- Non-Compete Fees- 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 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 liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference.

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

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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, further details of which are given in note 31. 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, 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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.

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 changes in fair value recognised in the statement of profit and loss.

(ii) Equity Instrument

All equity investments other than in Investment in Subsidiaries 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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 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 premises, office and warehouse. 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 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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.

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.

For the purpose of standalone statement of cash flow, cash and cash equivalents consists of cash and short-term deposits.

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).

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)(iii)]
- Leases- Estimating the incremental borrowing rate [Refer note 1.B(M)]
- Business Combination [Refer Note 45]
- Determining the lease term of the contracts with renewal and termination options- Company as lessee [Refer note 1.B(M)]

New and amended standards

The Company applied for the first-time below amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8 The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how

Notes forming part of the standalone financial statements

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entities use measurement techniques and inputs to develop accounting estimates.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1 The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.

Standard notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

2a. Property, Plant and Equipment:

₹ in Crores

Particulars	Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I. Cost							
Balance as at April 01, 2022	**107.12**	**154.35**	**52.23**	**36.42**	**4.77**	**11.49**	**366.38**
Additions	0.41	54.64	23.49	9.57	2.96	2.96	94.03
Disposals	-	(15.62)	(1.88)	(2.18)	(0.39)	(0.55)	(20.62)
Transfer pursuant to merger (refer note 45)	-	4.49	2.97	0.28	-	0.49	8.23
Balance as at March 31, 2023 (restated refer note 45)	**107.53**	**197.86**	**76.81**	**44.09**	**7.34**	**14.39**	**448.02**
Additions	17.15	50.47	27.53	13.85	0.39	3.11	112.50
Disposals	(1.29)	(18.22)	(5.26)	(2.30)	-	(1.12)	(28.19)
Balance as at March 31, 2024	**123.39**	**230.11**	**99.08**	**55.64**	**7.73**	**16.38**	**532.33**
II. Accumulated depreciation							
Balance as at April 01, 2022	**13.76**	**74.37**	**19.06**	**15.96**	**1.87**	**7.46**	**132.48**
Depreciation expense for the year	2.29	23.20	7.19	4.68	0.54	1.96	39.86
Eliminated on disposal of assets	-	(13.69)	(1.42)	(1.90)	(0.31)	(0.47)	(17.79)
Transfer pursuant to merger (refer note 45)	-	2.66	1.19	0.02	-	0.41	4.28
Balance as at March 31, 2023 (restated refer note 45)	**16.05**	**86.54**	**26.02**	**18.76**	**2.10**	**9.36**	**158.83**
Depreciation expense for the year	2.65	26.95	9.79	5.41	0.83	2.73	48.36
Eliminated on disposal of assets	(1.02)	(15.43)	(3.55)	(1.70)	-	(1.00)	(22.70)
Balance as at March 31, 2024	**17.68**	**98.06**	**32.26**	**22.47**	**2.93**	**11.09**	**184.49**
Net carrying amount (I-II)							
Balance as at March 31, 2024	**105.71**	**132.05**	**66.82**	**33.17**	**4.80**	**5.29**	**347.84**
Balance as at March 31, 2023 (restated refer note 45)	**91.48**	**111.32**	**50.79**	**25.33**	**5.24**	**5.03**	**289.19**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

2b. Right-of-use assets (Showroom, Warehouse and Office)

₹ in Crores

Particulars	Total
I. Cost	
Balance as at April 01, 2022	**893.97**
Additions	376.12
Disposals	(140.47)
Transfer pursuant to merger (refer note 45)	17.88
Balance as at March 31, 2023 (restated refer note 45)	**1,147.50**
Additions	332.67
Disposals	(61.78)
Balance as at March 31, 2024	**1,418.39**
II. Accumulated Depreciation	
Balance as at April 1, 2022	**284.39**
Depreciation expense for the year	135.44
Eliminated on disposal of assets	(107.44)
Balance as at March 31, 2023 (restated refer note 45)	**312.39**
Depreciation expense for the year	171.38
Eliminated on disposal of assets	(35.72)
Balance as at March 31, 2024	**448.05**
Net carrying amount (I-II)	
Balance as at March 31, 2024	**970.34**
Balance as at March 31, 2023 (restated refer note 45)	**835.11**

2c. Intangible Assets (Represents other than Internally generated intangible assets) :

₹ in Crores

Particulars	Copyrights	Trademarks	Computer Software	Licenses	Non-Compete	Total
I. Cost						
Balance as at April 01, 2022	**0.26**	**2.31**	**9.98**	**-**	**-**	**12.55**
Additions	-	-	0.48	-	-	0.48
Transfer pursuant to merger (refer note 45)	-	-	0.21	118.07	2.31	120.59
Balance as at March 31, 2023 (restated refer note 45)	**0.26**	**2.31**	**10.67**	**118.07**	**2.31**	**133.62**
Additions	0.17	-	3.09	-	-	3.26
Balance as at March 31, 2024	**0.43**	**2.31**	**13.76**	**118.07**	**2.31**	**136.88**
II. Accumulated amortization						
Balance as at April 01, 2022	**0.26**	**1.69**	**7.46**	**-**	**-**	**9.41**
Amortization expense for the year	-	0.10	0.31	1.96	0.07	2.44
Balance as at March 31, 2023 (restated refer note 45)	**0.26**	**1.79**	**7.77**	**1.96**	**0.07**	**11.86**
Amortization expense for the year	-	0.10	1.37	5.94	0.46	7.87
Balance as at March 31, 2024	**0.26**	**1.89**	**9.14**	**7.90**	**0.53**	**19.72**
Net carrying amount (I-II)						
Balance as at March 31, 2024	**0.17**	**0.42**	**4.62**	**110.17**	**1.78**	**117.16**
Balance as at March 31, 2023 (restated refer note 45)	**-**	**0.52**	**2.90**	**116.11**	**2.24**	**121.76**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

2d. Capital work-in-progress (CWIP) :

₹ in Crores

As at March 31, 2024	**7.29**
As at March 31, 2023 (restated - refer note 45)	**17.10**

Movement of Capital Work in Progress: (CWIP)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Balance at the beginning of the year	17.10	0.82
Additions during the year	101.76	109.96
Less: Capitalizations	111.57	93.68
Balance at the end of the year	**7.29**	**17.10**

Capital work-in-progress Ageing Schedule

As at March 31, 2024

₹ in Crores

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	7.25	0.04	-	-	7.29
Projects temporarily suspended	-	-	-	-	-
Total	**7.25**	**0.04**	**-**	**-**	**7.29**

As at March 31, 2023 (restated - refer note 45)

₹ in Crores

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	17.09	0.01	-	-	17.10
Projects temporarily suspended	-	-	-	-	-
Total	**17.09**	**0.01**	**-**	**-**	**17.10**

Note : As on March 31, 2024 and 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.

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 equipments, design fee, transportation cost etc.

2e. Intangible assets under development

₹ in Crores

As at March 31, 2024	**2.01**
As at March 31, 2023 (restated - refer note 45)	**0.74**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

Movement of Intangible assets under development

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Balance at the beginning of the year	0.74	0.62
Additions during the year	4.27	1.66
Less: Capitalizations	3.00	1.54
Balance at the end of the year	**2.01**	**0.74**

Intangible assets under development ageing schedule

As at March 31, 2024

₹ in Crores

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	2.01	-	-	-	2.01
Projects temporarily suspended	-	-	-	-	-
Total	**2.01**	**-**	**-**	**-**	**2.01**

As at March 31, 2023 (restated - refer note 45)

₹ in Crores

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	0.54	0.20	-	-	0.74
Projects temporarily suspended	-	-	-	-	-
Total	**0.54**	**0.20**	**-**	**-**	**0.74**

Note: As on March 31, 2024 and March 31, 2023 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 completion schedule is not applicable.

3. Investments

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Quantity	Amount		Quantity	Amount	
		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	-	0.13	637,500.00	-	0.13
In equity instrument of Subsidiary						
Equity shares of ₹ 10/- each in Metro Athleisure Limited	5,882,783.00	-	0.45	5,882,783.00	-	0.45

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Investment in Compulsorily Convertible Preference Shares (CCPS) of Subsidiary						
Metro Athleisure Limited	5,700,000.00	-	1.96	5,700,000.00	-	1.96
In Equity instrument of Joint Venture						
Equity shares of ₹ 10/- each in M.V.Shoe Care Private Limited	6,860,000.00	-	4.92	6,860,000.00	-	4.92
B. Investments carried at amortised cost						
Investments in Commercial Papers						
Adani Enterprises Ltd.	-	111.82	-	-	-	-
Navi Finserv Limited	-	78.58	-	-	14.67	-
Piramal Enterprises Ltd.	-	112.39	-	-	59.19	-
Fixed Deposit Certificates						
Bajaj Finance Ltd	-	107.00	-	-	-	-
LIC Housing Finance Limited	-	-	-	-	20.00	-
ICICI Home Finance	-	-	-	-	24.50	-
HDFC Limited	-	-	-	-	127.20	-
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	5.33	-	50.00	5.39	-
7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	1.59	-	14,285.00	1.60	-
8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	5.59	-	50.00	5.69	-
D. Investments carried at FVTPL						
Unquoted Investments						
Investment in Optionally Convertible Debentures (OCD) of Subsidiary						
Metro Athleisure Limited	1,800,000.00	-	20.90	1,800,000.00	-	20.97
In equity instrument (Others)						
Preference Shares in Thaely Private Limited	287.00	-	1.33	287.00	-	1.33
Investments in Mutual Funds						
Face Value of ₹ 10.00 each						
ICICI Prudential Ultra Short Term Fund Direct Plan Growth	2,723,542.85	7.42	-	8,803,901.20	22.28	-
AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	6.24	-	25,427.47	5.82	-
AXIS Arbitrage Fund - Direct Growth	-	-	-	15,667,436.09	26.77	-
KOTAK Equity Arbitrage Fund- Direct Plan Growth	13,345,031.30	48.56	-	9,127,665.62	30.62	-
NIPPON India arbitrage fund direct plan	14,382,699.66	23.14	-	14,382,699.66	21.38	-
Face Value of ₹ 100.00 each						
Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	594,900.17	30.11	-	306,384.60	14.41	-
Aditya Birla Sun Life Money Manager Fund- Growth -Direct Plan	369,499.16	12.59	-	-	-	-

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Face Value of ₹ 1,000.00 each						
HDFC Arbitrage Fund Direct Growth	11,646,345.03	21.39	-	-	-	-
Invesco India Arbitrage Fund- Direct Plan Growth	12,411,099.70	38.93	-	-	-	-
Aditya Birla sunlife overnight fund direct plan growth	31,870.75	4.04	-	-	-	
NIPPON India arbitrage fund direct plan	3,843,374.66	10.05	-	-	-	
ICICI Prudential overnight fund direct plan growth	-	-	-	66,720.79	8.06	-
NIPPON India money market fund direct growth	70,396.56	26.90	-	96,697.21	34.30	-
AXIS Liquid fund direct growth	19,477.34	5.23	-	8,011.71	2.00	-
Quoted Investments						
Investment in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000.00	13.56	-	100,000.00	12.54	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	11.95	-	99,995.00	11.13	-
Investment in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	3,388,953.00	32.14	-	874,826.00	10.73	-
India Grid	1,545,768.00	20.55	-	556,216.00	7.51	-
Aggregate value of Unquoted investments		**644.39**	**29.69**		**411.20**	**29.76**
Aggregate Book value of quoted investments		**90.71**	**-**		**54.59**	**-**
Total		**735.10**	**29.69**		**465.79**	**29.76**
Aggregate Market value of quoted investments		**90.71**	**-**		**54.59**	**-**

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 Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Quantity	Amount		Quantity	Amount	
		Current	Non-Current		Current	Non-Current
Loans to related party (Subsidiary)						
Metro Athleisure Limited (given for repayment of existing loan and working capital purpose @7% p.a. repayment within 2 years from disbursement date of each tranche) [maximum amount outstanding as at March 31, 2024 ₹ 8.62 Crores (March 31, 2023 ₹ 8.62 Crores] (Refer Note 27)	8.62	-	8.62	-	8.62	8.62
Loans to employees	0.30	-	0.30	0.28	-	0.28
Loans to Selling agents, Retail agents, Supervisors and others	1.30	-	1.30	0.94	-	0.94
Total	**10.22**	**-**	**10.22**	**1.22**	**8.62**	**9.84**

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, 2024

5. Other financial assets

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposits						
Considered good - Unsecured	10.31	76.76	87.07	13.54	64.30	77.84
Credit impaired	0.16	-	0.16	0.16	-	0.16
	10.47	**76.76**	**87.23**	**13.70**	**64.30**	**78.00**
Less: Allowance for expected credit loss	(0.16)	-	(0.16)	(0.16)	-	(0.16)
	10.31	**76.76**	**87.07**	**13.54**	**64.30**	**77.84**
Insurance Claim Receivable	-	-	-	0.09	-	0.09
Interest accrued on deposits with banks and investments	3.26	-	3.26	8.05	-	8.05
Others (receivable from wholly owned subsidiary) (refer note 27)	-	-	-	6.21	-	6.21
Total	**13.57**	**76.76**	**90.33**	**27.89**	**64.30**	**92.19**

6. Other assets

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
(i) Advances other than capital advances						
Considered good - Unsecured	4.79	-	4.79	31.54	-	31.54
Credit impaired	0.69	-	0.69	0.69	-	0.69
	5.48	**-**	**5.48**	**32.23**	**-**	**32.23**
Less: Allowance for expected credit losses	(0.69)	-	(0.69)	(0.69)	-	(0.69)
	4.79	**-**	**4.79**	**31.54**	**-**	**31.54**
(ii) Capital advances	-	1.59	1.59	-	0.15	0.15
(iii) Balances with statutory/ government authorities	24.39	-	24.39	25.88	0.02	25.90
(iv) Prepayments	5.48	0.21	5.69	3.19	0.32	3.51
(v) Prepaid Rent	0.85	0.36	1.21	0.26	0.57	0.83
(vi) Others (Receivables from Showroom Managers, Retail Agent etc.)						
Considered good - Unsecured	2.22	-	2.22	1.58	-	1.58
Credit impaired	0.12	-	0.12	0.12	-	0.12
	2.34	**-**	**2.34**	**1.70**	**-**	**1.70**
Less: Allowance for expected credit losses	(0.12)	-	(0.12)	(0.12)	-	(0.12)
	2.22	**-**	**2.22**	**1.58**	**-**	**1.58**
(vii) Amounts paid under protest [Sales tax ₹ 0.44 Crores (March 31, 2023- Sales tax ₹ 0.42 Crores)]	-	0.44	0.44	-	0.42	0.42
Total	**37.73**	**2.60**	**40.33**	**62.45**	**1.48**	**63.93**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

7. Inventories (At lower of cost or net realizable value)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Stock-in-trade	698.19	624.64
Total	**698.19**	**624.64**
Included above, goods-in-transit:	13.93	18.04

Note :

The cost of inventories recognized as an expense includes ₹ 2.58 Crores (March 31, 2023: ₹ ₹ 6.09 Crores) in respect of write down of inventory to net realizable value.

8. Trade receivables

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
(a) Trade receivable considered good - Unsecured	28.53	38.96
(b) Trade receivable - credit impaired	10.01	10.01
(c) Receivable from other related parties	8.96	8.75
	47.50	**57.72**
Less: Allowance for expected credit losses	(10.01)	(10.01)
Total	**37.49**	**47.71**

Trade Receivables Ageing Schedule

As at March 31, 2024

₹ in Crores

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	32.80	2.36	1.89	0.10	0.34	37.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	3.47	5.50	1.04	10.01
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**32.80**	**2.36**	**5.36**	**5.60**	**1.38**	**47.50**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

As at March 31, 2023 (Restated - refer note 45)

₹ in Crores

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	34.11	11.12	0.98	1.45	0.05	47.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	3.47	5.50	0.14	0.90	10.01
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**34.11**	**14.59**	**6.48**	**1.59**	**0.95**	**57.72**

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
(a) Balances with Banks		
- In current accounts	37.06	18.00
- Deposits with original maturity of less than 3 months	1.50	9.06
(b) Cash on hand	0.61	0.57
(c) Cash at showrooms	5.78	1.65
Total	**44.95**	**29.28**

9b. Bank Balances other than Cash and cash equivalents

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
(a) In earmarked accounts		
Deposits with Banks held as margin money or security		
against guarantees and other commitments (Refer note below)	0.09	0.08
(b) Deposits with Banks	42.30	153.70
Total	**42.39**	**153.78**

Note :

Deposits with Banks includes ₹ 0.03 Crores (March 31,2023 ₹ 0.02 Croes) which have an original maturity of more than 12 months.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

9c. Other Bank balances

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Deposits with Banks held as margin money or security against guarantees and other commitments	0.10	0.14
Deposit with Bank	35.00	-
Total	**35.10**	**0.14**

10. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023 (Restated - refer note 45)	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	150.00	300,000,000	150.00
Total		**150.00**		**150.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ 5/- each	271,914,102	135.96	271,733,221	135.87
Total		**135.96**		**135.87**

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, 2024		As at March 31, 2023 (Restated - refer note 45)	
	Number of Shares	Amount	Number of Shares	Amount
Equity Share Capital				
Balance as at beginning of the year (Equity shares of ₹ 5/- each) (March 31, 2023 ₹ 5/- each)	271,733,221	135.87	271,507,426	135.75
Shared allotted on exercise of ESOPs	180,881	0.09	225,795	0.12
Balance as at the end of the year	**271,914,102**	**135.96**	**271,733,221**	**135.87**

10.2 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2024		As at March 31, 2023 (Restated - refer note 45)	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.72%	156,939,520	57.75%
Rekha Jhunjhunwala**	39,333,600	14.47%	39,333,600	14.48%
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 Aziza Malik Family Trust	76,447,600	28.11%	76,447,600	28.13%
(b) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920	27.72%	75,367,920	27.74%
***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	4.80%

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

Name of shareholder	As at March 31, 2024		As at March 31, 2023 (Restated - refer note 45)	
	Number of shares held	% holding	Number of shares held	% holding
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.80%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.80%	13,051,188	4.80%
****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%

Shareholding of Promoters

Promoter name	As at March 31, 2024		As at March 31, 2023 (Restated - refer note 45)		change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.72%	156,939,520	57.75%	-0.03%
Alisha Rafique Malik	9,088,000	3.34%	9,088,000	3.34%	0.00%
Rafique Abdul Malik**	2,700,000	0.99%	2,700,000	1.00%	-0.01%
Total	**168,727,520**	**62.05%**	**168,727,520**	**62.09%**	
**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 3,09,525 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended 31 March 2023 : 2,93,055 under ESOP 2008 Scheme). 1,87,382 (Previous year ended 31 March 2023 : 2,25,795) 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

11. Other equity

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Balance as at April 01, 2023	**294.38**	**0.03**	**10.80**	**1,072.51**	**0.02**	**(0.08)**	**1,377.66**
Profit for the year	-	-	-	417.81	-	-	417.81
Other comprehensive income (net of income tax)	-	-	-	1.30	-	(0.16)	1.14
Total comprehensive income for the year	**-**	**-**	**-**	**419.11**	**-**	**(0.16)**	**418.95**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	3.93	-	(3.93)	-	-	-	-
Received from Employees on exercise of options	4.11	-	-	-	-	-	4.11
Employee stock option plan recognized	-	-	13.83	-	-	-	13.83
Payment of Final Dividend	-	-	-	(40.76)	-	-	(40.76)
Payment of Interim Dividend	-			(74.77)	-		(74.77)
Shares Allotted	-	-	-	-	(0.02)	-	(0.02)
Share issue money accepted	-	-	-	-	0.15	-	0.15
Balance as at March 31, 2024	**302.42**	**0.03**	**20.70**	**1,376.09**	**0.15**	**(0.24)**	**1,699.15**

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Balance as at April 01, 2022	**290.19**	**0.03**	**3.29**	**808.02**	**-**	**0.61**	**1,102.14**
Profit for the year	-	-	-	353.99	-	-	353.99
Other comprehensive income (net of income tax)	-	-	-	(1.20)	-	(0.69)	(1.89)
Total comprehensive income for the year	**-**	**-**	**-**	**352.79**	**-**	**(0.69)**	**352.10**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	1.51	-	(1.51)	-	-	-	-
Received from Employees on exercise of options	4.51	-	-	-	-	-	4.51
Employee stock option plan recognized	-	-	9.02	-	-	-	9.02
Payment of Final Dividend	-	-	-	(20.37)	-	-	(20.37)

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	Reserves and Surplus				Share application money pending allotment	Other Comprehensive Income	Total
	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings			
Payment of Interim Dividend	-	-	-	(67.93)	-	-	(67.93)
Share issue expense on IPO and Private Placement	(1.83)	-	-	-	-	-	(1.83)
Shares allotted	-	-	-	-	-	-	-
Share issue money accepted	-	-	-	-	0.02	-	0.02
Balance as at March 31, 2023 (restated - refer note 45)	**294.38**	**0.03**	**10.80**	**1,072.51**	**0.02**	**(0.08)**	**1,377.66**

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 The Companies Act 2013.

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.

Retained Earning:

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

II. Dividend on Equity Shares

₹ in Crores

Particulars	March 31, 2024	March 31, 2023
Final dividend for the year ended March 31, 2023 of ₹ 1.5/- (March 31, 2022 of ₹ 0.75/-) per fully paid up share	40.76	20.37
Interim dividend for the year ended March 31, 2024 of ₹ 2.75/- (March 31, 2023 of ₹ 2.5/-) per fully paid up share	74.77	67.93
Total	**115.53**	**88.30**

The Board of Directors at its meeting held on May 22, 2024 has recommended payment of final dividend of ₹ 2.25 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, 2024

12. Other financial liabilities

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
Security Deposit - Franchisee	1.40	0.32	1.72	1.80	2.93	4.73
Retention Money Payable (Selling Agents, Supervisors, City and Regional Managers and Others)	12.00	-	12.00	9.76	-	9.76
Payable on acquisition of Property, plant & equipment	15.52	-	15.52	22.65	-	22.65
Unpaid Dividend (refer note below)	0.08	-	0.08	0.03	-	0.03
Others (payable to wholly owned subsidiary) (refer note 27)	2.69		2.69	-		-
Total	**31.69**	**0.32**	**32.01**	**34.24**	**2.93**	**37.17**

Note : There is no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2024 (Previous year : Nil).

13. Provisions

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for warranty (refer note below)	0.86	-	0.86	0.67	-	0.67
Provision for employee benefits - Gratuity (refer note 26)	1.81	-	1.81	3.73	1.70	5.43
Provision for employee benefits - compensated absences (refer note 26)	5.36	-	5.36	3.79	0.35	4.14
Total	**8.03**	**-**	**8.03**	**8.19**	**2.05**	**10.24**

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Opening balance	0.67	0.50
Add: Provision made during the year	0.19	0.17
Closing Balance	**0.86**	**0.67**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

14. Trade payables

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 34) ; and	61.11	-	61.11	11.65	-	11.65
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	190.14	-	190.14	271.34	-	271.34
Total	**251.25**	**-**	**251.25**	**282.99**	**-**	**282.99**

Trade payables Ageing Schedule

As at March 31, 2024

₹ in Crores

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) Undisputed - MSME	59.93	0.94	0.24	-	61.11
ii) Undisputed - Others	156.87	1.04	0.91	-	158.82
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	31.32	-	-	-	31.32
Total	**248.12**	**1.98**	**1.15**	**0.00**	**251.25**

As at March 31, 2023 (restated - refer note 45)

₹ in Crores

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) Undisputed - MSME	11.30	0.27	0.08	-	11.65
ii) Undisputed - Others	226.20	0.86	0.72	2.29	230.07
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	41.27	-	-	-	41.27
Total	**278.77**	**1.13**	**0.80**	**2.29**	**282.99**

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"

15. Other current liabilities

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023 (Restated - refer note 45)		
	Current	Non-Current	Total	Current	Non-Current	Total
Advances received from customers	5.21	-	5.21	3.72	-	3.72
Deposit received from Vendors	9.13	-	9.13	-	-	-
Deferred Revenue arising from Customer Loyalty program	11.33	-	11.33	12.10	-	12.10
Statutory dues payable	17.26	-	17.26	9.66	-	9.66
Salary Payable	19.85	-	19.85	18.42	-	18.42
Total	**62.78**	**-**	**62.78**	**43.90**	**-**	**43.90**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

16. Revenue from operations

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories (Refer Note below)	2,304.48	2,070.49
(b) Other operating revenues		
- Shoe Repair Income	0.52	0.66
Total	**2,305.00**	**2,071.15**

Notes :

A) Timing of revenue recognition

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Goods transferred at a point in time	2,305.00	2,071.15
Total	**2,305.00**	**2,071.15**

B) Reconciliation of revenue recognized in the statement of profit and loss with contracted price

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(i) Sale of Products (Traded goods)		
Footwear, Bags & Accessories	2,711.64	2,431.12
Less : GST	407.16	360.63
Sale of Products (Traded goods) (Net of GST)	**2,304.48**	**2,070.49**

17. Other Income

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(a) Interest Income:		
Income earned on financial assets carried at amortised cost:		
Interest on bank deposits	16.45	20.82
Interest on loan given to Subsidiary (Refer Note 27)	0.60	0.21
Interest on other Loans and advances	0.52	0.22
Interest on Security deposit	5.14	3.59
Interest on Commercial Papers	17.58	3.29
Interest Income from Tax Free Bonds	0.91	0.90
Interest Income from Investment	2.79	0.50
	43.99	**29.53**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars		For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(b)	**Dividend Income:**		
	Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	0.47	0.12
(c)	**Other Gains :**		
	Net gain/(Loss) on sale of Investments	3.95	6.80
	Net fair value gain arising on current Investments designated at FVTPL	9.66	7.77
	Net gain on foreign currency transactions and translation	1.10	2.21
	Gain on termination of leases	3.39	2.84
(d)	**Others**		
	Cash Discounts	0.85	0.69
	Miscellaneous Income	2.47	1.62
	Liabilities no longer required, written back	3.42	0.97
Total		**69.30**	**52.55**

18a. Purchases of Stock-in-Trade

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Stock-in-Trade (Footwear, Bags & Accessories)	991.75	997.11
Packing Materials	40.05	36.42
Total	**1,031.80**	**1,033.53**

18b. Changes in Inventories of Stock-In-Trade

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Inventories at the end of the year : (including goods in transit)		
Stock-in-trade	698.19	624.64
Inventories at the beginning of the year: (including goods in transit)		
Stock-in-trade	624.64	452.95
Changes in Inventories of Stock-In-Trade	**(73.55)**	**(171.69)**

19. Depreciation and amortization expense

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(a) Depreciation of Property, Plant and Equipment	48.36	39.86
(b) Depreciation of Right-of-use assets	171.38	135.44
(c) Amortization of Intangible assets	7.87	2.44
Total	**227.61**	**177.74**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

20. Employee benefits expense

₹ in Crores

Particulars		For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(a)	Salaries and wages	183.06	151.62
(b)	Contribution to provident and other funds (refer note 26)	16.59	12.50
(c)	Staff welfare expenses	3.41	2.62
(d)	Employee's Stock Options Expenses (refer note 31)	13.83	9.01
Total		**216.89**	**175.75**

21. Finance costs

₹ in Crores

Particulars		For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(a)	Interest on lease liabilities (refer note 29)	78.64	61.59
(b)	Interest expense on Income tax	0.05	0.02
(c)	Interest expense on others	0.19	1.09
(d)	Other borrowing costs	(0.38)	0.02
Total		**78.50**	**62.72**

22. Other expenses

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Power and fuel	34.12	26.77
Rent (refer note 29)	52.56	58.87
Rates and taxes	3.51	3.52
Insurance	4.02	2.61
Repairs and maintenance - Machinery and Equipment	1.27	1.15
Repairs and maintenance - Others	21.05	16.10
Advertisement & Sales promotion	71.09	55.09
Commission on sales	85.86	83.30
Commission on Credit Card Sales	10.00	9.79
Freight Charges	43.00	32.97
Maintenance & Other Charges - Showrooms	32.88	27.77
Shoe Repair Expenses	1.44	1.48
Communication	2.38	2.16
Travelling and conveyance	11.56	8.61
Printing and stationery	0.07	0.03
Donations	0.07	0.02
Legal and professional	9.89	10.35
Payments to auditors (Refer Note 22.1)	0.50	0.47
Loss on Sale/ discard of Property, plant and equipment (net)	4.35	1.42
Directors' Sitting fees (Refer Note 27)	0.14	0.39
Expenditure incurred for Corporate Social Responsibility (Refer Note 32)	5.01	3.59
Miscellaneous Expenses	19.90	16.37
Sublicence fees	12.53	3.98
Total	**427.20**	**366.81**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

22.1 Payment to auditors:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
To statutory auditor		
(i) For Audit	0.31	0.33
(ii) For Limited Review	0.17	0.13
(iii) For Taxation Matters	0.02	0.01
Total	**0.50**	**0.47**

23. Current Tax and deferred tax

(a) Income tax recognised in Statement of Profit and Loss

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Current tax:		
In respect of current year	78.94	135.65
In respect of prior year	0.11	0.30
	79.05	**135.95**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(31.01)	(11.10)
Total	**48.04**	**124.85**

(b) Income tax recognised in other comprehensive income

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Current tax :		
Items that will not be reclassified to profit and loss:		
Remeasurement of defined benefit obligations	(0.44)	0.32
Total	**(0.44)**	**0.32**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Profit before tax	465.85	478.84
Income tax expense calculated at 25.17%	117.25	120.52
Effect of income that is exempt from taxation	(0.96)	(0.55)
Effect of expenses that are non-deductible in determining taxable profit	2.37	7.10
Effect due to differential tax rate	(1.88)	(2.52)

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Effect due to unabsorbed carry forward tax losses and depreciation on Intangible assets (refer note below)	(68.85)	-
Tax of prior years	0.11	0.30
Income tax expense recognised in Statement of Profit and Loss	**48.04**	**124.85**

Note : The Company has recognised deferred tax credit amounting to ₹ 68.85 crores pertaining to unabsorbed carry forward tax losses of the demerged undertaking and depreciation on certain intangible assets which would be allowed as a deductible tax expense to the Company.

(d) Deferred tax

₹ in Crores

Particulars	For the Year ended March 31, 2024				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Transfer Pursuant to Demerger	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities					
Property, plant and equipment	(23.01)	22.86	-	-	(0.15)
Allowance for expected credit losses on trade receivables, advances and deposits	0.27	-	-	-	0.27
Fair valuation on investments	(2.26)	(1.15)	-	-	(3.41)
Right of use asset	(210.20)	(34.03)	-	-	(244.23)
Lease liabilities	236.15	40.32			276.47
Discounting on security deposit	4.06	1.48			5.54
Provision for Warranty	-	0.05	-	-	0.05
Compensated absences	0.94	0.39	-	-	1.33
Provision for expenses	-	0.93	-	-	0.93
MSME Payment due but not made	-	0.16	-	-	0.16
Net deferred tax asset	**5.95**	**31.01**	**-**	**-**	**36.96**

₹ in Crores

Particulars	For the Year ended March 31, 2023				
	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	Transfer Pursuant to Demerger	Closing Balance
Tax effect of items constituting deferred tax assets/ liabilities					
Property, plant and equipment	1.95	2.02	-	(26.98)	(23.01)
Allowance for expected credit losses on trade receivables, advances and deposits	0.27	-	-	-	0.27
Fair valuation on investments	(4.39)	2.13	-	-	(2.26)
Right of use asset	(153.43)	(56.77)	-	-	(210.20)
Lease liabilities	174.23	61.92			236.15
Discounting on security deposit	2.55	1.51			4.06
Compensated absences	0.65	0.29	-	-	0.94
Net deferred tax asset	**21.83**	**11.10**	**-**	**(26.98)**	**5.95**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

24.

(a) Deferred tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 (Restated)
Deferred tax liabilities	(247.79)	(235.47)
Deferred tax assets	284.75	241.42
Total	**36.96**	**5.95**

(b) Non-current tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Advance Income tax (net of provision for taxation)	3.43	0.28
Total	**3.43**	**0.28**

(c) Current tax liabilities (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Provision for taxation (net of advance tax)	1.58	1.53
Total	**1.58**	**1.53**

25 Contingent Liabilities and commitments (to the extent not provided for)

₹ in Crores

Nature of Dues	As at March 31, 2024	As at March 31, 2023	Period	Forum where dispute is pending
(i) Contingent Liabilities				
a) Disputed indirect and direct tax matters				
Central Excise demands	0.09	0.09	Apr'2006 - Mar'2014	CESTAT, Mumbai
Service Tax demands	0.11	0.11	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax demands	0.00	0.00	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.01	0.01	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam
	0.01	0.01	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.04	0.04	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.76	0.76	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
	0.18	0.18	F.Y. 2015-2016	Excise and Taxation Department, Punjab

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Nature of Dues	As at March 31, 2024	As at March 31, 2023	Period	Forum where dispute is pending
Goods and Services Tax (GST) demands	0.08	0.08	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	0.02	0.02	F.Y. 2019-2020	Commercial Tax Officer, Vigilance - 43, Bangalore
	0.01	0.01	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	0.47	-	F.Y. 2017-2018	Assistant Commissioner of State Tax- Bihar
	0.04	-	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	0.57	-	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit: West Bengal
	0.52	-	F.Y. 2018-2019	Deputy Commissioner, Rajasthan
Profession Tax	1.28	-	F.Y. 2020-2021	Assistant Commissioner of Sales Tax Profession
Income Tax Demand	-	0.03	A.Y. 2011-2012	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	4.21	19.00		

Future cash flow in respect of contingent liability matters depend on the final outcome of judgement/decisions pending at various forums/ authorities.

The estimated amount of contracts remaining to be executed on capital account represents amount to be incurred for store fitout.

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 Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company recognised Provident Fund ₹ 9.02 Crores (Previous year ₹ 6.80 Crores) and ESIC ₹ 2.57 Crores (Previous year ₹ 2.11 Crores) 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Gratuity	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
I. Expense recognized in the Statement of Profit and Loss for the year		
1. Current Service Cost	2.63	2.25
2. Net Interest Cost on the net defined benefit liability	0.37	0.05
Total	**3.00**	**2.30**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	(0.86)	0.64
2. Actuarial losses on account of :		
- change in demographic assumptions	(0.05)	-
- change in financial assumptions	(0.68)	(1.04)
- experience variance	(0.15)	1.92
Total	**(1.74)**	**1.52**
III. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	21.15	20.40
2. Fair value of plan assets	19.34	14.97
3. Net (liability) as at end of the year	(1.81)	(5.43)
IV. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	20.40	18.32
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	2.63	2.25
- Interest Cost	1.41	1.14
3. Remeasurement gains/(losses)		
- change in demographic assumptions	(0.05)	-
- change in financial assumptions	(0.68)	(1.04)
- experience variance (i.e. Actual experience vs assumptions)	(0.15)	1.92
4. Benefits paid	(2.41)	(3.79)
5. Transfer In (On Account of merger) (refer note 45)	-	1.60
6. Present Value of Defined Benefit Obligation at the end of the year	**21.15**	**20.40**
V. Change in Fair Value of Assets during the year		
1. Plan assets at the beginning of the year	14.97	17.54
2. Investment Income	1.03	1.09
3. Return on plan assets (excluding amount recognised in net interest expense)	0.86	(0.64)
4. Contribution by employer	3.57	0.77
5. Benefits paid	(1.09)	(3.79)
6. Fair value of Plan assets at the end of the year	19.34	14.97
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)	9.16	5.97
- High quality corporate bonds (Including public sector bonds)	5.83	5.33
- Equity shares, Equity mutual funds and ETF	3.35	2.51
- Others	1.01	1.16
Total	**19.34**	**14.97**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Gratuity	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
VII. Actuarial assumptions		
1. Discount Rate [HO]	7.15%	7.30%
Discount Rate [Sales Staff]	7.10%	7.20%
2. Salary Escalation Rate [HO]	9.00%	10.00%
Salary Escalation Rate [Sales Staff]	9.00%	10.00%
3. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
4. Retirement Age	60 Years	60 Years
5. In-service Mortality	IALM 2012-14	IALM 2012-14

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 Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Discount Rate (-/ + 1%)		
- Decrease by 1%	1.16	1.03
- Increase by 1%	(1.05)	(0.94)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(1.04)	(0.92)
- Increase by 1%	1.12	1.00
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	1.69	1.92
- Increase by 50%	(0.93)	(0.97)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

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 ₹ 4.36 Crores in respect of the gratuity plans during the next financial year ending March 31, 2025.

e) Expected future benefits payable:

₹ in Crores

Maturity Profile of Defined Benefit Obligation	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
1 year	3.87	3.18
2 to 5 years	11.35	10.20
6 to 10 years	9.31	7.96
More than 10 years	8.31	8.09

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

III) Defined Benefit Plans - Compensated absences

The Company has the policy for Compensated absences which allows 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, 2024.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Compensated Absences	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	5.36	4.14
2. Fair value of plan assets	-	-
3. Net (liability) as at end of the year	(5.36)	(4.14)
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	4.14	2.57
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	1.99	1.29
3. Benefits paid	0.76	0.13
4. Transfer In (refer note 45)	-	0.41
5. Present Value of Defined Benefit Obligation at the end of the year	5.36	4.14

b) Actuarial Assumptions

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
1. Discount Rate [HO]	7.15%	7.30%
Discount Rate [Sales Staff]	7.10%	7.20%
2. Salary escalation rate	9.00%	10.00%
3. Retirement age	60 years	60 years
4. In - service mortality	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:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Discount Rate (-/ + 1%)		
- Decrease by 1%	0.21	0.15
- Increase by 1%	(0.20)	(0.14)

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(0.19)	(0.14)
- Increase by 1%	0.21	0.15
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	0.27	0.29
- Increase by 50%	(0.11)	(0.11)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

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 Companies		M/s. Metmill Footwear Private Limited
			M/s. Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)
	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
		5.	Mr. Kaushal Parekh - Chief Financial Officer
		6.	Ms. Deepa Sood - Company Secretary
		7.	Ms. Aruna Advani
		8.	Mr. Manoj Kumar Maheshwari
		9.	Mr. Arvind Kumar Singhal
		10.	Mr. Vikas Khemani
		11.	Mr. Srikanth Velamakanni
		12.	Mr. Mithun Sancheti
	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, 2024

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. Metro Shoes
	4. Metro Family Holdings (from April 8th, 2022)
	5. Aziza Malik Family Trust
	6. Rafique Malik Family Trust
	7. Zia Malik Family Trust
	8. Zarah Malik Family Trust
	9. Sabina Malik Family Trust
	10. Farah Malik Family Trust

II. Related Party Transactions during the year:

₹ in Crores

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-24				1.63	
	Mar-23				1.28	
Mrs. Aziza Malik	Mar-24					2.76
	Mar-23					2.90
Commission/rent in respect of retail agency agreements for showroom						
Metro Shoes	Mar-24		2.03			
	Mar-23		2.62			
Sale of Property, Plant and Equipment						
Metro Family Holdings	Mar-24		-			
	Mar-23		4.41			
Remuneration #						
Mr. Rafique Malik	Mar-24				8.18	
	Mar-23				7.15	
Mrs. Farah Malik Bhanji	Mar-24				3.44	
	Mar-23				2.98	
Mrs. Aziza Malik	Mar-24					2.39
	Mar-23					2.09
Mr. Kaushal Parekh	Mar-24				1.70	
	Mar-23				2.19	
Mr. Nissan Joseph	Mar-24				3.83	
	Mar-23				3.45	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-24				0.64	
	Mar-23				0.54	
Ms. Deepa Sood	Mar-24				1.05	
	Mar-23				0.68	
Ms. Alisha R. Malik	Mar-24					1.33
	Mar-23					0.97
Directors' Sitting Fees						
Ms. Aruna Advani	Mar-24				0.04	
	Mar-23				0.09	
Mr. Manoj Kumar Maheshwari	Mar-24				0.04	
	Mar-23				0.09	
Mr. Arvind Kumar Singhal	Mar-24				0.03	
	Mar-23				0.08	

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

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. Srikanth Velamakanni	Mar-24				0.02	
	Mar-23				0.06	
Mr. Vikas Khemani	Mar-24				0.03	
	Mar-23				0.07	
Mr.Mithun Sancheti	Mar-24				0.01	
	Mar-23				-	
Retainership Fees						
Mrs. Mumtaz Jaffer	Mar-24					0.36
	Mar-23					0.36
Interim Dividend						
Mr. Rafique Malik	Mar-24				0.74	
	Mar-23				0.68	
Mrs. Farah Malik Bhanji	Mar-24				1.41	
	Mar-23				1.28	
Mrs. Aziza Malik	Mar-24					0.37
	Mar-23					0.34
Ms. Alisha R. Malik	Mar-24					2.50
	Mar-23					2.27
Mrs. Sabina Malik Hadi	Mar-24					1.41
	Mar-23					1.28
Ms. Zarah Rafique Malik	Mar-24					1.41
	Mar-23					1.28
Mrs. Zia Malik Lalji	Mar-24					1.41
	Mar-23					1.28
Mrs. Rukshana Kurbanali Javeri	Mar-24					0.07
	Mar-23					0.06
Mrs. Mumtaz Jaffer	Mar-24					0.01
	Mar-23					0.01
Mr. Kaushal Parekh	Mar-24				0.02	
	Mar-23				0.02	
Aziza Malik Family Trust	Mar-24		21.02			
	Mar-23		19.11			
Rafique Malik Family Trust	Mar-24		20.73			
	Mar-23		18.84			
Zia Malik Family Trust	Mar-24		1.09			
	Mar-23		0.99			
Zarah Malik Family Trust	Mar-24		1.09			
	Mar-23		0.99			
Sabina Malik Family Trust	Mar-24		1.09			
	Mar-23		0.99			
Farah Malik Family Trust	Mar-24		1.09			
	Mar-23		0.99			
Mr. Suleiman Sadruddin Bhanji	Mar-24					0.01
	Mar-23					0.01
Mohammed Iqbal Hasanally Dossani	Mar-24		0.00			
	Mar-23		0.00			
Security Deposit Refunded						
Metro Shoes	Mar-24		-			
	Mar-23		0.01			

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

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
Recovery of fixed assets cost						
Mrs. Aziza Malik (BRD)	Mar-24					0.79
	Mar-23					-
Mrs. Aziza Malik (LKR)	Mar-24					0.42
	Mar-23					-
Mr. Rafique Malik (VKM)	Mar-24				0.21	
	Mar-23				-	
Mr. Rafique Malik (LKR)	Mar-24				0.18	
	Mar-23				-	
Final Dividend						
Mr. Rafique Malik	Mar-24				0.41	
	Mar-23				0.20	
Mrs. Farah Malik Bhanji	Mar-24				0.77	
	Mar-23				0.38	
Mrs. Aziza Malik	Mar-24					0.20
	Mar-23					0.10
Mr. Kaushal Parekh	Mar-24				0.01	
	Mar-23				0.01	
Ms. Alisha R. Malik	Mar-24					1.36
	Mar-23					0.68
Mrs. Sabina Malik Hadi	Mar-24					0.77
	Mar-23					0.38
Ms. Zarah Rafique Malik	Mar-24					0.77
	Mar-23					0.38
Mrs. Zia Malik Lalji	Mar-24					0.77
	Mar-23					0.38
Mrs. Rukshana Kurbanali Javeri	Mar-24					0.04
	Mar-23					0.02
Mrs. Mumtaz Jaffer	Mar-24					0.00
	Mar-23					0.00
Aziza Malik Family Trust	Mar-24		11.47			
	Mar-23		5.73			
Rafique Malik Family Trust	Mar-24		11.31			
	Mar-23		5.65			
Zia Malik Family Trust	Mar-24		0.60			
	Mar-23		0.30			
Zarah Malik Family Trust	Mar-24		0.60			
	Mar-23		0.30			
Sabina Malik Family Trust	Mar-24		0.60			
	Mar-23		0.30			
Farah Malik Family Trust	Mar-24		0.60			
	Mar-23		0.30			
Mohammed Iqbal Hasanally Dossani	Mar-24		0.00			
	Mar-23		0.00			
Mr. Suleiman Sadruddin Bhanji	Mar-24					0.00
	Mar-23					0.00
Professional Fees (capital cost)						
Design Matrix Interiors LLP	Mar-24		2.75			
	Mar-23		4.43			

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

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
Design Matrix Associated Private Limited	Mar-24		1.04			
	Mar-23		0.03			
Purchases of Stock-in-Trade (net of taxes)						
M.V. Shoe Care Private Limited	Mar-24			20.48		
	Mar-23			20.06		
Metmill Footwear Private Limited	Mar-24	0.31				
	Mar-23	2.02				
Metro Atleisure Limited (Formerly known as Cravatex Brands Limited) (Wholly owned Subsidiary Company)	Mar-24	1.45				
	Mar-23	1.84				
Expenses Incurred on behalf of the related party						
Metmill Footwear Private Limited	Mar-24	0.04				
	Mar-23	0.06				
Loan given						
Metro Athleisure Limited (Formerly known as Cravatex Brands Limited) (Wholly owned Subsidiary Company)	Mar-24	8.62				
	Mar-23	8.62				
Interest on loan given						
Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)	Mar-24	0.60				
	Mar-23	0.21				
Security Deposit						
Mr. Rafique Malik	Mar-24				-	
	Mar-23				0.13	

III. Outstanding receivables

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Subsidiary Company - Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)		
Inter Corporate Deposits	8.62	8.62
Other Receivables		
Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)	-	6.21
Key Management Personnel (Mr. Rafique Malik)		
Reimbursement of fixed asset cost incurred by Metro Brands Limited (VKM-Varanasi, U.P.)	0.21	-
Security Deposit for Rent		
Mr. Rafique Malik-(BM8 Store- Colaba, Mumbai)	0.13	0.13

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

III. Outstanding receivables

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(0.19)	(0.11)
Mrs. Aziza Malik	(0.20)	(0.15)
Remuneration		
Mrs. Aziza Malik	(0.26)	-
Other Payables		
Metro Athleisure Limited (Formerly known as Cravatex Brands Limited)	3.53	-
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(0.04)	(0.04)
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	(0.21)	(0.19)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(0.18)	(0.69)
Design Matrix Associated Private Limited	(0.04)	(0.00)
Purchases of Stock-in-trade		
M.V. Shoe Care Private Limited	(2.52)	(9.15)
Metro Atleisure Limited (Formerly known as Cravatex Brands Limited)	(0.84)	(1.07)
Metmill Footwear Private Limited	(0.28)	(1.62)

 # excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

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.
4) Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash.
5) There are no guarantees provided or received for any related party receivables or payables.

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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

29 Leases

Right-of-use Asset (Stores)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Balance at the beginning of the year	**835.11**	**609.58**
Additions during the year	332.67	376.12
Disposals during the year	(26.07)	(33.03)
Depreciation expense for the year	(171.38)	(135.44)
Transfer on account of merger (Refer note 45)	-	17.88
Balance at the end of the year	**970.34**	**835.11**

Lease Liabilities

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Balance at the beginning of the year	**938.20**	**692.22**
Additions during the year	322.79	367.92
Disposals during the year	(33.78)	(33.83)
Interest expense for the year	78.64	61.59
Lease payment during the year	(207.41)	(166.23)
Transfer on account of merger (Refer note 45)	-	16.53
Balance at the end of the year	**1,098.43**	**938.20**

Maturity analysis - contractual undiscounted cash flows

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Less than 1 year	224.56	191.87
1 - 5 Year	770.80	647.57
More than 5 years	457.04	401.11
Total undiscounted lease liabilities at the end of the year	**1,452.40**	**1,240.56**
Lease Liabilities included in Financial statement at the end of the year	**1,098.43**	**938.20**
Current	145.87	128.13
Non-Current	**952.56**	**810.07**

Amounts recognised in Statement of Profit and Loss

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Interest expense on lease liabilities	78.64	61.59
Depreciation of Right-of-use assets	171.38	135.44
Expenses relating to short term leases/Variable lease payments	52.56	58.87
Total	**302.58**	**255.90**

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

Amounts recognised in Statement of Cash Flows

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
Total Cash outflow for Leases	(207.41)	(166.23)

a) The Company incurred ₹ 52.56 Crores for the year ended March 31, 2024 (Previous year ₹ 58.87 Crores) towards expenses relating to short-term leases and variable lease payments. The total cash outflow for leases is ₹ 207.41 Crores for the year ended March 31, 2024 (Previous year ₹ 166.23 Crores) excluding cash outflow of short-term leases and variable lease payments. Interest on lease liabilities is ₹ 78.64 Crores for the year ended March 31, 2024 (Previous year ₹ 61.59 Crores).

b) The Company's leases mainly comprise of office, showroom and warehouse premises.

c) The effective interest rate for lease liabilities is 7.76% (March 31, 2023: 7.84%).

d) The future lease payment for non-cancellable lease contracts (which have not commenced) are at March 31, 2024 ₹ 116.83 Crores.

30 Basic and Diluted Earnings per Share is calculated as under:

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Profit after tax as per Statement of Profit and Loss (₹ in Crores)	417.81	353.99
Weighted average number of Equity Shares:		
- Basic	271,791,689	271,614,422
Add: Effect of Potential Equity Shares on employees stock options outstanding	1,140,496	1,061,095
- Diluted	272,932,185	272,675,517
Earnings per Share (in ₹)		
- Basic (₹)	15.37	13.03
- Diluted (₹)	15.31	12.98

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 August 5th August, 2021.

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible.

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	The options granted will vest over the term determined by the Nomination and Remuneration Committee in graded manner. Vested options are exercisable for the period of five years after the vesting.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disability and death of grantee's the legal heir must exercise the shares within six months from the date of such event.d)Three months from the date of retirement.
Exercise Price	The exercise price per option is to be determined by the Board / NRC at the time of grant but the fair market value should not be less than the face value of a share on the grant date.
Face value	Equity Shares of face value ₹ 5/- each (Previous year Equity Shares of face value ₹ 5/- each)

b) The particulars of number of options granted,exercised and lapsed for Employees Stock Option plan 2008 (ESOP 2008) are as follows:

Summary of stock options

₹ in Crores

Particulars	Number of options as at March 31,2024	Number of options as at March 31,2023
Options outstanding at the beginning of the year	1,523,662	1,655,973
Options granted during the year*	309,525	293,055
Options exercised during the year	(187,382)	(225,795)
Options forfeited / lapsed during the year	(141,273)	(199,571)
Options outstanding at the end of the year	1,504,532	1,523,662

**Options granted during the year ended:*

March 31, 2024		March 31, 2023	
01.04.2023	34,538	29.09.2022	113,737
01.07.2023	133,220	29.09.2022	96,809
01.09.2023	28,727	20.10.2022	60,928
29.09.2023	21,804	20.12.2022	4,726
01.10.2023	32,885	31.01.2023	16,855
01.01.2024	58,351		
Total	**309,525**		**293,055**

Information in respect of options outstanding as at March 31, 2024

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	979,706	2.50
₹ 228	113,737	3.50
₹ 228	61,809	2.50
₹ 391.46	54,836	3.56
₹ 228	4,726	3.72
₹ 228	14,414	2.84
₹ 409.7	34,538	4.01
₹ 403.1	99,729	4.25
₹ 228	27,997	3.42
₹ 228	21,804	4.50
₹ 488.25	32,885	4.51
₹ 544.8	58,351	4.76

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

c) During the year the Company has granted 3,09,525 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.The fair value of the options granted during the year are as follows:

Number of options - 34,538, Vesting period - 5 years

Grant date- 01.04.2023	Fair value per option (₹)
April 01 2024	430.60
April 01 2025	452.69
April 01 2026	475.03
April 01 2027	493.19
April 01 2028	509.84

Number of options - 133,220, Vesting period - 5 years

Grant date- 01.07.2023	Fair value per option (₹)
July 01 2024	575.86
July 01 2025	595.50
July 01 2026	615.79
July 01 2027	633.17
July 01 2028	649.57

Number of options - 28,727, Vesting period - 4 years

Grant date- 01.09.2023	Fair value per option (₹)
September 01 2024	840.85
September 01 2025	850.13
September 01 2026	858.57
September 01 2027	866.20

Number of options - 21,804, Vesting period - 5 years

Grant date- 29.09.2023	Fair value per option (₹)
September 29 2024	881.18
September 29 2025	890.53
September 29 2026	899.05
September 29 2027	906.77
September 29 2028	913.74

Number of options - 32,885, Vesting period - 5 years

Grant date- 01.10.2023	Fair value per option (₹)
October 01 2024	692.45
October 01 2025	717.62
October 01 2026	743.10
October 01 2027	765.24
October 01 2028	785.55

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Number of options - 58,351, Vesting period - 5 years

Grant date- 01.01.2024	Fair value per option (₹)
January 01 2025	788.18
January 01 2026	816.25
January 01 2027	844.82
January 01 2028	869.55
January 01 2029	892.69

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 : April 01 2023(5 years vesting)	
Risk free interest rate (%)	6.83% - 6.90%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	26.44% - 29.45%
Expected dividend yield (%)	0.50%
Exercise price (₹)	409.7
Stock price (₹)	794.65

Grant dated : July 01 2023 (5 years vesting)	
Risk free interest rate (%)	6.65% - 6.75%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.63% - 29.01%
Expected dividend yield (%)	0.43%
Exercise price (₹)	403.1
Stock price (₹)	936.5

Grant dated : September 01 2023 (4 years vesting)	
Risk free interest rate (%)	6.76% - 6.82%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	24.5% - 28.76%
Expected dividend yield (%)	0.38%
Exercise price (₹)	228
Stock price (₹)	1047.95

Grant dated : September 29 2023 (5 years vesting)	
Risk free interest rate (%)	6.81% - 6.89%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.45% - 28.47%
Expected dividend yield (%)	0.37%
Exercise price (₹)	228
Stock price (₹)	1088.1

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Grant dated : October 01 2023 (5 years vesting)	
Risk free interest rate (%)	6.81% - 6.89%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.42% - 28.46%
Expected dividend yield (%)	0.36%
Exercise price (₹)	488.25
Stock price (₹)	1126.25

Grant dated : January 01 2024 (5 years vesting)	
Risk free interest rate (%)	6.73% - 6.83%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	21.75% - 28.16%
Expected dividend yield (%)	0.31%
Exercise price (₹)	544.8
Stock price (₹)	1272.2

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 ₹ 13.83 crores (Previous year ₹ 9.01 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

32 Expenditure on Corporate Social Responsibility

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023 (Restated - refer note 45)
(i) Amount required to be spent by the Company during the year	5.52	3.59
(ii) Amount spent during the year [Refer Note (a) below]		
- Construction/acquisition of any asset		
a) In cash	-	-
b) Yet to paid in cash	-	-
- On purpose other than above		
a) In cash (including shortfall of previous year ₹ 0.06 crores (March 31, 2023 ₹ 0.55 crores)	5.07	4.08
b) Yet to paid in cash	-	-
(iii) Shortfall at the end of the year	(0.51)	(0.06)
(iv) Total of previous years excess	-	0.00
The amount of shortfall pertains to ongoing projects identified as per Schedule VII of		
(vi) Nature of CSR activities		
(a) Good health and well being	0.17	0 .84
(b) Education	2 .72	2 .08
(c) Processing of Old discarded footwear in an Ecofriendly manner	0 .41	0.61
(d) Other	1.71	-
(vii) Details of related party transactions	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 forming part of the standalone financial statements

for the year ended March 31, 2024

Notes:

(a) The Company has incurred the aforesaid expenditure towards ongoing projects.

(b) The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013. The total shortfall for the current year ended March 31, 2024, ₹ 0.51 Crores has been transferred to Unspent CSR Account on April 8, 2024.

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Equity		
Equity Share Capital	135.96	135.87
Other Equity	1,699.15	1,377.66
Total Equity	**1,835.11**	**1,513.53**
Total Debt *	**1,098.43**	**938.20**
Debt Equity Ratio	**0.60**	**0.62**

** Total Debt comprises of Lease Liability.*

33.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Crores

	Hierarchy level	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Financial Assets			
Measured at fair value through profit or loss			
- Investments in Mutual funds -	Level 2	234.60	165.64
- Investments in Bonds	Level 1	25.51	23.67
- Investments in Optionally Convertible Debentures	Level 3	20.91	20.98
- Investments in Equity instrument	Level 3	1.33	1.33
- Investments in Infrastructure Investment trusts	Level 1	52.69	18.24
Measured at amortised cost			
- Trade receivables #		37.49	47.71
- Cash and cash equivalents #		44.95	29.28
- Investments in Equity instrument		5.50	5.50
- Investments in Compulsorily Convertible Preference Shares		1.96	1.96

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

	Hierarchy level	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
- Other Bank balances #		77.49	153.92
- Investment in Fixed Deposits of Non Banking Companies #		107.00	171.70
- Investment in Commercial Papers #		302.79	73.86
- Loans #		10.22	9.84
- Other financial assets #		90.33	92.19
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	12.51	12.68
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		251.25	282.99
- Other financial liabilities #		32.01	37.17
- Lease Liabilities #		1,098.43	938.20

 # 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.

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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

Financial assets measured at fair value

Financial assets	Fair value (₹ in Crores)		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, 2024	As at March 31, 2023				
Investments in Mutual funds	234.60	165.64	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investments in Optionally Convertible Debentures	20.91	20.98	Level 3	As per Valuation obtained by management	NA	NA
Investment in Equity Instrument	1.33	1.33	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	38.02	36.35	Level 1	Active market determined	NA	NA
Investment in InvITs	52.69	18.24	Level 1	Active market determined	NA	NA

Note: There have been no transfers between level 1 & level 2 during the current and previous year.

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 9.58% 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, 2024, the Company had 5 customers (as at March 31, 2023 : 7 customers) that accounted for approximately 86.35% (as at March 31, 2023 : 82.33%) 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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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.

₹ in Crores

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, 2024						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	251.25	-	-	-	251.25	251.25
Lease liabilities	224.56	426.13	344.58	457.04	1,452.31	1,098.43
Others	31.69	-	-	-	31.69	31.69
As at 31st March, 2023						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	282.99	-	-	-	282.99	282.99
Lease liabilities	185.81	347.17	290.25	400.79	1,224.01	921.67
Others	34.24	-	-	-	34.24	34.24

The Company has access to following financing facilities which were undrawn as at the end of the year.

₹ in Crores

Undrawn financing facilities	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Secured working capital facilities		
Amount Used	-	-
Amount Unused	46.00	46.00
Total	**46.00**	**46.00**

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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

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.

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 Crores, is as follows

Particulars	As at March 31, 2024		As at March 31, 2023 Restated - refer Note 45	
	₹ in Crores	USD($) in Crores	₹ in Crores	USD($) in Crores
Trade Payables	-	-	0.86	0.01

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
USD sensitivity		
₹/USD -Increase by 1% #	-	(0.01)
₹/USD -Decrease by 1% #	-	0.01

 # 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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
The principal amount remaining unpaid to any supplier at the end of the accounting year	61.11	11.65
The Interest due on the principal amount remaining unpaid to any supplier at the end of the accounting year	1.34	1.25
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	0.12	0.01

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₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
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)	1.34	1.24
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	1.34	1.25

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, 2024	As at March 31, 2023 Restated - Refer Note 45
Current Assets	1,619.64	1,412.76
Current Liabilities	501.20	498.98
Ratio	**3.23**	**2.83**
% Change from previous year	**14%**	

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, 2024 and March 31, 2023 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

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Earnings available for debt service	601.33	511.90
Debt Service	207.41	166.23
Ratio	**2.90**	**3.08**
% Change from previous year	**-6%**	

Earnings available for debt service= Net Profit after taxes + Non-cash operating expenses

Debt service = Interest and Lease Payments + Principal Repayments

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

d) Return on Equity Ratio / Return on investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Net profit after tax	417.81	353.99
Total equity	1,835.11	1513.53
Ratio	**22.77%**	**23.39%**
% Change from previous year	**-3%**	

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Cost of goods sold	958.25	861.84
Average Inventory	661.41	521.77
Inventory Turnover Ratio	**1.45**	**1.65**
% Change from previous year	**-12%**	

f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Credit Sales	226.57	154.76
Average Trade Receivables	42.60	34.32
Ratio	**5.32**	**4.51**
% Change from previous year	**18%**	

g) Trade payables turnover ratio = Credit purchases divided by average trade payables

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Credit Purchases	1,031.80	1,033.53
Average Trade Payables	267.12	247.26
Ratio	**3.86**	**4.18**
% Change from previous year	**-8%**	

h) Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Sales	2,305.00	2,071.15
Current Assets (A)	1,619.64	1,412.76
Current Liabilities (B)	501.20	498.98
Net Working Capital (C) = (A) - (B)	1,118.44	913.78
Ratio	**2.06**	**2.27**
% Change from previous year	**-9%**	

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

i) Net profit ratio = Net profit after tax divided by revenue from operation

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Net profit after tax	417.81	353.99
Revenue from operation	2,305.00	2,071.15
Ratio	**18.13%**	**17.09%**
% 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, 2024	As at March 31, 2023 Restated - Refer Note 45
Profit after tax (A)	417.81	353.99
Finance Costs (B)	78.50	62.72
Total Tax Expense (C)	48.04	124.85
EBIT (D) = (A)+(B)+(C)	**544.35**	**541.56**
Capital Employed (G)=(E)-(F)	**2,787.99**	**2,328.58**
Total Assets (E)	3,289.19	2,827.56
Total current liabilities (F)	501.20	498.98
Ratio (D)/(G)	**19.52%**	**23.26%**
% Change from previous year	**-16%**	

k) Return on Investment = Income from investment divided by the closing balance of the investment

Particulars	As at March 31, 2024	As at March 31, 2023 Restated - Refer Note 45
Income from investment	42.15	32.46
Investment (Closing Balance)	814.09	628.77
Ratio	**5.18%**	**5.16%**
% Change from previous year	**0.3%**	

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.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

(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 certain 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.

45 The Board of Directors at its meeting held on March 23, 2023 have approved the Scheme of Arrangement ("the Scheme") for the demerger of undertaking comprising of FILA business ("Demerged Undertaking") of Metro Athleisure Limited into the Company w.e.f. April 1, 2023. The Company along with Metro Athleisure Limited had filed the petition in connection with the Scheme with the Hon'ble National Company Law Tribunal ("The Tribunal"). The Scheme was sanctioned by the Tribunal vide order dated March 14, 2024. Consequently, the Company has included the financial results of Demerged Undertaking from the date of acquisition of control i.e. December 1, 2022 pursuant to the accounting treatment as prescribed in the Scheme. Consequently, the reported figures for the year ended March 31, 2023 have been restated to give impact of the Scheme. Therefore, the financial statements for the year ended March 31, 2024 are not strictly comparable with the previous year's financial statements. The proportionate investment of Demerged Undertaking held by the Company shall stand cancelled.

Metro Athleisure Limited 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 demerger of FILA business from Metro Athleisure Limited into the Company, inter alia, would result in following benefits:

- Value unlocking of the respective businesses of the Metro Athleisure Limited and Metro Brands Limited based on respective risk return profile and cash flows;
- Provide better flexibility in accessing capital and attract business specific partners and investors; and
- Focused management approach for pursuing revenue growth and expansion opportunities in the respective business verticals.

In accordance with the Scheme and as per Ind AS 103 – Business Combinations, the assets and liabilities are recognised at carrying values as appearing in the consolidated financial statements of the Company.

Identified assets acquired and liabilities assumed for Demerged Undertaking as appearing in the consolidated financial statements of the Company.

The following table summarises the recognised amounts of assets acquired and liabilities assumed for Demerged Undertaking at the date of acquisition:

₹ in Crores

Particulars	As on December 1, 2022
Assets Aquired	
Property, plant and equipment	3.95
Right of use assets	17.88
Intangible assets	120.59
Inventories	34.58
Trade receivables	35.77

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	As on December 1, 2022
Other financial assets	3.96
Other assets	7.97
Total Assets (A)	**224.70**
Liabilities assumed	
Borrowings	94.06
Provisions	2.93
Lease liability	20.62
Other liabilities	10.81
Trade payables	35.14
Other financial liabilities	0.34
Deferred tax liability	26.98
Total liabilities (B)	**190.88**
Total identifiable net assets acquired (A- B)	33.82
Less: Investment cancelled	74.19
Goodwill	**40.37**

The gross contractual amounts and fair value of trade receivables is ₹ 45.47 crores. Out of this trade receivables, ₹ 9.70 Crores is credit impaired and fully provided. Net trade receivables is expected that the full contractual amount can be collected.

The goodwill of ₹ 40.37 crores is primarily attributable to overall synergies from future expected economic benefits. Goodwill is not available for tax deduction purposes.

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.

During the current year, the Company has carried out impairment testing of Goodwill by considering the estimated value-in-use is based on discounted future cash flows for a period of 19 years considering weighted average cost of capital of 17.40% which reflects the time of cash flows and the anticipated risks.

An analysis of the sensitivity of the change in key parameters mainly weighted average cost of capital based on probable assumptions, did not result in any probable scenario in which the recoverable amount would decrease below the carrying amount.

46 The Company has been sanctioned working capital limits in excess of Rs. Five crores in aggregate from banks during the year on the basis of current assets of the Company. However, 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 Audit Trail feature in Accounting Software

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level insofar as it relates to SAP accounting software. Further no instance of audit trail feature being tampered with was noted in respect of other of accounting software where audit trail feature has been enabled.

Notes forming part of the standalone financial statements

for the year ended March 31, 2024

49 There were no whistle blower complaints received, other than the below complaints received and closed by the Company during the year.

Received	2
Closed	2

50 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary.

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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

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, 2024, 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 material 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, 2024, 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, 2024. 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.

KAM reported in the standalone Ind AS financial statements of the Holding Company

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in note 1.B (E) of the consolidated 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. • 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.
Impairment of Goodwill of FILA business (as described in note 41 of the consolidated financial statements)	
As disclosed in note 41 of consolidated financial statements, the Group has goodwill amounting to ₹ 40.37 crores as at March 31, 2024 which represents goodwill of FILA business acquired through demerger of FILA business of Metro Athleisure Limited (formerly known as Cravatex Brands Limited), a wholly-owned subsidiary of the Company into the Holding Company. 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. As disclosed in note 41, impairment of goodwill is determined by assessing the recoverable amount of CGU to which these assets relate. We have identified the annual impairment assessment as key audit matter because of the amounts involved, complexity in assessment, judgmental by nature and further, is based on projected future cash inflows and assumptions such as expected growth rate, discount rate and terminal growth rate.	Our audit procedures included the following: • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation model used in assessment of impairment in the value of goodwill. • Obtained an understanding of the process followed by the management in determining the CGU to which goodwill is allocated and determination of recoverable amounts of CGU. • Evaluated the competence, capabilities and independence of the specialist engaged by the Company and reviewed the valuation report issued by such specialist. • Engaged valuation expert to assist in evaluating the key assumptions of the valuations. • Performed sensitivity analysis around impact of future cash flows due to changes in key assumptions considered by management. • Tested the arithmetical accuracy of the computation of recoverable amounts of each CGU. • Assessed the disclosures provided by the Group in relation to its annual impairment test in note 41 to consolidated financial statements.

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 identified above when it becomes available 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.

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 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 of their respective companies 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 of 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, 2024 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

We did not audit the financial statements and other financial information, in respect of two subsidiaries, whose financial statements include total assets of ₹ 87.10 crores as at March 31, 2024, total revenues of ₹ 54.33 crores, net loss after tax of ₹ 0.24 crores, total comprehensive loss of ₹ 3.27 crores, net cash outflows of ₹ 0.41 crores, 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 ₹ 3.08 crores for the year ended March 31, 2024, 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.

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, 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 and for matters stated in paragraph (i)(vi) below on reporting under Rule 11(g);

   (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, 2024 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, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g).

   (g) 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;

   (h) 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, 2024 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;

   (i) 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 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, 2024;

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, 2024.

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 the note 46(A) 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 venture ("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 46(B) 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. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 52 to the financial statements, the Holding Company, subsidiaries, associates and joint ventures have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates and joint ventures did not come across any instance of audit trail feature being tampered in respect of other accounting software.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360
UDIN: 24109360BKFMCP7003

Place: Mumbai
Date: May 22, 2024

"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) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Firoz Pradhan
Partner
Membership Number: 109360
UDIN: 24109360BKFMCP7003

Place: Mumbai
Date: May 22, 2024

"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, 2024, we have audited the internal financial controls 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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, 2024, 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: 24109360BKFMCP7003

Place: Mumbai
Date: May 22, 2024

Consolidated Balance Sheet

as at March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2a	350.18	297.56
(b) Capital work-in-progress	2d	7.29	17.10
(c) Goodwill	41	40.91	40.91
(d) Intangible assets	2c	120.87	125.96
(e) Intangible assets under development	2e	2.01	0.74
(f) Right-of-use assets	2b	970.34	837.67
(g) Investment in Joint Venture	3	13.51	10.49
(h) Financial assets			
(i) Investment Others	3	1.34	1.34
(ii) Other Bank Balances	9c	35.10	0.14
(iii) Other financial assets	5	76.89	64.62
(i) Deferred tax assets (net)	25a	36.25	4.91
(j) Non-current tax assets (net)	25b	3.67	0.66
(k) Other non-current assets	6	2.60	1.49
Total non - current assets		**1,660.96**	**1,403.59**
2 Current assets			
(a) Inventories	7	710.15	645.76
(b) Financial assets			
(i) Investments	3	735.10	465.79
(ii) Trade receivables	8	75.67	105.27
(iii) Cash and cash equivalents	9a	47.92	31.83
(iv) Bank Balances other than (iii) above	9b	64.34	166.67
(v) Loans	4	1.66	1.27
(vi) Other financial assets	5	13.57	21.75
(c) Other current assets	6	43.22	64.44
Total current assets		**1,691.63**	**1,502.78**
3 Assets classified as held for sale		0.09	-
		1,691.72	**1,502.78**
Total assets (1+2+3)		**3,352.68**	**2,906.37**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	10	135.95	135.87
(b) Other equity	11	1,727.76	1,411.86
Equity attributable to the equity holders of the Company		**1,863.71**	**1,547.73**
Non-Controlling Interests	11	29.38	26.40
Total equity		**1,893.09**	**1,574.13**
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	30	952.56	812.81
(b) Provisions	14	0.72	1.11
(c) Other non-current liabilities	16	0.32	3.41
Total non - current liabilities		**953.60**	**817.33**
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	-	1.52
(ii) Lease liabilities	30	145.87	128.63
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	15	65.22	14.45
Total Outstanding dues of creditors other than micro enterprises and small enterprises	15	191.82	280.25
(iv) Other financial liabilities	13	29.00	34.24
(b) Other Current liabilities	16	64.19	45.46
(c) Provisions	14	8.03	8.84
(d) Current tax liabilities (Net)	25c	1.85	1.53
Total current liabilities		**505.98**	**514.92**
Total equity and liabilities (1+2+3)		**3,352.68**	**2,906.37**

See accompanying notes from 1 to 54 forming part of the Consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Place: Mumbai
Date : May 22, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	Note No.	For the Year ended March 31, 2024	For the year ended March 31, 2023
I Income			
Revenue from operations	17	2,356.70	2,127.10
Other Income	18	70.82	54.41
Total Income		**2,427.52**	**2,181.51**
II Expenses			
(a) Purchases of stock-in-trade	19a	1,051.91	1,065.71
(b) Changes in inventories of stock in trade	19b	(64.38)	(173.74)
(c) Employee benefits expense	21	227.95	184.35
(d) Finance Costs	22	78.89	63.06
(e) Depreciation and amortisation expense	20	229.12	181.01
(f) Other expenses	23	441.65	372.03
Total Expenses		**1,965.14**	**1,692.42**
III Profit before tax for the year (I-II)		**462.38**	**489.09**
IV Tax expense			
(a) Current tax	24a	81.45	137.06
(b) Deferred tax (credit)	24d	(31.52)	(11.32)
Total tax expense		**49.93**	**125.74**
V Profit for the year after tax and before share of profit of a Joint Venture (III-IV)		**412.45**	**363.35**
VI Share of profit of a Joint Venture, net of tax		3.02	2.04
VII Profit after tax for the year (V+VI)		**415.47**	**365.39**
VIII Other comprehensive income/(loss) for the year		**1.21**	**(1.94)**
(a) Items that will not be reclassified to profit or loss			
- Gain / (Loss) on Remeasurements of the defined benefit plans			
(i) Group		1.84	(1.52)
(ii) Share in Joint Venture		-	(0.03)
- Income tax relating to items that will not be reclassified to profit or loss		(0.44)	0.31
(b) Items that will be reclassified to profit or loss			
- Loss arising on fair valuation of quoted investments in bonds		(0.03)	(0.70)
- Income tax relating to items that will be reclassified to profit or loss		(0.16)	-
IX Total comprehensive income for the year (VII+VIII)		**416.68**	**363.45**
Profit after tax for the year attributable to:			
- Equity holders of the Parent		412.51	361.45
- Non-controlling interests		2.96	3.94
		415.47	**365.39**
Other comprehensive income for the year attributable to:			
- Equity holders of the Parent		1.21	(1.96)
- Non-controlling interests		-	0.02
		1.21	**(1.94)**
Total comprehensive income for the year attributable to:			
- Equity holders of the Parent		413.72	359.50
- Non-controlling interests		2.96	3.95
		416.68	**363.45**
Earning per equity share (face value of ₹ 5 each):			
Basic (₹)	31	15.18	13.31
Diluted (₹)	31	15.11	13.26

See accompanying notes from 1 to 54 forming part of the Consolidated financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration no. 324982E/E300003

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Place: Mumbai
Date : May 22, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from Operating Activities		
Profit before tax for the year	**462.38**	**489.09**
Adjustments for:		
Finance Cost	78.89	63.06
Depreciation and Amortisation expense	229.12	181.01
Gain on termination of lease	(3.39)	(3.05)
Loss on Sale / Discard of Property Plant & Equipment (net)	4.35	1.42
Dividend income from Current Investments in Mutual Funds	(0.47)	(0.12)
Net gain on sale of Investments	(3.99)	(6.80)
Net Gain arising on Investments designated as FVTPL	(9.59)	(6.48)
Interest Income	(44.67)	(30.11)
Liabilities no longer required, written back	(3.42)	-
Advances written off/ (written back)	-	(2.50)
Employee's Stock Options Expenses	13.83	9.01
Operating profit before working capital changes	**723.03**	**694.53**
Movement in working capital:		
(Increase)/Decrease in Trade Receivable	29.60	34.15
(Increase)/Decrease in other financial assets	(17.74)	(15.46)
(Increase)/Decrease in other current assets	24.88	21.33
(Increase)/Decrease in Inventories	(64.39)	(173.74)
(Increase)/Decrease in other non-current assets	0.33	2.15
Increase/(Decrease) in trade and other payables	(41.50)	38.90
Increase/(Decrease) in Other current liabilities	18.73	(41.43)
Increase/(Decrease) in Other non-current liabilities	(3.09)	(0.31)
Increase/(Decrease) in Other financial liabilities	3.60	(35.42)
Increase/(Decrease) in Provisions	0.63	(2.82)
	(48.95)	**(172.65)**
Cash generated from Operations	**674.08**	**521.88**
Less: Income taxes paid	(84.00)	(141.21)
Net cash generated from Operating Activities	**590.08**	**380.67**
Cash flows from Investing Activities		
Capital Expenditure on Property, Plant & Equipment and Intangible assets including Capital Advances and Capital Creditor	(116.13)	(99.64)
Proceeds from Sale / Discard of Property, Plant & Equipment	5.06	8.13
Interest Received	47.81	21.11
Investments in Fixed Deposits	(164.03)	(327.96)
Redemption of Fixed Deposits	231.33	504.60
Purchase of Current Investments	(1,629.32)	(1,346.21)
Redemption of Current Investments	1,373.50	1,285.55
Dividend Income from Mutual Funds	0.47	0.12
Investment in Equity shares	-	(1.34)
Cash Consideration paid on acquisition of Subsidiary (net of cash and cash equivalents taken over of ₹ 0.36 crores)	-	(95.92)
Net cash flows used in Investing Activities	**(251.32)**	**(51.56)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

CIN: L19200MH1977PLC019449

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from Financing Activities		
Proceeds from issue of shares	4.20	2.83
Proceeds from Share application money pending allotment	0.15	0.02
Repayments of borrowings	(1.52)	(102.28)
Payment of Lease Liabilities	(209.71)	(170.95)
Finance Costs	(0.26)	(0.14)
Payment of Final and Interim Dividend	(115.53)	(88.30)
Net cash used in Financing Activities	**(322.67)**	**(358.82)**
Net (decrease)/increase in cash and cash equivalents	**16.09**	**(29.71)**
Cash and cash equivalents at the beginning	31.83	61.54
Cash and cash equivalents at the end of the year [Refer note 9a]	47.92	31.83

₹ in Crores

Change in liabilities arising from financial activities	For the Year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	1.52	-
Add: Proceeds from borrowing	-	103.80
Less: Repayment of borrowings	(1.52)	(102.28)
Closing balance	-	1.52

See accompanying notes from 1 to 54 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity share capital (refer note 10)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	135.87	135.75
Changes in equity share capital during the year		
Shares allotted on exercise of ESOP	0.08	0.11
Balance as at the end of the year	**135.95**	**135.87**

B. Other Equity (refer note 11)

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	Other Comprehensive Income (net of taxes)	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, 2023	**294.39**	**0.29**	**0.03**	**10.80**	**1,106.78**	**0.02**	**(0.44)**	**1,411.86**	**26.40**	**1,438.25**
Profit for the year	-	-	-	-	412.51	-	-	412.51	2.96	415.47
Other comprehensive income (net of income tax)	-	-	-	-	1.40	-	(0.19)	1.21	-	1.21
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**413.91**	**-**	**(0.19)**	**413.72**	**2.96**	**416.68**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	3.99	-	-	(3.99)	-	-	-	-	-	-
Received from Employees on exercise of options	4.11	-	-	-	-	-	-	4.11	-	4.11
Employee stock option plan recognized	-	-	-	13.47	-	-	-	13.47	-	13.47
Shares allotted	-	-	-	-	-	(0.02)	-	(0.02)	-	(0.02)
Share issue money accepted	-	-	-	-	-	0.15	-	0.15	-	0.15
Payment of Interim dividend	-	-	-	-	(74.77)	-	-	(74.77)	-	(74.77)
Payment of Final dividend	-	-	-	-	(40.76)	-	-	(40.76)	-	(40.76)
Balance as at March 31, 2024	**302.49**	**0.29**	**0.03**	**20.28**	**1,405.16**	**0.15**	**(0.63)**	**1,727.76**	**29.38**	**1,757.14**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	Other Comprehensive Income (net of taxes)	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	**290.19**	**0.29**	**0.03**	**3.29**	**834.89**	**-**	**0.25**	**1,128.94**	**22.44**	**1,151.38**
Profit for the year	-	-	-	-	361.45	-	-	361.45	3.94	365.39
Other comprehensive income (net of income tax)	-	-	-	-	(1.26)	-	(0.69)	(1.96)	0.02	(1.94)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**360.19**	**-**	**(0.69)**	**359.49**	**3.95**	**363.45**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	1.51	-	-	(1.51)	-	-	-	-	-	-
Received from Employees on exercise of options	4.52	-	-	-	-	-	-	4.52	-	4.52
Premium arising on issue of equity shares through IPO and Private Placement	-	-	-	9.01	-	-	-	9.01	-	9.01
Share is issue expense on IPO and Private Placement	(1.83)	-	-	-	-	-	-	(1.83)	-	(1.83)
Share issue money accepted	-	-	-	-	-	0.02	-	0.02	-	0.02
Payment of Interim dividend	-	-	-	-	(67.93)	-	-	(67.93)	-	(67.93)
Payment of Final dividend	-	-	-	-	(20.37)	-	-	(20.37)	-	(20.37)
Balance as at March 31, 2023	**294.39**	**0.29**	**0.03**	**10.80**	**1,106.78**	**0.02**	**(0.44)**	**1,411.86**	**26.40**	**1,438.25**

See accompanying notes from 1 to 54 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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Note 1.A - Corporate Information

Metro Brands Limited ['the Company'] is a listed Public Limited Company and is incorporated under the provision of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The 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, 2024, were approved by the Board of Directors and authorised for issue on May 22, 2024.

Note 1.B - Material 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 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 from time to time 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 consolidated financial statements. The consolidated financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded to the nearest crores except when otherwise indicated. Figures less than rupees 50,000 are represented as "0.00".

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 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

- 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 companies and JV used in the consolidation are drawn up to the same reporting date as that of the Company i.e., March 31, 2024.

ii. The financial statements of the Company and its subsidiary companies 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 losses (net of deferred tax), unless cost cannot be recovered.

iii. The excess of cost to the Group of its investment in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies 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 companies 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

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for the year ended March 31, 2024

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. For 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 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.

The Group uses the expected value method to estimate the sales return. Based on historical return data of each product, expected return percentage is determined. These percentages are applied to derive the sales return.

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.

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 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 – 10-20 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 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

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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 all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary difference.

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

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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 Group 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 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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.

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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.

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 changes in fair value recognised in the Consolidated statement of profit and loss.

(ii) **Impairment of Financial Assets:**

The Group 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 Group 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.

(iii) **Equity Instruments:**

All equity investments other than in Investment in 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 Consolidated Statement of Profit and Loss.

(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

Notes forming part of the consolidated financial statements

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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, Warehouse and Office. 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 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.

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 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.

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.

For the purpose of consolidated statement of cash flow, cash and cash equivalents consists of cash and short-term deposits.

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 their performance. Since there is single operating segment, no segment disclosure of the Group is presented (Refer Note 29).

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(J)(II)]
- Fair value measurements and valuation process. [Refer Note 1.B]
- Impairment of Financial Assets [Refer Note 1.B(N)(II)]
- Leases- Estimating the incremental borrowing rate [Refer note 1.B(O)]
- Determining the lease term of the contracts with renewal and termination options- Company as lessee [Refer note 1.B(O)]
- Acquisition of business [Refer note 40]

New and amended standards

The Group applied for the first-time below amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8 The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1 The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact on the balance sheet.

Standard notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

Notes forming part of the consolidated financial statements

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2a. Property, Plant and Equipment:

₹ in Crores

	Particulars	Buildings	Leasehold Improvements (Showrooms and Office)	Furniture and Fittings	Machinery and Equipment	Motor Vehicles	Computers	Total
I.	**Cost**							
	Balance as at April 01, 2022	**107.11**	**154.73**	**53.55**	**36.85**	**5.15**	**11.73**	**369.12**
	On Acquisition of subsidiary (Refer Note 40)	4.52	-	6.26	0.55	-	0.11	11.45
	Additions	0.41	54.56	23.48	9.57	3.25	3.00	94.27
	Disposals	-	(15.62)	(2.01)	(2.23)	(0.52)	(0.60)	(20.97)
	Balance as at March 31, 2023	**112.05**	**193.67**	**81.28**	**44.75**	**7.88**	**14.25**	**453.88**
	Balance as at April 01, 2023	**112.05**	**193.67**	**81.28**	**44.75**	**7.88**	**14.25**	**453.88**
	Additions	17.15	50.47	27.53	13.88	0.59	3.13	112.75
	Disposals	(4.19)	(19.17)	(6.73)	(2.30)	-	(1.12)	(33.51)
	Balance as at March 31, 2024	**125.01**	**224.97**	**102.08**	**56.33**	**8.47**	**16.26**	**533.12**
II.	**Accumulated depreciation**							
	Balance as at April 01, 2022	**13.76**	**74.74**	**19.52**	**16.22**	**2.19**	**7.66**	**134.10**
	Depreciation expense for the year	2.33	22.94	7.69	4.79	0.59	2.03	40.37
	Eliminated on disposal of assets	-	(13.69)	(1.55)	(1.96)	(0.44)	(0.51)	(18.15)
	Balance as at March 31, 2023	**16.09**	**83.99**	**25.67**	**19.06**	**2.34**	**9.18**	**156.32**
	Balance as at April 01, 2023	**16.09**	**83.99**	**25.67**	**19.06**	**2.34**	**9.18**	**156.32**
	Depreciation expense for the year	2.70	26.98	10.55	5.47	0.89	2.76	49.35
	Eliminated on disposal of assets	(1.02)	(15.46)	(3.55)	(1.70)	-	(1.00)	(22.73)
	Balance as at March 31, 2024	**17.77**	**95.51**	**32.67**	**22.83**	**3.23**	**10.94**	**182.94**
	Net carrying amount (I-II)							
	Balance as at March 31, 2024	**107.24**	**129.47**	**69.41**	**33.50**	**5.24**	**5.32**	**350.18**
	Balance as at March 31, 2023	**95.96**	**109.68**	**55.62**	**25.69**	**5.54**	**5.07**	**297.56**

2b. Right-of-Use Assets (Showroom, Warehouse and Office)

₹ in Crores

	Particulars	Total
I.	**Cost**	
	Balance as at April 01, 2022	**894.32**
	On Acquisition of subsidiary (Refer Note 40)	20.63
	Additions	377.87
	Deletion	(136.86)
	Balance as at April 01, 2023	**1,155.95**
	Balance as at April 01, 2023	**1,155.95**
	Additions	332.67
	Deletion	(64.36)
	Balance as at March 31, 2024	**1,424.26**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

	Particulars	Total
II.	**Accumulated depreciation**	
	Balance as at April 01, 2022	**284.73**
	Depreciation expense for the year	136.81
	Eliminated on disposal of assets	(103.27)
	Balance as at March 31, 2023	**318.28**
	Balance as at April 01, 2023	**318.28**
	Depreciation expense for the year	171.38
	Eliminated on disposal of assets	(35.74)
	Balance as at March 31, 2024	**453.92**
	Net carrying amount (I-II)	
	Balance as at March 31, 2024	**970.34**
	Balance as at March 31, 2023	**837.67**

2c. Intangible Assets (Represents other than Internally generated intangible assets):

₹ in Crores

	Particulars	Copy Rights	Commercial Rights	Trademark & License	Computer Software	Brand	Non-Compete	Total
I.	**Cost**							
	Balance as at April 01, 2022	**0.26**	**0.41**	**2.32**	**10.07**	**-**	**-**	**13.06**
	On Acquisition of subsidiary (Refer Note 40)	-	-	118.07	0.41	4.18	2.40	125.06
	Additions	-	-	-	1.56	-	-	1.56
	Disposals	-	-	-	(0.01)	-	-	(0.01)
	Balance as at March 31, 2023	**0.26**	**0.41**	**120.39**	**12.04**	**4.18**	**2.40**	**139.68**
	Additions	0.17	-	-	3.15	-	-	3.32
	Disposals	-	-	-	(0.06)	-	-	(0.06)
	Balance as at March 31, 2024	**0.43**	**0.41**	**120.39**	**15.13**	**4.18**	**2.40**	**142.94**
II.	**Accumulated amortization**							
	Balance as at April 01, 2022	**0.26**	**0.41**	**1.70**	**7.53**	**-**	**-**	**9.90**
	Amortization expense for the year	-	-	2.06	1.47	0.14	0.16	3.83
	Eliminated on disposal of assets	-	-	-	(0.01)	-	-	(0.01)
	Balance as at March 31, 2023	**0.26**	**0.41**	**3.76**	**8.99**	**0.14**	**0.16**	**13.72**
	Amortization expense for the year	-	-	6.49	1.45	-	0.46	8.40
	Eliminated on disposal of assets	-	-	-	(0.05)	-	-	(0.05)
	Balance as at March 31, 2024	**0.26**	**0.41**	**10.25**	**10.39**	**0.14**	**0.62**	**22.07**
	Net carrying amount (I-II)							
	Balance as at March 31, 2024	**0.17**	**-**	**110.14**	**4.74**	**4.04**	**1.78**	**120.87**
	Balance as at March 31, 2023	**0.00**	**-**	**116.63**	**3.06**	**4.04**	**2.24**	**125.96**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

2d. Capital work-in-progress (CWIP) :

₹ in Crores

As at March 31, 2024	**7.29**
As at March 31, 2023	**17.10**

Movement of Capital Work in Progress: (CWIP)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**17.10**	**0.82**
Additions during the year	101.76	109.96
Less: Capitalizations	111.57	93.68
Balance at the end of the year	**7.29**	**17.10**

Capital work-in-progress Ageing Schedule

As at March 31, 2024

₹ in Crores

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	7.25	0.04	-	-	7.29
Projects temporarily suspended	-	-	-	-	-
Total	**7.25**	**0.04**	**-**	**-**	**7.29**

As at March 31, 2023

₹ in Crores

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	17.09	0.01	-	-	17.10
Projects temporarily suspended	-	-	-	-	-
Total	**17.09**	**0.01**	**-**	**-**	**17.10**

Note : As on March 31, 2024 and 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.

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 equipments, design fee, transportation cost etc.

2e. Intangible assets under development

₹ in Crores

As at March 31, 2024	**2.01**
As at March 31, 2023	**0.74**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Movement of Intangible assets under development:

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**0.74**	**0.62**
Additions during the year	4.27	1.66
Less: Capitalizations	3.01	1.54
Balance at the end of the year	**2.01**	**0.74**

Intangible assets under development ageing schedule

As at March 31, 2024

₹ in Crores

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	2.01	-	-	-	2.01
Projects temporarily suspended	-	-	-	-	-
Total	**2.01**	**-**	**-**	**-**	**2.01**

As at March 31, 2023

₹ in Crores

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	0.54	0.20	-	-	0.74
Projects temporarily suspended	-	-	-	-	-
Total	**0.54**	**0.20**	**-**	**-**	**0.74**

Note: As on March 31, 2024 and March 31, 2023, 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.

3. Investments

₹ in Crores

	Particulars	As at March 31, 2024			As at March 31, 2023		
		Quantity	Amount: Current	Amount: Non-Current	Quantity	Amount: Current	Amount: 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	-	5.21	6,860,000.00	-	5.21
	Add : Share in accumulated Profits/Reserves	-	-	8.30	-	-	5.28
	Investment in Joint Venture (a)	**6,860,000.00**	**-**	**13.51**	**6,860,000.00**	**-**	**10.49**
B.	**Investments carried at amortised cost**						
	Investments in Commercial Papers						
	Adani Enterprises Ltd.	-	111.82	-	-	-	-
	Navi Finserv Limited	-	78.58	-	-	14.67	-
	Piramal Enterprises Ltd.	-	112.39	-	-	59.19	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

	Particulars	As at March 31, 2024 Quantity	As at March 31, 2024 Amount Current	As at March 31, 2024 Amount Non-Current	As at March 31, 2023 Quantity	As at March 31, 2023 Amount Current	As at March 31, 2023 Amount Non-Current
	Fixed Deposit Certificates						
	Bajaj Finance Ltd	-	107.00	-	-	-	-
	LIC Housing Finance Limited	-	-	-	-	20.00	-
	ICICI Home Finance	-	-	-	-	24.50	-
	HDFC Limited	-	-	-	-	127.20	-
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	5.33	-	50.00	5.39	-
	7.35% NHAI Tax Free Bonds 2015 Series IIA of ₹ 1,000 each	14,285.00	1.59	-	14,285.00	1.60	-
	8.46% IIFCL Tax Free Bonds (SERIES VIB) 30/08/2028 of ₹ 10,00,000 each	50.00	5.59	-	50.00	5.69	-
D.	**Investments carried at FVTPL**						
	Unquoted Investments						
	In equity instrument (Others)						
	Preference shares in Thaely Private Limited	287.00	-	1.33	287.00	-	1.33
	Equity shares in Saraswat Co-operative Bank Limited	-	-	0.01	-	-	0.01
	Investments in Mutual Funds						
	Face Value of ₹ 10.00 each						
	ICICI Prudential Ultra Short Term Fund Direct Plan Growth	2,723,542.85	7.42	-	88,03,901	22.28	-
	AXIS Banking and PSU Debt Fund - Direct Growth	25,427.47	6.24	-	25,427	5.82	-
	KOTAK Equity Arbitrage Fund- Direct Plan Growth	13,345,031.30	48.56	-	91,27,666	30.62	-
	NIPPON INDIA ARBITRAGE FUND - Direct Plan	14,382,699.66	23.14	-	14,382,700	21.38	-
	AXIS Arbitrage Fund - Direct Growth	-	-	-	15,667,436	26.77	-
	Face Value of ₹ 100.00 each						
	Aditya Birla Sunlife Income Plus - Growth - Direct Plan	594,900.17	30.11	-	-	-	-
	Aditya Birla Sunlife Savings Fund - Growth - Direct Plan	369,499.16	12.59	-	3,06,385	14.41	-
	Face Value of ₹ 1,000.00 each						
	HDFC Arbitrage Fund Direct Growth	11,646,345.03	21.39	-	-	-	-
	Invesco India Arbitrage Fund- Direct Plan Growth	12,411,099.70	38.93	-	-	-	-
	ICICI Prudential Overnight Fund Direct Plan Growth	-	-	-	66,721	8.06	-
	NIPPON India Money Market Fund - Direct Growth	70,396.56	26.90	-	96,697	34.30	-
	Axis Liquid Fund - Direct Growth	19,477.34	5.23	-	8,012	2.00	-
	Aditya Birla Sunlife Overnight Fund - Direct Plan Growth	31,870.75	4.04	-	-	-	-
	Nippon India Abritrage Fund - Direct Plan	3,843,374.66	10.05	-	-	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	As at March 31, 2024 Quantity	As at March 31, 2024 Amount Current	As at March 31, 2024 Amount Non-Current	As at March 31, 2023 Quantity	As at March 31, 2023 Amount Current	As at March 31, 2023 Amount Non-Current
Quoted Investments						
Investments in Bonds						
Bharat Bond ETF 30/04/2030 of ₹ 1000 each	100,000.00	13.56	-	100,000	12.54	-
Bharat Bond ETF - April 2025 of ₹ 1000 each	99,995.00	11.95	-	99,995	11.13	-
Investments in Infrastructure investment trusts (InvITs)						
Powergrid Infrastructure Investment	1,317,806.00	32.14	-	874,826	10.73	-
India Grid	799,590.00	20.55	-	556,216	7.51	-
Investment Others (b)		**735.10**	**1.34**		**465.79**	**1.34**
Aggregate value of unquoted investments		**644.39**	**14.85**		**411.20**	**11.83**
Aggregate Book value of quoted investments		**90.71**	**-**		**54.59**	**-**
Total		**735.10**	**14.85**		**465.79**	**11.83**
Aggregate Market value of quoted investments		**90.71**			**54.59**	

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Loans to employees	0.36	0.33
Loans to Selling agents, Retail agents, Supervisors and others	1.30	0.94
Total	**1.66**	**1.27**

Note 1 : The Group do not have loans which are credit impaired or where there is significant increase in credit risk.

Note 2 : The Group has not granted any loans or advances in the nature of loans to promoters, directors and KMPs.

5. Other financial assets

₹ in Crores

Particulars	As at March 31, 2024 Current	As at March 31, 2024 Non-Current	As at March 31, 2024 Total	As at March 31, 2023 Current	As at March 31, 2023 Non-Current	As at March 31, 2023 Total
Security Deposits (Unsecured)						
Considered good	10.31	76.78	87.09	13.54	64.56	78.10
Credit Impaired	0.16	-	0.16	0.16	-	0.16
	10.47	**76.78**	**87.25**	**13.70**	**64.56**	**78.26**
Less: Allowance for doubtful deposits	(0.16)	-	(0.16)	(0.16)	-	(0.16)
	10.31	**76.78**	**87.09**	**13.54**	**64.56**	**78.10**
Bank Deposit with more than 12 months maturity from the Balance Sheet date	-	0.11	0.11	-	0.03	0.03
Insurance Claim Receivable	-	-	-	0.09	-	0.09
Interest accrued on deposits with banks and investments	3.26	-	3.26	8.05	-	8.05
Other Financial assets	-	-	-	0.07	0.03	0.10
Total	**13.57**	**76.89**	**90.46**	**21.75**	**64.62**	**86.37**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

6. Other assets

₹ in Crores

Particulars		As at March 31, 2024			As at March 31, 2023		
		Current	Non-Current	Total	Current	Non-Current	Total
(i)	Advances other than Capital Advances						
	Considered good- Unsecured	5.00	-	5.00	31.63	-	31.63
	Credit Impaired	0.69	-	0.69	0.69	-	0.69
		5.69	**-**	**5.69**	**32.32**	**-**	**32.32**
	Less: Allowance for doubtful advances	(0.69)	-	(0.69)	(0.69)	-	(0.69)
		5.00	**-**	**5.00**	**31.63**	**-**	**31.63**
(ii)	Capital advances	-	1.59	1.59	-	0.15	0.15
(iii)	Balances with government authorities	28.26	-	28.26	27.72	0.02	27.73
(iv)	Prepayments	5.50	0.21	5.71	3.22	0.32	3.54
(v)	Prepaid Rent	0.85	0.36	1.21	0.26	0.58	0.85
(vi)	Receivables from Showroom Managers, Retail Agent etc.						
	Considered good- Unsecured	2.24	-	2.24	1.58	-	1.58
	Credit Impaired	0.12	-	0.12	0.12	-	0.12
		2.36	**-**	**2.36**	**1.69**	**-**	**1.69**
	Less: Allowance for doubtful receivables	(0.12)	-	(0.12)	(0.12)	-	(0.12)
		2.25	**-**	**2.24**	**1.58**	**-**	**1.58**
(vii)	Advance for DEPB License	-		-	0.03	-	0.03
(viii)	Amounts paid under protest	0.30	0.44	0.74	-	0.42	0.42
(ix)	Gratuity Fund (refer note 27)	1.07	-	1.07	-	-	-
Total		**43.22**	**2.60**	**45.82**	**64.44**	**1.49**	**65.93**

7. Inventories (At lower of Cost or Net realisable value)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Stock-in-trade	710.15	645.76
Total	**710.15**	**645.76**
Included above, goods-in-transit:	13.93	1.80

Note :

The cost of inventories recognized as an expense includes ₹ 2.58 crores (March 31, 2023: ₹ 4.68 crores) in respect of write down of inventory to net realizable value.

8. Trade receivables

₹ in Crores

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	Trade receivable considered good - Secured	0.29	0.93
	Trade receivable considered good - Unsecured	83.10	104.33
(b)	Trade receivable - credit impaired	10.68	21.34
		94.07	**126.60**
	Less: Allowance for expected credit losses	(18.40)	(21.34)
Total		**75.67**	**105.27**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Trade Receivables Ageing Schedule

As at March 31, 2024

₹ in Crores

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	62.11	8.50	11.58	0.86	0.34	83.39
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-		-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	1.09	3.48	0.79	3.75	1.57	10.68
(iv) Disputed Trade Receivables– considered good	-		-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-		-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-		-	-	-	-
Total	**63.20**	**11.98**	**12.37**	**4.61**	**1.91**	**94.07**

As at March 31, 2023

₹ in Crores

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	84.61	16.77	1.71	2.11	0.06	105.26
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	2.04	2.52	12.02	0.05	4.71	21.34
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**86.65**	**19.29**	**13.73**	**2.16**	**4.77**	**126. 61**

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

9a. Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	Balances with Banks		
	- In Current accounts	39.99	20.42
	- Deposits with original maturity of less than 3 months	1.50	9.14
(b)	Cash on hand	0.65	0.63
(c)	Cash at showrooms	5.78	1.65
Total		**47.92**	**31.83**

9b. Bank Balances other than Cash and cash equivalents

₹ in Crores

Particulars		As at March 31, 2024	As at March 31, 2023
(a)	In earmarked accounts		
	Deposits with Banks held as margin money or security against guarantees and other commitments (Refer Note below)	0.09	0.07
(b)	Deposits with Banks	64.25	166.60
Total		**64.34**	**166.67**

Note:

Deposits with Banks includes ₹ 0.03 crores (March 31,2023 ₹ 0.02 crores) which have an original maturity of more than 12 months.

9c. Other Bank Balances

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with Banks held as margin money or security against guarantees and other commitments	0.10	0.14
Deposits with Banks	35.00	-
Total	**35.10**	**0.14**

10. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity shares of ₹ 5/- each	300,000,000	150.00	300,000,000	150.00
		150.00		**150.00**
Issued, Subscribed and Fully Paid-up:				
Equity shares of ₹ of ₹ 5/- each	271,914,102	135.95	271,733,221	135.87
Total		**135.95**		**135.87**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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, 2024		As at March 31, 2023	
	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, 2023 ₹ 5/- each)	271,733,221	135.87	271,507,426	135.75
Shared allotted on exercise of ESOPs	180,881	0.08	225,795	0.11
Balance as at the end of the year	**271,914,102**	**135.95**	**271,733,221**	**135.87**

10.2 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Farah Malik Bhanji*	156,939,520	57.72%	156,939,520	57.75%
Rekha Jhunjhunwala**	39,333,600	14.47%	39,333,600	14.48%
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 Aziza Malik Family Trust	76,447,600	28.11%	76,447,600	28.13%
(b) As Trustee for the benefit of Rafique Malik Family Trust	75,367,920	27.72%	75,367,920	27.74%
***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	4.80%
(b) As Trustee for the benefit of Aryavir Jhunjhunwala Discretionary Trust	13,051,206	4.80%	13,051,206	4.80%
(c) As Trustee for the benefit of Nishtha Jhunjhunwala Discretionary Trust	13,051,188	4.80%	13,051,188	4.80%
****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%

Shareholding of Promoters

Promoter name	As at March 31, 2024		As at March 31, 2023		change during the year
	Number of shares held	% holding	Number of shares held	% holding	
Farah Malik Bhanji*	156,939,520	57.72%	156,939,520	57.75%	-0.03%
Alisha Rafique Malik	9,088,000	3.34%	9,088,000	3.34%	0.00%
Rafique A. Malik**	2,700,000	0.99%	2,700,000	1.00%	-0.01%
Total	**168,727,520**	**62.05%**	**168,727,520**	**62.09%**	
**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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

10.3 Employees Stock Option Scheme

During the year, the Company has granted 3,09,525 Employee Stock Options (ESOPs) to eligible employees under Employee Stock Options Plan 2008 (ESOP 2008) (for the previous year ended 31 March 2023 : 2,93,055 under ESOP 2008 Scheme). 1,87,382 (Previous year ended 31 March 2023 : 2,25,795) 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 Crores

Particulars	Reserves and Surplus					Share application money pending allotment	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, 2023	**294.39**	**0.29**	**0.03**	**10.80**	**1,106.78**	**0.02**	**(0.44)**	**1,411.86**	**26.40**	**1,438.25**
Profit for the year	-	-	-	-	412.51	-	-	412.51	2.96	415.47
Other comprehensive income (net of income tax)	-	-	-	-	1.40	-	(0.19)	1.21	-	1.21
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**413.91**	**-**	**(0.19)**	**413.72**	**2.96**	**416.68**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	3.99	-	-	(3.99)	-	-	-	-	-	-
Received from Employees on exercise of options	4.11	-	-	-	-	-	-	4.11	-	4.11
Employee stock option plan recognized	-	-	-	13.47	-	-	-	13.47	-	13.47
Shares alloted	-	-	-	-	-	(0.02)	-	(0.02)	-	(0.02)
Share issue money accepted	-	-	-	-	-	0.15	-	0.15	-	0.15
Payment of Interim dividend	-	-	-	-	(74.77)	-	-	(74.77)	-	(74.77)
Payment of Final dividend	-	-	-	-	(40.76)	-	-	(40.76)	-	(40.76)
Balance as at March 31, 2024	**302.49**	**0.29**	**0.03**	**20.28**	**1,405.16**	**0.15**	**(0.63)**	**1,727.76**	**29.38**	**1,757.14**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	Reserves and Surplus					Share application money pending allotment	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	**290.19**	**0.29**	**0.03**	**3.29**	**834.89**	**-**	**0.25**	**1,128.94**	**22.44**	**1,151.38**
Profit for the year	-	-	-	-	361.45	-	-	361.45	3.94	365.39
Other comprehensive income (net of income tax)	-	-	-	-	(1.26)	-	(0.69)	(1.96)	0.02	(1.94)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**360.19**	**-**	**(0.69)**	**359.49**	**3.95**	**363.45**
Transfer from Employee stock options outstanding reserve to securities premium on exercise of option	1.51	-	-	(1.51)	-	-	-	-	-	-
Received from Employees on exercise of options	4.52	-	-	-	-	-	-	4.52	-	4.52
Employee stock option plan recognized	-	-	-	9.01	-	-	-	9.01	-	9.01
Share is issue expense on IPO and Private Placement	(1.83)	-	-	-	-	-	-	(1.83)	-	(1.83)
Share issue money accepted	0.00	-	-	-	-	0.02	-	0.02	-	0.02
Payment of Interim dividend	-	-	-	-	(67.93)	-	-	(67.93)	-	(67.93)
Payment of Final dividend	-	-	-	-	(20.37)	-	-	(20.37)	-	(20.37)
Balance as at March 31, 2023	**294.39**	**0.29**	**0.03**	**10.80**	**1,106.78**	**0.02**	**(0.44)**	**1,411.86**	**26.40**	**1,438.25**

Notes:

I. Description of Nature and Purpose of Reserves

Securities Premium:

Securities Premium is created when shares are issued at premium . The Group 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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.

Retained Earning:

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

II. Dividend on Equity Shares

₹ in Crores

Particulars	March 31, 2024	March 31, 2023
Final dividend for the year ended March 31, 2023 of ₹ 1.5/- (March 31, 2022 of ₹ 0.75/-) per fully paid up share	40.76	20.37
Interim dividend for the year ended March 31, 2024 of ₹ 2.75/- (March 31, 2023 of ₹ 2.5/-) per fully paid up share	74.77	67.93
Total	**115.53**	**88.30**

The Board of Directors at its meeting held on May 22, 2024 has recommended payment of final dividend of ₹ 2.25 per equity share subject to the approval of shareholders, in the Annual General Meeting (AGM) of the Company.

12. Borrowings - Current

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Secured- at amortised cost		
Buyers credit	-	1.52
(Primarily Secured By Book Debts, Hypothecation of Inventories, and all other current assets both present and future)		
Total	**-**	**1.52**

13. Other financial liabilities - Current

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit - Franchisee	1.40	1.80
Retention Money Payable (Selling Agent, Supervisors, City and Regional Managers and Others)	12.00	9.77
Payable on acquisition of Property, Plant & Equipment	15.52	22.64
Unpaid Dividend	0.08	0.03
Total	**29.00**	**34.24**

Note :There is no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2024 (Previous year : Nil).

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

14. Provisions

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for Warranty (refer note)	0.86	-	0.86	0.67	-	0.67
Gratuity (Refer Note 27)	1.81	0.71	2.52	4.36	0.66	5.02
Compensated Absences (Refer Note 27)	5.36	0.01	5.37	3.81	0.45	4.26
Total	**8.03**	**0.72**	**8.75**	**8.84**	**1.11**	**9.95**

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	0.67	0.50
Add: Provision made during the year	0.19	0.17
Closing Balance	**0.86**	**0.67**

15. Trade payables - Current

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
i) Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 37)	65.22	14.45
ii) Total Outstanding dues of Creditors other than of Micro Enterprises and Small Enterprises	191.82	280.25
Total	**257.04**	**294.70**

Trade payables Ageing Schedule

As at March 31, 2024

₹ in Crores

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) Undisputed - MSME	63.47	1.23	0.44	0.08	65.22
ii) Undisputed - Others	158.26	1.07	0.93	0.24	160.50
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	31.32	-	-	-	31.32
Total	**253.05**	**2.30**	**1.37**	**0.32**	**257.04**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

As at March 31, 2023

₹ in Crores

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) Undisputed - MSME	13.87	0.47	0.11	-	14.45
ii) Undisputed - Others	231.30	2.46	1.95	3.27	238.98
iii) Disputed Dues - MSME	-	-	-	-	-
iv) Disputed Dues - Others	-	-	-	-	-
v) Unbilled dues	41.27	-	-	-	41.27
Total	**286.44**	**2.93**	**2.06**	**3.27**	**294.70**

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.

16. Other liabilities

₹ in Crores

Particulars	As at March 31, 2024			As at March 31, 2023		
	Current	Non-Current	Total	Current	Non-Current	Total
Advances received from customers	5.23	-	5.23	3.91	-	3.91
Deposit received from customers	9.13	-	9.13	-	-	-
Deferred revenue arising from customer loyalty program	11.33	-	11.33	12.10	-	12.10
Employee benefits payable	0.15	-	0.15	2.39	-	2.39
Statutory dues payable	18.43	-	18.43	10.60	-	10.60
Security deposit from distributors and dealers	0.07	0.32	0.39	-	3.41	3.41
Salary Payable	19.85	-	19.85	16.46	-	16.46
Total	**64.19**	**0.32**	**64.51**	**45.46**	**3.41**	**48.87**

17. Revenue from operations

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(a) Sale of products (Traded Goods) - Footwear, Bags and Accessories	2,355.89	2,126.44
(b) Other operating revenues		
- Shoe Repair Income	0.81	0.65
Total	**2,356.70**	**2,127.10**

Notes :

A) Timing of revenue recognition

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Goods transferred at a point in time	2,356.70	2,127.10
Total	**2,356.70**	**2,127.10**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

B) Reconciliation of revenue recognized in the statement of profit and loss with contracted price

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products (Traded goods)		
Footwear, Bags & Accessories	2,773.59	2,495.44
Less : GST	417.70	369.00
Sale of Products (Net of GST)	**2,355.89**	**2,126.44**

18. Other Income

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest Income:		
Income earned on financial assets carried at amortised cost:		
Interest on bank deposits	17.70	21.40
Interest on other Loans and advances	0.52	0.22
Interest on Security deposit	5.14	3.77
Interest on Commercial Papers	17.58	3.29
Income earned on financial assets carried at FVOCI		
Interest Income from Tax Free Bonds	0.91	0.90
Income earned on financial assets carried at FVTPL		
Interest Income from Investment	2.80	0.53
Interest on Income tax refund	0.02	0.01
	44.67	**30.12**
(b) Dividend Income:		
Dividend income from Current Investments in Mutual Funds (carried at FVTPL)	0.47	0.12
(c) Other Gains :		
Net gain on sale of Investments	3.99	6.79
Net fair value gain arising on current Investments designated at FVTPL	9.59	6.47
Net gain on foreign currency transactions and translation	1.12	2.21
Gain on termination of leases	3.39	3.05
(d) Others:		
Cash Discounts	0.85	0.66
Rent received	0.34	0.12
Miscellaneous Income	2.98	2.37
Liabilities no longer required, written back	3.42	2.50
Total	**70.82**	**54.41**

19a. Purchases

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Stock-in-Trade (Footwear, Bags & Accessories)	1,010.89	1,028.49
Packing Materials	41.02	37.22
Total	**1,051.91**	**1,065.71**

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

19b. Changes in Inventories of Stock-In-Trade

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the end of the year:		
Stock-in-trade	710.15	645.76
Inventories at the beginning of the year:		
Stock-in-trade	645.76	424.19
Inventories On Acquisition of subsidiary (Refer Note 40)	-	47.82
Net (Increase)/decrease in Stock-in-trade	**(64.38)**	**(173.74)**

20. Depreciation and amortization expense

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(a) Depreciation of Property, Plant and Equipment (Refer Note 2a)	49.35	40.37
(b) Depreciation of Right-of-use assets (Refer Note 2b)	171.38	136.81
(c) Amortization of Intangible assets (Refer Note 2c)	8.40	3.83
Total	**229.12**	**181.01**

21. Employee benefits expense

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(a) Salaries and wages	193.20	159.42
(b) Contribution to provident and other funds (Refer Note 27)	17.36	13.15
(c) Staff welfare expenses	3.56	2.77
(d) Employee's Stock Options Expenses (Refer Note 32)	13.83	9.01
Total	**227.95**	**184.35**

22. Finance Costs

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	0.25	0.14
Interest on lease liabilities (refer note 30)	78.64	62.92
Total	**78.89**	**63.06**

23. Other expenses

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	34.23	26.88
Sublicence fees	12.53	3.98
Rent (Refer Note 30)	52.93	59.00

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Rates and taxes	3.70	3.26
Insurance	4.06	2.64
Repairs and maintenance - Machinery and Equipment	1.27	1.15
Repairs and maintenance - Others	21.34	16.30
Advertisement & Sales promotion	71.90	55.74
Commission on sales	86.60	84.53
Commission on Credit Card Sales	10.00	9.79
Freight Charges	44.59	34.32
Maintenance & Other Charges - Showrooms	32.88	27.77
Shoe Repair Expenses	1.44	1.48
Communication	2.47	2.21
Travelling and conveyance	12.39	9.12
Legal and professional fees	16.93	8.94
Payments to auditors (Refer Note 23.1)	0.67	1.06
Loss on Sale/ discard of Property, plant and equipment (net)	4.35	1.42
Directors' Sitting fees	0.15	0.41
Expenditure incurred on Corporate Social Responsibility (Refer Note 33)	5.03	3.63
Provision for Bad & Doubtful trade receivables	0.30	0.35
Miscellaneous Expenses	21.89	18.05
Total	**441.65**	**372.03**

23.1 Payments to auditors:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
To statutory auditor		
(i) For Audit	0.31	0.33
(ii) For Limited Review	0.17	0.13
(iii) For Taxation Matters	0.02	0.01
	0.50	**0.47**
Total	**0.50**	**0.47**

Note:

1. Excludes ₹ 0.17 crores (March 31, 2023- ₹0.59 crores) to auditors of subsidiary companies.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

24. Current Tax and deferred tax

(a) Income tax recognised in Statement of Profit and Loss

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Current tax:		
In respect of current year	80.98	136.85
In respect of prior year	0.47	0.21
	81.45	**137.06**
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(31.52)	(11.32)
Total	**49.93**	**125.74**

(b) Income tax recognised in other comprehensive income

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Current tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	(0.41)	0.31
Deferred tax:		
Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit obligations	(0.03)	-
Items that will be reclassified to profit and loss:		
Fair valuation of quoted investments in bonds	(0.16)	-
Total	**(0.60)**	**0.31**

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	462.38	489.09
Income tax expense at 25.17%	116.38	123.10
Effect of income that is exempt from taxation	(0.96)	(1.77)
Effect of expenses that are non-deductible in determining taxable profit	4.20	7.08
Effect due to differential tax rate	(1.92)	(2.57)
Effect due to unaborbed carry forward tax losses and depreciation on Intangible assets (refer note below)	(68.85)	-
Tax of prior years	0.47	0.21
Income tax expense recognised in Statement of Profit and Loss	**49.33**	**126.05**

Note : The Company has recognised deferred tax credit amounting to ₹ 68.85 crores pertaining to unabsorbed carry forward tax losses of the demerged undertaking and depreciation on certain intangible assets which would be allowed as a deductible tax expense to the Company (refer note 40).

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

(d) Deferred tax

₹ in Crores

Particulars	For the Year ended March 31, 2024				
	Opening Balance	On acquisition of subsidiary (Refer Note 40)	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	(24.47)	-	22.65	-	(1.82)
Allowance for doubtful trade receivables, advances and deposits	0.27	-	-	-	0.27
Fair valuation on investments	(2.27)	-	(1.15)	(0.16)	(3.58)
Compensated absences	0.94	-	0.39	(0.03)	1.30
Unrealised profits on unsold inventories	0.20	-	0.03	-	0.23
Provision for Warranty	-	-	0.05	-	0.05
MSME Payment due but not made	-	-	0.16	-	0.16
Provision for expenses	-	-	0.93	-	0.93
Right of use asset	(210.84)	-	(33.39)		(244.23)
Lease liabilities	236.96	-	39.51		276.47
Discounting on security deposit	4.13	-	2.34	-	6.47
Net deferred tax asset/(liabilities)	**4.91**	**-**	**31.52**	**(0.19)**	**36.25**

₹ in Crores

Particulars	For the Year ended March 31, 2023				
	Opening Balance	On acquisition of subsidiary (Refer Note 40)	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	2.11	(28.70)	2.11	-	(24.47)
Allowance for doubtful trade receivables, advances and deposits	0.27	-	-	-	0.27
Fair valuation on investments	(4.39)	-	2.12	-	(2.27)
Compensated absences	0.65	-	0.29	-	0.94
Unrealised profits on unsold inventories	0.10	-	0.09	-	0.20
Right of use asset	(153.43)	-	(57.41)	-	(210.84)
Lease liabilities	174.23	-	62.73	-	236.96
Discounting on security deposit	2.76	-	1.37	-	4.13
Net deferred tax asset/(liabilities)	**22.30**	**(28.70)**	**11.31**	**-**	**4.91**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

25.

(a) Deferred tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	285.88	242.49
Deferred tax liabilities	(249.63)	(237.58)
Total	**36.25**	**4.91**

(b) Non-current tax assets (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income tax (net of provision for taxation)	3.67	0.66
Total	**3.67**	**0.66**

(c) Current tax liabilities (Net)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for taxation (net of advance tax)	1.85	1.53
Total	**1.85**	**1.53**

26 Contingent Liabilities and commitments (to the extent not provided for)

₹ in Crores

Nature of Dues	As at March 31, 2024	As at March 31, 2023	Period	Forum where dispute is pending
(i) Contingent Liabilities				
Disputed indirect and direct tax matters				
Central Excise demands	0.09	0.09	Apr'2006 - Mar'2014	CESTAT, Mumbai
Service Tax demands	0.11	0.11	Sept'2008 - Mar'2011	The Supreme Court of India
Sales Tax demands	0.00	0.00	F.Y. 2008-2009	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.01	0.01	F.Y. 2009-2010	Assistant Commissioner (Appeals-II) Ernakulam
	0.01	0.01	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.04	0.04	F.Y. 2012-2013	Assistant Commissioner of Commercial Tax, Cochin, Kerala
	0.76	0.76	F.Y. 2013-2014	Joint Commissioner of Commercial Tax (Appeals) - Bihar
	0.18	0.18	F.Y.2015-2016	Excise and Taxation Department, Punjab
Goods and Services Tax (GST) demands	0.08	0.08	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	0.02	0.02	F.Y. 2019-2020	Commercial Tax Officer, Vigilance - 43, Bangalore
	0.01	0.01	F.Y. 2019-2020	Assistant State Tax Officer, SGST Department Kerala
	0.47	-	F.Y. 2017-2018	Assistant Commissioner of State Tax- Bihar
	0.04	-	F.Y. 2018-2019	Assistant Commissioner of State Tax- Bihar
	0.57	-	F.Y. 2017-2018	Joint Commissioner Large Taxpayer Unit: West Bengal

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Nature of Dues	As at March 31, 2024	As at March 31, 2023	Period	Forum where dispute is pending
	1.41	1.41	F.Y. 2017-2018	Joint Commissioner of State Tax (Appeals), Thane
	0.52	-	F.Y. 2018-2019	Deputy Commissioner, Rajasthan
Profession Tax	1.28	-	F.Y. 2020-2021	Assistant Commissioner of Sales Tax Profession
Legal Matter	0.54	-	F.Y. 2022-2023	District and Sessions Court,Ludhiana
Income Tax demands	-	0.03	A.Y. 2011-12	Commissioner of Income Tax, Appeal
	0.29	-	A.Y. 2017-18	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	4.21	19.00		
Corporate Guarantees issued by wholly owned subsidiary	0.01	0.02		

Future cash flow in respect of contingent liability matters depend on the final outcome of judgement/decisions pending at various forums/ authorities.

The estimated amount of contracts remaining to be executed on capital account represents amount to be incurred for store fitout.

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 ₹ 9.51 Crores & (Previous year ₹ 7.01 Crores) & E.S.I.C ₹ 2.74 Crores & (Previous year ₹ 2.24 Crores) 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

b) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Gratuity	For the Year ended March 31, 2024	For the year ended March 31, 2023
I. Expense recognized in the Statement of Profit and Loss for the year ended		
1. Current Service Cost	2.69	2.37
2. Net Interest Cost on the net defined benefit liability	0.27	0.09
Total	**2.96**	**2.46**
II. Included in other comprehensive income		
1. Return on plan assets, excluding amount recognised in net interest expense	(0.85)	0.51
2. Actuarial losses on account of :		
- change in demographic assumptions	(0.05)	-
- change in financial assumptions	(0.68)	(1.04)
- experience variance	(0.05)	2.10
	(1.63)	**1.57**
III. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	21.18	21.07
2. Fair value of plan assets	20.44	16.97
3. Net (liability) as at end of the year	(0.74)	(4.10)
IV. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	21.07	21.22
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	2.69	2.37
- Interest Cost	1.46	1.22
3. Remeasurement gains/(losses)		
- change in demographic assumptions	(0.05)	-
- change in financial assumptions	(0.68)	(1.04)
- experience variance (i.e. Actual experience vs assumptions)	(0.05)	2.09
4. Benefits Paid	(3.26)	(4.79)
5. Present Value of Defined Benefit Obligation at the end of the year	21.18	21.07
V. Change in Fair Value of Assets during the year		
1. Plan assets at the beginning of the year	16.97	19.44
2. Investment Income	1.18	1.14
3. Return on plan assets (excluding amounts recognised in net interest expense)	0.85	(0.52)
4. Contribution by employer	3.60	0.88
5. Benefits paid	(2.16)	(3.97)
6. Fair value of Plan assets at the end of the year	20.44	16.97
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)	9.16	5.97
- High quality corporate bonds (Including public sector bonds)	5.83	5.33
- Equity shares, Equity mutual funds and ETF	3.35	2.51
- Others	1.01	3.16
	19.35	**16.97**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Gratuity	For the Year ended March 31, 2024	For the year ended March 31, 2023
VII. Actuarial assumptions		
1. Discount Rate [HO]	7.15%-7.46%	7.3%-7.46%
Discount Rate [Sales Staff]	7.10-7.46%	7.20%
2. Salary Escalation Rate [HO]	6.00-9.00%	6.00%-10.00%
Salary Escalation Rate [Sales Staff]	6.00-9.00%	10.00%
3. Attrition Rate [HO]	15.00%	15.00%
Attrition Rate [Sales Staff]	30.00%	30.00%
4. Retirement Age	60 Years	60 Years
5. In-service Mortality	IALM 2012-14	IALM 2012-14

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 Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate (-/ + 1%)		
- Decrease by 1%	1.16	1.20
- Increase by 1%	(1.05)	(1.09)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(1.04)	(1.08)
- Increase by 1%	1.12	1.17
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	1.68	1.90
- Increase by 50%	(0.93)	(0.96)
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

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) There is no change in the method of valuation for the prior period in preparing the sensitivity analysis.

e) Expected future benefits payable:

₹ in Crores

Maturity Profile of Defined Benefit Obligation	As at 31st March 2024	As at 31st March 2023
1 year	3.87	3.38
2 to 5 years	11.36	11.31
6 to 10 years	9.32	9.22
More than 10 years	8.34	10.06

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

III. Defined Benefit Plans - Compensated absences

The Company has the policy for Compensated absences which allows 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, 2024.

The principal assumptions used in determining compensated absences obligations for the Company is shown below:

a) Details of Defined Benefit Plan of the Company (As per Actuarial Valuation)

₹ in Crores

Compensated Absences	For the Year ended March 31, 2024	For the year ended March 31, 2023
I. Net Asset/ (Liability) recognized in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	5.37	3.53
2. Fair value of plan assets	-	-
3. Net (liability) as at end of the year	(5.37)	(3.53)
II. Change in the obligation during the year		
1. Present Value of Defined Benefit Obligation at the beginning of the year	4.26	3.57
2. Expenses recognised in the Statement of Profit and Loss		
- Current Service Cost	1.99	1.09
- experience variance (i.e. Actual experience vs assumptions)	-	0.20
3. Benefits Paid	(0.88)	(0.60)
5. Present Value of Defined Benefit Obligation at the end of the year	5.37	4.26

b) **Actuarial Assumptions**

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
1. Discount Rate [HO]	7.15%	7.30%
Discount Rate [Sales Staff]	7.10%	7.20%
2. Salary escalation rate	9.00%	10.00%
3. Retirement age	60 years	60 years
4. In service mortality	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:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate (-/ + 1%)		
- Decrease by 1%	0.21	0.16
- Increase by 1%	(0.20)	(0.15)
Salary growth Rate (-/ + 1%)		
- Decrease by 1%	(0.19)	(0.15)
- Increase by 1%	0.21	0.16
Attrition Rate (-/ + 50% of the attrition rate)		
- Decrease by 50%	0.27	0.31
- Increase by 50%	(0.11)	(0.12)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Mortality Rate (-/ + 10% of mortality rate)		
- Decrease by 10%	0.00	0.00
- Increase by 10%	(0.00)	(0.00)

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 Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation	(0.71)	(0.92)
Net Liability	(0.71)	(0.92)

ii **Expenses recognised during the year**

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
In Income Statement	0.26	0.19
In Other Comprehensive Income	(0.10)	(0.04)
Total Expenses Recognized during the year	**0.16**	**0.15**

iii **Changes in the Present Value of Obligation**

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present Value of Obligation as at the beginning of the year	0.92	0.79
Current Service Cost	0.20	0.14
Interest Expense or Cost	0.06	0.06
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	0.01
change in financial assumptions	0.01	0.02
variance (i.e. Actual experiences assumptions)	(0.11)	(0.07)
Benefits paid	(0.37)	-
Past Service Cost	-	(0.02)
Present Value of Obligation as at the end of the year	**0.71**	**0.92**

iv **Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013**

₹ in Crores

Particulars	As at 31st March 2024	As at 31st March 2023
Current Liability (Short term)	0.06	0.25
Non-Current Liability (Long term)	0.65	0.67
Present Value of Obligation	**0.71**	**0.92**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

v Expenses Recognised in the Income Statement

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Service Cost	0.20	0.14
Interest Expense or Cost	0.06	0.06
Present Value of Obligation as at the end of the year	**0.26**	**0.19**

vi Other Comprehensive Income

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (gains) / losses		
change in demographic assumptions	-	0.01
change in financial assumptions	0.01	0.02
experience variance (i.e. Actual experience vs assumptions)	(0.11)	(0.07)
Components of defined benefit costs recognised in other comprehensive income	**(0.10)**	**(0.04)**

vii The principal financial assumptions used in the valuation are shown in the table below:

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (per annum)	7.25% p.a.	7.40% p.a.
Salary growth rate (per annum)	For H.O. - 10% and For Sales Staff - 5.%.	For H.O. - 10% 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.

viii The principal demographic assumptions used in the valuation are shown in the table below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
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%	10.00%
Sales Staff years	50.00%	50.00%

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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 Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Defined Benefit Obligation (Base)	0.71	0.92

₹ in Crores

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount Rate (- / + 1%)		
-Decrease by 1 %	0.05	0.04
-Increase by 1 %	(0.04)	(0.04)
Salary Growth Rate (- / + 1%)		
-Decrease by 1 %	(0.03)	(0.03)
-Increase by 1 %	0.03	0.03
Attrition Rate (- / + 50% of attrition rates)		
-Decrease by 1 %	0.02	0.02
-Increase by 1 %	(0.04)	(0.04)
Mortality Rate (- / + 10% of mortality rates)		
-Decrease by 1 %	0.00	0.00
-Increase by 1 %	(0.00)	(0.00)

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
		5	Mr. Kaushal Parekh - Chief Financial Officer
		6	Ms. Deepa Sood - Company Secretary
		7	Ms. Aruna Advani
		8	Mr. Manoj Kumar Maheshwari
		9	Mr. Arvind Kumar Singhal
		10	Mr. Vikas Khemani
		11	Mr. Srikanth Velamakanni
		12	Mr. Mithun Sancheti

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

	List of Related Parties :		
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	Metro Shoes
		4	Metro Family Holdings (from April 8th, 2022)
		5	Aziza Malik Family Trust
		6	Rafique Malik Family Trust
		7	Zia Malik Family Trust
		8	Zarah Malik Family Trust
		9	Sabina Malik Family Trust
		10	Farah Malik Family Trust

II. Related Party Transactions during the year:

₹ in Crores

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-24			1.63	
	Mar-23			1.28	
Mrs. Aziza Malik	Mar-24				2.76
	Mar-23				2.90
Commission/rent in respect of retail agency agreements for showroom					
Metro Shoes	Mar-24	2.03			
	Mar-23	2.62			
Sale of Property, Plant and Equipment					
Metro Family Holdings	Mar-24	-			
	Mar-23	4.41			
Remuneration #					
Mr. Rafique Malik	Mar-24			8.18	
	Mar-23			7.15	
Mrs. Farah Malik Bhanji	Mar-24			3.44	
	Mar-23			2.98	
Mrs. Aziza Malik	Mar-24				2.39
	Mar-23				2.09
Mr. Kaushal Parekh	Mar-24			1.70	
	Mar-23			2.19	
Mr. Nissan Joseph	Mar-24			3.83	
	Mar-23			3.45	
Mr. Mohammed Iqbal Hasanally Dossani	Mar-24			0.64	
	Mar-23			0.54	
Ms. Deepa Sood	Mar-24			1.05	
	Mar-23			0.68	
Ms. Alisha R. Malik	Mar-24				1.33

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

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
	Mar-23				0.97
Directors' Sitting Fees					
Ms. Aruna Advani	Mar-24			0.04	
	Mar-23			0.09	
Mr. Manoj Kumar Maheshwari	Mar-24			0.04	
	Mar-23			0.09	
Mr. Arvind Kumar Singhal	Mar-24			0.03	
	Mar-23			0.08	
Mr. Srikanth Velamakanni	Mar-24			0.02	
	Mar-23			0.06	
Mr. Vikas Khemani	Mar-24			0.03	
	Mar-23			0.07	
Mr.Mithun Sancheti	Mar-24			0.01	
	Mar-23			-	
Retainership Fees					
Mrs. Mumtaz Jaffer	Mar-24				0.36
	Mar-23				0.36
Interim Dividend					
Mr. Rafique Malik	Mar-24			0.74	
	Mar-23			0.68	
Mrs. Farah Malik Bhanji	Mar-24			1.41	
	Mar-23			1.28	
Mrs. Aziza Malik	Mar-24				0.37
	Mar-23				0.34
Ms. Alisha R. Malik	Mar-24				2.50
	Mar-23				2.27
Mrs. Sabina Malik Hadi	Mar-24				1.41
	Mar-23				1.28
Ms. Zarah Rafique Malik	Mar-24				1.41
	Mar-23				1.28
Mrs. Zia Malik Lalji	Mar-24				1.41
	Mar-23				1.28
Mrs. Rukshana Kurbanali Javeri	Mar-24				0.07
	Mar-23				0.06
Mrs. Mumtaz Jaffer	Mar-24				0.01
	Mar-23				0.01
Mr. Kaushal Parekh	Mar-24			0.02	
	Mar-23			0.02	
Aziza Malik Family Trust	Mar-24	21.02			
	Mar-23	19.11			
Rafique Malik Family Trust	Mar-24	20.73			
	Mar-23	18.84			
Zia Malik Family Trust	Mar-24	1.09			
	Mar-23	0.99			
Zarah Malik Family Trust	Mar-24	1.09			
	Mar-23	0.99			
Sabina Malik Family Trust	Mar-24	1.09			
	Mar-23	0.99			
Farah Malik Family Trust	Mar-24	1.09			

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

₹ in Crores

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
	Mar-23	0.99			
Mr. Suleiman Sadruddin Bhanji	Mar-24				0.01
	Mar-23				0.01
Mohammed Iqbal Hasanally Dossani	Mar-24	0.00			
	Mar-23	0.00			
Security Deposit Refunded					
Metro Shoes	Mar-24	-			
	Mar-23	0.01			
Recovery of fixed assets cost					
Mrs. Aziza Malik (BRD)	Mar-24				0.79
	Mar-23				-
Mrs. Aziza Malik (LKR)	Mar-24				0.42
	Mar-23				-
Mr. Rafique Malik (VKM)	Mar-24			0.21	
	Mar-23			-	
Mr. Rafique Malik (LKR)	Mar-24			0.18	
	Mar-23			-	
Final Dividend					
Mr. Rafique Malik	Mar-24			0.41	
	Mar-23			0.20	
Mrs. Farah Malik Bhanji	Mar-24			0.77	
	Mar-23			0.38	
Mrs. Aziza Malik	Mar-24				0.20
	Mar-23				0.10
Mr. Kaushal Parekh	Mar-24			0.01	
	Mar-23			0.01	
Ms. Alisha R. Malik	Mar-24				1.36
	Mar-23				0.68
Mrs. Sabina Malik Hadi	Mar-24				0.77
	Mar-23				0.38
Ms. Zarah Rafique Malik	Mar-24				0.77
	Mar-23				0.38
Mrs. Zia Malik Lalji	Mar-24				0.77
	Mar-23				0.38
Mrs. Rukshana Kurbanali Javeri	Mar-24				0.04
	Mar-23				0.02
Mrs. Mumtaz Jaffer	Mar-24				0.00
	Mar-23				0.00
Aziza Malik Family Trust	Mar-24	11.47			
	Mar-23	5.73			
Rafique Malik Family Trust	Mar-24	11.31			
	Mar-23	5.65			
Zia Malik Family Trust	Mar-24	0.60			
	Mar-23	0.30			
Zarah Malik Family Trust	Mar-24	0.60			
	Mar-23	0.30			
Sabina Malik Family Trust	Mar-24	0.60			
	Mar-23	0.30			
Farah Malik Family Trust	Mar-24	0.60			
	Mar-23	0.30			

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

₹ in Crores

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
Mohammed Iqbal Hasanally Dossani	Mar-24	0.00			
	Mar-23	0.00			
Mr. Suleiman Sadruddin Bhanji	Mar-24				0.00
	Mar-23				0.00
Professional Fees (capital cost)					
Design Matrix Interiors LLP	Mar-24	2.75			
	Mar-23	4.43			
Design Matrix Associated Private Limited	Mar-24	1.04			
	Mar-23	0.03			
Purchases of Stock-in-Trade (net of taxes)					
M.V. Shoe Care Private Limited	Mar-24		20.48		
	Mar-23		20.06		
Security Deposit					
Mr. Rafique Malik	Mar-24			-	
	Mar-23			0.13	

III. Outstanding receivables

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Key Management Personnel (Mr. Rafique Malik)		
Reimbursement of fixed asset cost incurred by Metro Brands Limited (VKM-Varanasi, U.P.)	0.21	-
Security Deposit for Rent		
Mr. Rafique Malik-(BM8 Store- Colaba, Mumbai)	0.13	0.13

IV. Outstanding payables

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Key Management Personnel		
Rent (Compensation in respect of concession agreements for showrooms)		
Mr. Rafique Malik	(0.19)	(0.11)
Mrs. Aziza Malik	(0.20)	(0.15)
Remuneration		
Mrs. Aziza Malik	(0.26)	-
Relatives of Key Management Personnel		
Retainership Fees		
Mrs. Mumtaz Jaffer	(0.04)	(0.04)
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	(0.21)	(0.19)
Professional Fees (capital cost)		
Design Matrix Interiors LLP	(0.18)	(0.69)
Design Matrix Associated Private Limited	(0.04)	(0.00)
Purchases of Stock-in-trade		
M/s. M.V. Shoe Care Private Limited	(2.52)	(9.15)

 # excludes provision for gratuity and compensated absences which is determined on the basis of actuarial valuation done on overall basis for the Company.

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

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.

3) Outstanding balance at the year end are unsecured and interest free and settlement occurs in cash.

4) There are no guarantees provided or received for any related party receivables or payables.

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 (Stores)

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**837.67**	**609.58**
On acquisition of subsidiary (Refer note 40)	-	20.62
Additions during the year	332.67	377.88
Disposal during the year	(28.62)	(33.60)
Depreciation expense for the year	(171.38)	(136.81)
Balance at the end of the year	**970.34**	**837.67**

Lease Liabilities

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**941.44**	**692.22**
On acquisition of subsidiary (Refer note 40)	-	24.01
Additions during the year	322.79	371.31
Disposal during the year	(34.73)	(38.07)
Interest expense for the year	78.64	62.92
Lease payment during the year	(209.71)	(170.95)
Balance at the end of the year	**1,098.43**	**941.44**

Maturity analysis - contractual undiscounted cash flows

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Less than 1 year	224.56	192.37
1 - 5 Year	770.80	649.92
More than 5 years	457.04	401.49
Total undiscounted lease liabilities at the end of the year	**1,452.40**	**1,243.78**
Lease Liabilities included in Financial statement as at the end of the year	**1,098.43**	**941.44**
Current	145.87	128.63
Non-Current	**952.56**	**812.81**

Notes forming part of the consolidated financial statements
for the year ended March 31, 2024

Amounts Recognised in Statement of Profit & Loss

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on lease liabilities	78.64	62.92
Depreciation of Right-of-use assets	171.38	136.81
Expenses relating to short term leases/Variable lease payments	52.93	59.00
Total	**302.95**	**258.73**

Amounts Recognised in Statement of Cash Flows

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Total Cash outflow for Leases	209.71	170.95

a. The Group incurred ₹ 52.93 Crores for the year ended March 31, 2024 (Previous year ₹ 59.00 Crores) towards expenses relating to short-term leases and leases of variable lease payment. The total cash outflow for leases is ₹ 209.71 Crores for the year ended March 31, 2024 (Previous year ₹ 170.95 Crores) excluding cash outflow of short-term leases and leases of variable lease payment. Interest on lease liabilities is ₹ 78.64 Crores for the year ended March 31, 2024 (Previous year ₹ 62.92 Crores).

b. The Group's leases mainly comprise of office,showroom premises and warehouse premises.

c. The effective interest rate for lease liabilities is 7.76% (March 31, 2023: 7.84%).

d. The future lease payment for non-cancellable lease contracts (which have not commenced) are at March 31, 2024 ₹ 116.83 Crores.

31 Basic and Diluted Earnings per Share is calculated as under:

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax as per Statement of Profit and Loss attributable to equity share holders (₹ in Crores)	412.51	361.45
Weighted average number of Equity Shares:		
- Basic	271,791,689	271,614,422
Add: Effect of Potential Equity Shares on employees stock options outstanding	1,140,496	1,061,095
- Diluted	272,932,185	272,675,517
Earnings per Share (in ₹)		
- Basic (₹)	15.18	13.31
- Diluted (₹)	15.11	13.26

32 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 August 5th August, 2021

As per the amended Scheme, the Nomination and Remuneration Committee (NRC) grants the options to the employees deemed eligible.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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	The options granted will vest over the term determined by Nomination and Remuneration Committee in graded manner. Vested options are exercisable for the period of five years after the vesting.
Exercise Period	The vested options must be exercised immediately after the earliest of the occurrence of the following (a) Expiry of five years from the vesting date or two years of the listing of the shares on a recognized stock exchange, whichever is later (b) Three days following the date of grantee's voluntary resignation (c) In case of disabiity and death of grantee's the legal heir must exercise the shares within six months from the date of such event.d)Three months from the date of retirement.
Face value	Equity Shares of face value ₹ 5/- each (Previous year Equity Shares of face value ₹ 5/- each)

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:

Summary of stock options

₹ in Crores

Particulars	Number of options as at March 31,2024	Number of options as at March 31,2023
Options outstanding at the beginning of the year	1,523,662	1,655,973
Options granted during the year*	309,525	293,055
Options exercised during the year	(187,382)	(225,795)
Options forfeited / lapsed during the year	(141,273)	(199,571)
Options outstanding at the end of the year	1,504,532	1,523,662

**Options granted during the year details:*

March 31, 2024		March 31, 2023	
01.04.2023	34,538	29.09.2022	113,737
01.07.2023	133,220	29.09.2022	96,809
01.09.2023	28,727	20.10.2022	60,928
29.09.2023	21,804	20.12.2022	4,726
01.10.2023	32,885	31.01.2023	16,855
01.01.2024	58,351		
Total	**309,525**		**293,055**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Information in respect of options outstanding as at March 31, 2024

Range of exercise price:	Number of options	Weighted average remaining life
₹ 228	979,706	2.50
₹ 228	113,737	3.50
₹ 228	61,809	2.50
₹ 391.46	54,836	3.56
₹ 228	4,726	3.72
₹ 228	14,414	2.84
₹ 409.7	34,538	4.01
₹ 403.1	99,729	4.25
₹ 228	27,997	3.42
₹ 228	21,804	4.50
₹ 488.25	32,885	4.51
₹ 544.8	58,351	4.76

c) During the year the Company has granted 3,09,525 options under the said scheme to eligible personnel. The fair market value of the option has been determined using Black Scholes Option Pricing Model.The fair value of the options granted during the year are as follows:

Number of options - 34,538, Vesting period - 5 years

Grant date- 01.04.2023	Fair value per option (₹)
April 01 2024	430.60
April 01 2025	452.69
April 01 2026	475.03
April 01 2027	493.19
April 01 2028	509.84

Number of options - 133,220, Vesting period - 5 years

Grant date- 01.07.2023	Fair value per option (₹)
July 01 2024	575.86
July 01 2025	595.50
July 01 2026	615.79
July 01 2027	633.17
July 01 2028	649.57

Number of options - 28,727, Vesting period - 4 years

Grant date- 01.09.2023	Fair value per option (₹)
September 01 2024	840.85
September 01 2025	850.13
September 01 2026	858.57
September 01 2027	866.20

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Number of options - 21,804, Vesting period - 5 years

Grant date- 29.09.2023	Fair value per option (₹)
September 29 2024	881.18
September 29 2025	890.53
September 29 2026	899.05
September 29 2027	906.77
September 29 2028	913.74

Number of options - 32,885, Vesting period - 5 years

Grant date- 01.10.2023	Fair value per option (₹)
October 01 2024	692.45
October 01 2025	717.62
October 01 2026	743.10
October 01 2027	765.24
October 01 2028	785.55

Number of options - 58,351, Vesting period - 5 years

Grant date- 01.01.2024	Fair value per option (₹)
January 01 2025	788.18
January 01 2026	816.25
January 01 2027	844.82
January 01 2028	869.55
January 01 2029	892.69

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 : April 01 2023(5 years vesting)	
Risk free interest rate (%)	6.83% - 6.90%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	26.44% - 29.45%
Expected dividend yield (%)	0.50%
Exercise price (₹)	409.7
Stock price (₹)	794.65

Grant dated : July 01 2023 (5 years vesting)	
Risk free interest rate (%)	6.65% - 6.75%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.63% - 29.01%
Expected dividend yield (%)	0.43%
Exercise price (₹)	403.1
Stock price (₹)	936.5

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Grant dated : September 01 2023 (4 years vesting)	
Risk free interest rate (%)	6.76% - 6.82%
Expected life / Time to Maturity (years)	2.00 - 5.00
Expected Volatility	24.5% - 28.76%
Expected dividend yield (%)	0.38%
Exercise price (₹)	228
Stock price (₹)	1,047.95

Grant dated : September 29 2023 (5 years vesting)	
Risk free interest rate (%)	6.81% - 6.89%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.45% - 28.47%
Expected dividend yield (%)	0.37%
Exercise price (₹)	228
Stock price (₹)	1,088.10

Grant dated : October 01 2023 (5 years vesting)	
Risk free interest rate (%)	6.81% - 6.89%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	24.42% - 28.46%
Expected dividend yield (%)	0.36%
Exercise price (₹)	488.25
Stock price (₹)	1,126.25

Grant dated : January 01 2024 (5 years vesting)	
Risk free interest rate (%)	6.73% - 6.83%
Expected life / Time to Maturity (years)	2.00 - 6.00
Expected Volatility	21.75% - 28.16%
Expected dividend yield (%)	0.31%
Exercise price (₹)	544.8
Stock price (₹)	1,272.20

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 ₹ 13.83 crores (Previous year ₹ 9.01 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited.

33 Expenditure on Corporate Social Responsibility

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(i) Amount required to be spent by the Company during the year	5.54	3.63
(ii) Amount spent during the year [Refer Note (a) below]		
- Construction/acquisition of any asset		
a) In cash	-	-
b) Yet to paid in cash	-	-
- On purpose other than above		
a) In cash (including shortfall of previous year ₹ 0.06 crores (March 31, 2023 ₹ 0.56 crores)	5.09	4.13
b) Yet to paid in cash	-	-

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in Crores

Particulars	For the Year ended March 31, 2024	For the year ended March 31, 2023
(iii) Shortfall at the end of the year	(0.51)	(0.06)
(iv) Total of previous years excess/(shortfall)	-	-
(v) Reason for shortfall		
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"		
(vi) Nature of CSR activities		
(a) Good health and well being	0.19	0.86
(b) Education	2.72	2.11
(c) Processing of Old discarded footwear in an Ecofriendly manner	0.41	0.60
(d) Other	1.71	-
(vii) Details of related party transactions	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 Company has incurred the aforesaid expenditure towards ongoing projects.

(b) The amount of shortfall pertains to ongoing projects identified as per Schedule VII of the Companies Act, 2013. The total shortfall for the current year ended March 31, 2024, ₹ 0.51 has been transferred to Unspent CSR account on or before April 30,2024.

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

As at March 31, 2024

₹ in crores

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	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
1	2	3	4	5	4	5	4	5
Parent								
Metro Brands Limited	96.94%	1,835.11	100.57%	417.82	94.00%	1.14	100.55%	418.96
Subsidiary - Indian								
Metmill Footwear Private Limited	1.56%	29.44	0.74%	3.09	6.00%	0.07%	0.76%	3.16
Non controlling Interests in the subsidiary	1.55%	29.38	0.71%	2.96	-	-	0.71%	2.96

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

₹ in crores

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	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
1	2	3	4	5	4	5	4	5
Subsidiary - Indian								
Metro Atleisure Limited	(0.48%)	(9.14)	(2.75%)	(11.42)	0.00%	-	(2.74%)	(11.42)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.44%	8.30	0.73%	3.02	-	-	0.72%	3.02
Total	**100.00%**	**1,893.09**	**100.00%**	**415.47**	**100.00%**	**1.21**	**100.00%**	**416.68**

As at March 31, 2023

₹ in crores

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	4	5	4	5
Parent								
Metro Brands Limited	97.39%	1,532.97	102.13%	373.18	84.63%	(1.64)	102.23%	371.53
Subsidiary - Indian								
Metmill Footwear Private Limited	2.01%	31.63	0.77%	2.80	(0.85%)	0.02	0.78%	2.82
Non controlling Interests in the subsidiary	1.68%	26.40	1.08%	3.94	(0.82%)	0.02	1.09%	3.96
Subsidiary - Indian								
Cravatex Brands Limited	(1.07%)	(16.86)	(4.53%)	(16.57)	15.38%	(0.30)	(4.64%)	(16.86)
Joint Venture (investment as per the equity method)								
M.V Shoe Care Private Limited	0.00%	-	0.56%	2.04	1.67%	(0.03)	0.55%	2.00
Total	**100.00%**	**1,574.13**	**100.00%**	**365.39**	**100.00%**	**(1.94)**	**100.00%**	**363.45**

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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, 2024	As at March 31, 2023
Metmill Footwear Private Limited	Wholesale of Footwear	India	51%	51%
Metro Atleisure Limited (Refer Note 40)	Wholesale of Footwear	India	100%	100%

(b) Disclosure of Non-Controlling Interests

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	26.40	22.44
Share in Total Comprehensive Income	2.98	3.95
Balance at the end of the year	**29.38**	**26.40**

(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, 2024	As at March 31, 2023
M.V. Shoe Care Private Limited	Manufacturing of shoe care and foot care products	India	49%	49%

The Joint venture has no other contingent liabilities or capital commitments as at March 31, 2024 and March 31, 2023.

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 Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Equity		
Equity Share Capital	135.95	135.87
Other Equity	1,727.76	1,411.86
Non Controlling Interests	29.38	26.40
Total Equity	**1,893.08**	**1,574.13**
Total Debt	**1,098.43**	**942.96**
Debt Equity Ratio	**0.58**	**0.60**

** Total Debt comprises of Borrowings and Lease Liability.*

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

36.2 Categories of financial instruments

Financial Assets and Financial Liabilities classified under Level 1 and Level 2 hierarchy

₹ in Crores

	Hierarchy level	As at March 31, 2024	As at March 31, 2023
Financial Assets			
Measured at fair value through profit or loss			
- Investments in mutual funds	Level 2	234.60	165.64
- Investments in Bonds	Level 1	25.52	23.66
- Investments in Infrastructure Investment trusts	Level 1	52.69	18.24
- Investments in Equity instrument	Level 3	1.34	1.34
Measured at amortised cost			
- Trade receivables #		75.67	105.27
- Cash and cash equivalents #		47.92	31.83
- Other Bank balances #		64.34	166.67
- Investment in Fixed Deposits of Non Banking Companies #		107.00	171.71
- Investment in Commercial Papers #		302.78	73.86
- Loans #		1.66	1.27
- Other financial assets #		90.47	86.37
Measured at fair value through Other Comprehensive Income			
- Investments in Bonds	Level 1	12.52	12.68
Financial Liabilities			
Measured at amortised cost			
- Trade payables #		257.04	294.70
- Borrowings #		-	1.52
- Other financial liabilities #		29.00	34.24
- Lease Liabilities #		1,098.43	941.44

 # 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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

— 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 (₹ in Crores)		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, 2024	As at March 31, 2023				
Investments in Mutual funds	234.60	165.64	Level 2	Net assets value (NAV) declared by the respective asset management companies	NA	NA
Investment in Equity Instrument	1.34	1.34	Level 3	As per Valuation obtained by management	NA	NA
Investments in bonds	38.04	36.34	Level 1	Active market determined	NA	NA
Investment in Infrastructure Investment trusts	52.69	18.24	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 9.58% 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, 2024, the Group had 9 customers (as at March 31, 2023 :8 customers) that accounted for approximately 82% (as at March 31, 2023 : 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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 Crores

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, 2024						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	257.04	-	-	-	257.04	257.04
Lease Liabilities	224.56	426.23	344.58	457.04	1,452.40	1,098.43
Others	29.00	-	-	-	29.00	29.00
As at 31st March, 2023						
Non- derivative financial liabilities						
Non interest bearing:						
Trade Payables	294.70	-	-	-	294.70	294.70
Lease Liabilities	192.37	351.92	298.00	401.49	1,243.78	941.44
Others	34.24	-	-	-	34.24	34.24

The Group has access to following financing facilities which were undrawn as at the end of the year.

₹ in Crores

Undrawn financing facilities	As at March 31, 2024	As at March 31, 2023
Secured working capital facilities		
Amount Used	-	-
Amount Unused	56.00	56.00
Total	**56.00**	**56.00**
Letter of Credit (Unfunded)		
Amount used	-	1.52
Amount unused	10.00	8.48
Total	**10.00**	**10.00**

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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 having 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.

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on Secured Working capital limit	1.81	7.14
Interest Rate	9.55%	9.55%
Interest Rate Buyers credit	5.69%	5.69%
Interest amount per 50 basis point fluctuation	0.16	0.63

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 Crores and USD($), is as follows

Particulars	As at March 31, 2024		As at March 31, 2023	
	₹ in Crores	USD($) in Crores	₹ in Crores	USD($) in Crores
Trade Payables	-	0.00	2.49	0.03

Sensitivity:

The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial instruments denominated in foreign currency.

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
USD sensitivity		
₹/USD -Increase by 1% #	-	(0.02)
₹/USD -Decrease by 1% #	-	0.02

 # Holding all other variables constant

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

37 Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

₹ in Crores

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount remaining unpaid to any supplier at the end of the year	65.22	14.45
Interest due remaining unpaid to any supplier at the end of the year	1.34	1.27
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	0.44	3.16
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)	1.34	1.81
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	1.34	1.81

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.

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, 2024	As at March 31, 2023
Current Assets	1,691.72	1,502.78
Current Liabilities	505.98	514.92
Ratio	**3.34**	**2.92**
% Change from previous year	**14%**	

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, 2024	As at March 31, 2023
Total debt	1,098.43	942.96
Total equity	1,893.08	1,574.13
Ratio*	**0.58**	**0.60**
% Change from previous year	**(3%)**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

c) **Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments**

Particulars	As at March 31, 2024	As at March 31, 2023
Earnings available for debt service	600.06	526.10
Debt Service	209.71	170.95
Ratio	**2.86**	**3.08**
% Change from previous year	**(7%)**	

Earnings available for debt service= Net Profit after taxes + Non-cash operating expenses

Debt service = Interest and Lease Payments + Principal Repayments

d) **Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity**

Particulars	As at March 31, 2024	As at March 31, 2023
Net profit after tax	415.47	365.39
Total equity	1,893.08	1,574.13
Ratio	**21.95%**	**23.21%**
% Change from previous year	**-5%**	

e) **Inventory Turnover Ratio = Cost of goods sold divided by average inventory**

Particulars	As at March 31, 2024	As at March 31, 2023
Cost of goods sold	987.53	891.97
Average Inventory	677.96	534.97
Inventory Turnover Ratio	**1.46**	**1.67**
% Change from previous year	**-13%**	

f) **Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	As at March 31, 2024	As at March 31, 2023
Credit Sales	291.11	237.12
Average Trade Receivables	90.47	76.83
Ratio	**3.22**	**3.09**
% Change from previous year	**4%**	

g) **Trade payables turnover ratio = Credit purchases divided by average trade payables**

Particulars	As at March 31, 2024	As at March 31, 2023
Credit Purchases	1,051.91	1,065.71
Average Trade Payables	275.87	253.03
Ratio	**3.81**	**4.21**
% Change from previous year	**-10%**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

h) **Net capital Turnover Ratio = Sales divided by Net Working capital whereas net working capital= current assets - current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Sales	2,356.70	2,127.10
Current Assets (A)	1,691.72	1,502.78
Current Liabilities (B)	505.98	514.92
Net Working Capital	1,185.74	987.86
Ratio	**1.99**	**2.15**
% Change from previous year	**(7%)**	

i) **Net profit ratio = Net profit after tax divided by revenue from operation**

Particulars	As at March 31, 2024	As at March 31, 2023
Net profit after tax	415.47	365.39
Revenue from operation	2,356.70	2,127.10
Ratio	**17.63%**	**17.18%**
% Change from previous year	**3%**	

j) **Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed (pre cash)**

Particulars	As at March 31, 2024	As at March 31, 2023
Profit after tax (A)	415.47	365.39
Finance Costs (B)	78.89	63.06
Total Tax Expense (C)	49.93	125.74
EBIT (D) = (A)+(B)+(C)	**544.29**	**554.18**
Capital Employed (G)=(E)-(F)	**2,846.71**	**2,391.46**
Total Assets (E)	3,352.68	2,906.37
Total current liabilities (F)	505.98	514.92
Ratio (D)/(G)	**19.12%**	**23.17%**
% Change from previous year	**-17%**	

k) **Return on Investment = Income from investment divided by the closing balance of the investment**

Particulars	As at March 31, 2024	As at March 31, 2023
Income from investment	43.45	33.03
Closing balance of the investment	836.05	641.74
Ratio	**5.20%**	**5.15%**
% Change from previous year	**1%**	

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

40 Business Combination

On December 1, 2022, the Company acquired 100% equity share capital, optionally convertible debentures and compulsorily convertible preference shares of Metro Athleisure Limited (formerly known as Cravatex Brands Limited) for an enterprise value of ₹ 202.17 crores. Consequently, it became a wholly-owned subsidiary of the Company from aforesaid date. Accordingly, the consolidated financial statements for the year ended March 31, 2023 are not comparable.

Metro Athleisure Limited 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:

Details of assets and liabilities assumed:

₹ in Crores

Particulars	Amount
ASSETS	
Property, plant and equipment	11.45
Right of use assets	20.63
Other intangible assets (including computer software of ₹ 41.28 lakhs) (refer note below)	125.06
Other financial assets (Current and Non-current)	4.51
Inventories	47.82
Investments	0.01
Trade receivables	91.04
Cash and cash equivalents	0.25
Bank Balances other than cash and cash equivalents	0.07
Non-current tax assets	0.52
Other current assets	9.61
Total assets acquired (a)	**310.96**
Borrowings	103.80
Provisions (Current and Non-current)	6.60
Lease Liability (Current and Non-current)	24.01
Trade payables	44.16
Other financial liabilities (Current)	37.72
Other liabilities (Current and Non-current)	10.60
Total liabilities assumed (b)	**226.90**
Deferred tax liability (c)	**28.70**
Total identified net assets acquired [d = (a - b - c)]	**55.37**
Less: Purchase consideration (e)	96.28
Goodwill [f = (d- e)]	**40.91**

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 were 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 ₹ 91.04 crores for which it is expected that the full contractual amounts shall be collected.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

The goodwill of ₹ 40.91 crores is primarily attributable to overall synergies from future expected economic benefits. Goodwill is not available for tax deduction purposes.

The Company along with Metro Athleisure Limited had filed the petition for demerger of undertaking comprising of FILA business of Metro Athleisure Limited with the Hon'ble National Company Law Tribunal ("NCLT"). The Scheme was sanctioned by NCLT vide order dated March 14, 2024.

41 Goodwill

Particulars	As at March 31, 2024	As at March 31, 2023
FILA business	40.37	40.37
Others	0.54	0.54
Total	**40.91**	**40.91**

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 value of goodwill is primarily attributable to overall synergies from future expected economic benefits.

During the current year, the Company has carried out impairment testing of Goodwill as under:

(a) FILA business

The estimated value-in-use is based on discounted future cash flows for a period of 19 years considering weighted average cost of capital of 17.40% which reflects the time of cash flows and the anticipated risks.

(b) Others

The estimated value-in-use is based on discounted future cash flows for a period of 5 years considering weighted average cost of capital of 17.71% which reflects the time of cash flows and the anticipated risks and terminal growth rate of 5%.

An analysis of the sensitivity of the change in key parameters mainly weighted average cost of capital 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.

42 The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

43 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

44 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.

45 The Group has not traded or invested in crypto currency or virtual currency during the financial year.

46 (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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

47 The title deeds of certain 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.

48 There is no delay in creation or satisfaction of charge which has been registered with Registrar of Companies (ROC) during the year.

49 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.

50 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. Hoewever, the Group is not required to file quarterly returns/statements with such banks.

51 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.

52 Audit Trail feature in Accounting Software

The Company, subsidiaries and joint venture which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except that in respect of the Company, one subsidiary and joint venture company. In respect to the Company, the audit trail feature was not enable at database level and with respect to one subsidiary company, the audit logs were not active for transactions of accounts module like bank book, cash book and journal register. With respect to joint venture company, the accounting software (except in relation to accounting software for processing of payroll transactions) is operated by a third-party software service provider on which independent auditor's report of the service organisation was not available and hence whether the accounting software had an audit trail (edit log) facility, whether the audit trail feature was enabled in the said software and operated throughout the year, and also whether there were any instances of audit trail feature being tampered with could not be assessed. Further, the Company, the subsidiary companies and the joint venture company as referred to above did come across any instance of audit trail feature being tampered with where audit trail feature was enabled.

53 There were no whistle blower complaints received by the Group during the year, other than the below complaints received and closed by the Group during the year

Received	2
Closed	2

54 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary.

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 22, 2024

For and on behalf of the Board of Directors

Metro Brands Limited
CIN-L19200MH1977PLC019449

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 22, 2024

metro BRANDS

METRO BRANDS LIMITED
CIN: L19200MH1977PLC019449
Regd. Off: 401, Zillion, 4th Floor, LBS Marg & CST Road Junction, Kurla (West), Mumbai – 400070
Tel: +91-22-6656 0444 | Website: www.metrobrands.com
Email: investor.relations@metrobrands.com

Notice

NOTICE is hereby given that the 47th Annual General Meeting of Metro Brands Limited (the **"Company"**) will be held on **Thursday, September 19, 2024,** 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 Act"**) 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, 2024, 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, 2024, together with the Report of the Auditors thereon.

2. To confirm the payment of Interim Dividend of ₹ 2.75/- per share of ₹ 5/- each on Equity Shares already paid, and to consider and declare Final Dividend of ₹ 2.25/- per share of ₹ 5/- each on Equity Shares for the Financial Year ended March 31, 2024.

3. To appoint a Director in place of Mr. Utpal Hemendra Sheth (DIN: 00081012), who retires by rotation and being eligible, offers his candidature for re-appointment.

II. SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, a new set of Articles of Association, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any Whole-time Director, Chief Executive Officer, Chief Financial Officer or Senior Vice President-Legal, Company Secretary and Compliance Officer of the Company, be and is hereby severally authorized to do all such acts, deeds, 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 or incidental thereto."

5. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197 and 203, read with Schedule V and all other applicable provisions of the Companies Act, 2013 (**"the Act"**) and the Rules made thereunder and Regulation 17(6)(ca) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**) (including any statutory modification(s) or re-enactment thereof for the time being in force as may be required), the provisions of the Articles of Association of the Company and recommendations made by the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, consent of members of the Company be and is hereby accorded for transition and re-designation of Mr. Rafique Abdul Maik (DIN: 00521563) Executive Chairman to Non-Executive Chairman of the Company, not liable to retire by rotation, on the terms and conditions including remuneration & benefits for a period of 3 (three) years with effect from September 19, 2024 to September 18, 2027, with liberty to the Board of Directors (including any Committee thereof) to alter and vary said the terms and conditions in such manner as it deems fit and necessary within the limits as under:

a. Total Remuneration of ₹ 5,00,00,000/- (Rupees Five Crore only) per annum by way of monthly payment;

b. Reimbursement of expenses actually and properly incurred in the course of business as per the Company's policies; and

c. Such other benefits and facilities in accordance with the Company's policies not exceeding 100% of the Total Remuneration per annum mentioned at point (a) above.

Provided that the above remuneration be paid to Mr. Rafique Abdul Malik even if it exceeds one percent of the net profits of the Company in accordance with Sections 197, 198 of the Act, including any statutory modification(s) or re-enactment(s) thereof.

Provided further that the above remuneration be paid to Mr. Rafique Abdul Malik notwithstanding the limits approved by the members of the Company for payment of remuneration to Non-Executive Directors of the Company from time to time.

RESOLVED FURTHER THAT where in any financial year during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the above remuneration to Mr. Rafique Abdul Malik, Non-Executive Chairman of the Company as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted as minimum remuneration.

RESOLVED FURTHER THAT pursuant to Section 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 17(1A) of the Listing Regulations approval of the Company be and is hereby accorded for continuation of Mr. Rafique Abdul Malik, who would attain the age of 75 years on October 31, 2025, as a Non-Executive Chairman of the Company for a period of 3 (three) years with effect from September 19, 2024 to September 18, 2027.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(ca) of the Listing Regulations, approval of the Company be accorded for payment of above remuneration to Mr. Rafique Abdul Malik, Non-Executive Chairman of the Company, exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the Financial Year 2024-25.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient and for matter connected therewith or incidental thereto."

6. To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 203 read with Schedule V, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force as may be required), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, Ms. Alisha Rafique Malik (DIN: 10719537) who was appointed as an Additional Director of the Company by the Board of Directors and in respect of whom the Company has received a notice in writing from a Member in terms of Section 160 of the Act, proposing her candidature for the office of Director, be and is hereby appointed as a Whole-time Director of the Company, liable to retire by rotation, for a period of 5 (five) years with effect from September 1, 2024 to August 31, 2029, at a remuneration not exceeding ₹ 5 crore (Rupees Five Crore Only) per annum and all other benefits and perquisites as may be applicable as per the Company policies, with liberty to the Board of Directors (including any Committee thereof) to alter and vary the terms and conditions of the said appointment /remuneration in such manner as deems fit and necessary within the said limits

RESOLVED FURTHER THAT where in any financial year during her directorship, the Company has no profits or its profits are inadequate, the Company may pay the above remuneration to Ms. Alisha Rafique Malik, Whole-time Director of the Company as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted as minimum remuneration.

RESOLVED FURTHER THAT Ms. Alisha Rafique Malik, Whole-time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to her subject to the supervision and control of the Board.

RESOLVED FURTHER THAT any Whole-time Director, Chief Executive Officer, Chief Financial Officer or Senior Vice President-Legal , Company Secretary and Compliance Officer of the Company, be and is hereby severally authorized to do all such acts, deeds, 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 9, 2024

Registered Office:
401, Zillion, 4th Floor,
L.B.S. Marg & CST Road Junction,
Kurla (W), Mumbai – 400070

NOTES:

1. Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as **"the Circulars"**), companies are allowed to hold Annual General Meeting (**"AGM"**) through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

2. Physical copy of the Notice of the 47th AGM along with the Annual Report for the Financial Year ("FY") 2023-24 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 FY 2023-24 will also be available on the Company's website at www.metrobrands.com, 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 appointment / re-appointment / transition of role as set out at Item Nos. 3, 5 and 6 of this Notice is annexed herewith as required under Regulation 36 of the Listing Regulations and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India.

4. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with in line with the 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 **Thursday, September 12, 2024**, 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 Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014, the Register of Members of the Company will remain closed from **Friday, September 13, 2024, to Thursday, September 19, 2024** (both days inclusive) in connection with the AGM.

11. Dividend on Equity shares as recommended by the Board of Directors for the year ended March 31, 2024, 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 **Friday, September 6, 2024**;

    (ii) In physical mode, if their names appear in the Company's Register of Members as on **Friday, September 6, 2024**.

    The dividend will be payable after Thursday, September 19, 2024.

12. Under the Act, 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 FY ended March 31, 2017 and thereafter is as under:

FY	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
2022-2023	Final Dividend	13-09-23	12-10-30
2023-2024	Interim Dividend	18-01-24	17-02-31

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, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on April 30, 2024 on the website of the Company at www.metrobrands.com.

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 w.e.f. 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 6, 2024. 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 tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Income Tax 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 6, 2024.

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 Act.

17. The register of directors and Key Managerial Personnel (**"KMP"**) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, 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 the 47th 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 Act 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 our RTA to provide remote e-voting services and e-voting facility during the 47th 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 M/s. Mehta & Mehta, Practicing Company Secretaries (Firm Registration Number P1996MH007500) as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the Meeting in a fair and transparent manner. Mrs. Ashwini Inamdar (Membership No. FCS 9409) and failing her Ms. Alifya Sapatwala (Membership No. ACS 24091), Partners, will represent M/s. Mehta & Mehta, Practicing Company Secretaries.

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 forty eight (48) hours 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 www.metrobrands.com 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., Thursday, September 19, 2024.

vi. The recorded transcript of the proceedings of the AGM shall be made available on the Company's website at www.metrobrands.com.

Instructions for Remote e-Voting prior to the AGM

The remote e-Voting period will commence on Monday, September 16, 2024 at 9:00 a.m. IST and ends on Wednesday, September 18, 2024 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:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".

b) Enter user id and password. Post successful authentication, click on "Access to e-voting".

c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "

b) Proceed with updating the required fields.

c) Post registration, user will be provided with Login ID and password.

d) After successful login, click on "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

a) Visit URL: https://www.evoting.nsdl.com/

b) Click on the "Login" tab available under 'Shareholder/ Member' section.

c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com.

b) Click on New System Myeasi

c) Login with user id and password

d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

a) To register, visit URL:

https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration

b) Proceed with updating the required fields.

c) Post registration, user will be provided Login ID and password.

d) After successful login, user able to see e-voting menu.

e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

a) Visit URL: https://www.cdslindia.com/

b) Go to e-voting tab.

c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual Shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.

c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.

d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the 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. Visit URL: https://instavote.linkintime.co.in

2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

   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*

   - 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).
   - 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' (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, 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 ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on Sign up under "Corporate Body/ Custodian/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: https://instavote.linkintime.co and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

   a. 'Investor ID' -

   i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

   ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

   b. 'Investor's Name - Enter full name of the entity.

   c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

   d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.

b) You will be able to see the notification for e-voting in inbox.

c) Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.

d) Download sample vote file from 'Download Sample Vote File' option.

e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.

f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual Shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

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: - Tel: 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

Forgot Password:

Individual Shareholders holding securities in physical form has forgotten the password:

If an Individual Shareholders holding securities in physical form 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".

In case Shareholders 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. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

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

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional Shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat 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 'Corpo**rate Body/ Custodian/ Mutual Fund'** tab and further Click **'forgot password?'**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case Shareholders 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. as mentioned above. The password should contain a minimum of 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 has 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 Annual General Meeting 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" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/ Against 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 Annual General Meeting 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 Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting 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: - Tel: 022-49186175.

20. **PROCEDURE FOR ATTENDING THE AGM THROUGH VC/OAVM**

Process and manner for attending the AGM through InstaMeet:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on **"Login"**.

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 client.
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 Registrar and Share Transfer Agent viz. Link Intime India Private Limited, 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 please provide Name, DP Id & Client Id, Client Master or copy of Consolidated Account Statement alongwith self-attested scanned copy of PAN and AADHAAR by e-mail 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:

To align with the provisions of the Act and the rules made thereunder and to incorporate best governance practices, the Board of Directors in its meeting held on August 9, 2024 has recommended to the Members for their approval, alteration of the existing Articles of Association of the Company by adoption of a new set of Articles of Association in substitution, and to the entire exclusion of the Articles contained in the existing Articles of Association of the Company.

As per the provisions of Section 14 of the Act, a special resolution has to be passed by the members of the Company for adoption of amended and restated Articles of Association of the Company.

Copy of amended and restated Articles of Association of the Company is available for inspection of the members at https://metrobrands.com/investor-relations/ and at the Registered Office of the Company between 11.00 hours to 13.00 hours on all working days and will also be available at the meeting.

Accordingly, the Board recommends approval of the amended and restated Articles of Association of the Company by the Members by Special Resolution.

None of the directors, 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. 4.

ITEM NO. 5:

At the 44th Annual General Meeting of the Company, based on the recommendations of the Nomination, Remuneration and Compensation (NRC) Committee and the Board of Directors, the Company had appointed Mr. Rafique Abdul Malik (DIN: 00521563) as Executive Chairman of the Company for a period of 5 (five) years with effect from 1st April 2022.

Mr. Malik has been associated with the Company as an Executive Chairman since incorporation and is part of the Promoter Group of the Company.

He is an alumnus of Owner / President Management Program of Harvard Business School, USA. Mr. Malik's indelible mark on the organization is synonymous with unwavering commitment and visionary leadership, steering the Company to unparalleled success.

Mr. Malik is a stalwart in the Indian footwear retail and has a career spanning more than five decades within the retail industry. His tenacity and ambition have propelled a modest single-store operation into one of India's largest and most profitable fashion footwear company.

Under Mr. Malik's astute guidance for over five decades, the Company has become a formidable house of brands with over 836 stores located across India as on March 31, 2024. His vision to make the Company India's largest specialty footwear and accessories retailer has led to diverse and robust portfolio of brands under the Company's umbrella, encompassing iconic Indian brands like Metro, Mochi, Walkway and international brands such as Foot Locker, Crocs, FitFlop, and Fila. Mr. Malik is instrumental in shaping and steering the long-term strategy of the Company. He has built a strong and robust management team capable of efficiently managing the day-to-day operations. With this capable team in place, he now wants to focus on providing strategic guidance and mentorship to the team and thus transition to the role of Non-executive Chairman of the Company. This transition shall ensure continued stability and strategic oversight, benefiting the Company's long-term growth and success.

For the aforesaid reasons, in line with the requirements of Regulation 17(1)(b) of the Listing Regulations, the Board of Directors pursuant to the recommendations of NRC Committee, at its meeting held on August 9, 2024, had approved the transition & re-designation of Mr. Malik, Executive Chairman to Non-Executive Chairman for a term of 3 (three) consecutive years with effect from September 19, 2024 to September 18, 2027, who shall not be liable to retire by rotation.

The NRC Committee & the Board had assessed and determined that Mr. Malik is a fit and proper person to be appointed as a Non-Executive Chairman of the Company and that he fulfils the conditions specified in the Act and the relevant Rules made thereunder and Listing Regulations. Mr. Malik has confirmed that he has not incurred any disqualification under Sub-Sections (1) & (2) of Section 164 of the Act, read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

As Non-Executive Chairman, the responsibilities of Mr. Malik shall include the following:

i. offering mentorship and acting as an advisor to the Board of Directors and Senior Management, particularly in strategic planning, innovation & growth, market positioning and business development.

ii. providing insights on competitive strategy and sustainability initiatives.

iii. providing guidance to the Directors on key issues facing the Company.

iv. represet himself, the Company and its subsidiaries in industry associations, and forums;

v. attend conferences and other business events;

vi. contribute and participate in the strategic planning for the Company and its subsidiaries;

vii. Chair meetings of Board.

In addition to above, Mr, Malik will continue to play an important role in epitomising and building the Company. He will provide feedback and counsel to the Managing Director and Senior Management on key issues facing the Company.

Mr. Malik has granted the consent for his appointment as a Non-Executive Chairman. The broad particulars of the terms of appointment and remuneration payable to Mr. Malik are mentioned in the resolution.

During the FY ended March 31, 2024, Mr. Malik drew a remuneration (excluding other benefits & perquisites as per Company Policies) of approximately ₹ 6,00,06,506/- as Executive Chairman. During FY 2024-25, his remuneration (excluding other benefits & perquisites as per Company Policies) was increased to ₹ 7,31,98,715/-. With his transition to a Non-Executive Chairman role, focusing on strategic guidance rather than day-to-day operations and involving a reduced time commitment, his remuneration has been adjusted accordingly. The proposed remuneration for Mr. Malik as set out in the resolution will be commensurate with his profile, the responsibilities he will shoulder, the size of the Company, and industry benchmarks. He will neither receive any sitting fees for attending any meetings of the Board or its Committees nor any commission payable to other Non-executive directors of the Company.

The remuneration will be paid to Mr. Malik even if it exceeds one percent of the net profits of the Company in accordance with Sections 197, 198 of the Act, including any statutory modification(s) or re-enactment(s) thereof and notwithstanding the limits approved by the Members of the Company for payment of remuneration to Non-Executive Directors of the Company from time to time. Where in any FY during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the above remuneration to Mr. Rafique Abdul Mailk, Non-Executive Chairman of the Company as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted subject to receipt of the requisite approvals, if any.

Further, pursuant to Regulation 17(6)(ca) of the Listing Regulations, approval of the Shareholders of the Company is also being sought for the payment of above remuneration to Mr. Mailk, Non-Executive Chairman of the Company as it exceeds fifty percent of the total annual remuneration payable to all Non-Executive Directors for the FY 2024-25.

Additionally, Mr. Malik will attain the age of 75 years on October 31, 2025. As per the Listing Regulation, appointment of a person or continuance of any Non-Executive Director who has attained the age of 75 years requires prior approval of Shareholders by way of a Special Resolution. Since, Mr. Malik is proposed to be appointed as Non-Executive Chairman for a period of three (3) years, this approval is also being sought from Shareholders of the Company.

The additional details of Mr. Malik as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure I forming part of this Notice.

The Board is of the opinion that Mr. Malik's rich and diverse experience is a valuable asset to the Company adding value and providing an enriched point of view during Board discussions and decision making, and pursuant to the recommendation of the NRC Committee, the Board recommends the following matters pertaining to Mr. Malik for approval of the Members by Special Resolution:

1. Transition and re-designation from Executive Chairman to Non-Executive Chairman of the Company for a term of 3 (three) consecutive years with effect from September 19, 2024 to September 18, 2027, not liable to retire by rotation;

2. Payment of Remuneration as mentioned in the resolution even if it exceeds one percent of the net profits of the Company;

3. Payment of Remuneration as mentioned in the resolution exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the Financial Year 2024-25; and

4. Continuation as a Non-Executive Chairman of the Company after attaining the age of 75 years on October 31, 2025.

Except Mr. Malik, Chairman of the Company, Ms. Farah Malik Bhanji, Managing Director, Ms. Alisha Malik, Director 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. 5.

ITEM NO. 6:

Ms. Alisha Rafique Malik has been associated with the Company since July 2009 and is part of the promoter group and Key Managerial Personnel of the Company. Over the period, she advanced to lead the E-Commerce division and was subsequently promoted to Vice President - E-Commerce of the Company. She has played an active role in managing the affairs of the Company. She is now President and head of Sports division, Customer Relationship Management, and Marketing, with a special focus on the Company's athleisure segment. Ms. Malik has made significant contributions to the Company's growth and the implementation of e-commerce business and consumer-oriented strategies.

She has immense knowledge and expertise on digital marketing and brand building, corporate communications, consumer research & analytics and creative excellence. The online sales of the Company have shown tremendous growth under her leadership.

Ms. Malik holds a bachelor's degree in Arts (Finance) from University of Northumbria conducted at Welingkar Institute of Management Development and Research.

Accordingly, to benefit from her exceptional leadership skills and a steadfast commitment towards Company's progress and based on the recommendation of the NRC Committee, the Board of Directors at its meeting held on August 9, 2024, approved the appointment of Ms. Malik (DIN: 10719537), as an Additional Director in the capacity of Whole-time Director of the Company for a term of 5 (five) consecutive years with effect from September 1, 2024 to August 31, 2029, liable to retire by rotation, subject to approval of the Shareholders by way of Special Resolution.

Pursuant to the provisions of Section 161 of the Act, Ms. Malik will hold office upto the date of the ensuing AGM. In terms of Regulation 17(1)(c) of Listing Regulations, the approval of Shareholders of the Company is required to be obtained for appointment of a director at the next general meeting or within a time period of three months

from the date of appointment, whichever is earlier. Therefore, the approval of Shareholders is being sought for the appointment of Ms. Malik in this AGM

The Company has received a notice in writing from a Member, in terms of Section 160 of the Act, proposing the appointment of Ms. Malik as a Director of the Company.

The Company has received, inter alia, the following consents, declarations and confirmations from Ms. Malik with regard to the proposed appointment:

a. Form DIR-2- a consent in writing to act as director pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014;

b. Form DIR-8- In terms of Companies (Appointment and Qualification of Directors) Rules, 2014, a confirmation that Ms. Malik is not disqualified under Section 164(2) of the Act and that she is not debarred from holding the office of Director by virtue of any order of SEBI or any other such authority;

The NRC Committee has assessed and determined that Ms. Malik is a fit and proper person to be appointed as a Whole-time Director of the Company and that she fulfills the conditions specified in the Act and the relevant Rules made thereunder and Listing Regulations.

The broad particulars of the terms of appointment and limit on the remuneration payable to Ms. Malik are mentioned in the resolution. NRC Committee and the Board have approved her remuneration (excluding other benefits & perquisites as per Company Policies) for FY 2024-25 at ₹ 1,31,99,999/- which will be within the overall remuneration limit of ₹ 5 crore proposed to Shareholders. The Board of Directors/NRC Committee shall continue to regulate remuneration of Ms. Malik based on her performance & Company Policies within the said limits approved by Shareholders.

The additional details of Ms. Malik as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure I forming part of this Notice.

Pursuant to the recommendation of the NRC Committee, the Board recommends the appointment of Ms. Malik as the Whole-time Director of the Company for the approval of the Members by Special Resolution.

Except Ms. Malik, Additional Director, Mr. Rafique Abdul Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director 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.

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 9, 2024

Registered Office:
401, Zillion, 4th Floor,
L.B.S. Marg & CST Road Junction,
Kurla (W), Mumbai – 400070

Details of Directors seeking appointment / re-appointment / transition of role at the AGM

(Additional Information of Directors seeking appointment / re-appointment / transition of role as required under Regulation 36(3) of the Listing Regulations, as amended and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India)

Particulars	Item No. 3	Item No. 5	Item No. 6
Name	Mr. Utpal Hemendra Sheth	Mr. Rafique Abdul Malik	Ms. Alisha Rafique Malik
Designation	Non-Executive - Nominee Director	Non-Executive Chairman	Whole-time Director
Director Identification Number (DIN)	00081012	00521563	10719537
Date of Birth/Age	June 20, 1971	October 31, 1950	July 25, 1986
Nationality	Indian	USA	USA
Qualification	Cost Accountant, Chartered Financial Analyst from ICFAI, Hyderabad, and bachelor's degree in commerce.	Alumnus of Owner / President Management Program of Harvard Business School, USA.	Bachelor's degree in Arts (Finance) from University of Northumbria conducted at the Welingkar Institute of Management Development and Research.
Original Date of Joining the Board	March 14, 2007	January 19, 1977	September 1, 2024
Experience (approx.)	32 years	54 years	15 years
Brief resume and nature of expertise in specific functional areas	Mr. Utpal Hemendra Sheth has been actively engaged with Rare Enterprises, a proprietary asset management firm, since 2003. In his capacity as the Chief Executive Officer, he oversees investment and risk management, contributing significantly to the firm's strategic direction.	Mr. Rafique Abdul Malik's indelible mark on the organization is synonymous with unwavering commitment and visionary leadership, steering the Company to unparalleled success. Over the course of his career spanning more than five decades within the retail industry, Mr. Malik is a stalwart in the Indian footwear retail. His tenacity and ambition have propelled a modest single-store operation into one of India's largest and most profitable fashion footwear companies. Under Mr. Malik's astute guidance for over five decades, Metro Brands has become a formidable house of brands with 836 stores located across India as of March 31, 2024. The diverse and robust portfolio of brands under the Company's umbrella reflects his foresight and strategic acumen, encompassing iconic Indian names like Metro Shoes, Mochi, and international brands such as Foot Locker, Crocs, FitFlop, and Fila. Mr. Rafique Abdul Malik is the part of the Promoter Group of the Company.	Ms. Alisha Rafique Malik has been associated with the Company since July 2009 and is part of the promoter group and Key Managerial Personnel of the Company. Over the period, she advanced to lead the E-Commerce division and was subsequently promoted to Vice President - E-Commerce of the Company. She has played an active role in managing the affairs of the Company. She now heads the Sports division, Customer Relationship Management, and Marketing, with a special focus on the Company's athleisure segment. Ms. Malik has made significant contributions to the Company's growth and the implementation of e-commerce business and consumer-oriented strategies. During her tenure, there was a complete turnaround of the Company. She has also made a significant contribution to the expansion of the business of the Company especially in the e-commerce segment. She has immense knowledge and expertise in digital marketing and brand building, corporate communications, consumer research & analytics and creative excellence. The online sales of the Company are performing extremely well under her leadership.

Particulars	Item No. 3	Item No. 5	Item No. 6
Details of remuneration sought to be paid/ Remuneration last drawn	NIL	Remuneration sought to be paid: As per the explanatory statement Fixed Remuneration last drawn (excluding other benefits & perquisites as per Company Policies): approx. ₹ 6,00,06,506/- for FY 2023-24	Remuneration sought to be paid: As per the explanatory statement Remuneration last drawn (excluding other benefits & perquisites as per Company Policies): ₹ 1,07,50,212/- for FY 2023-24
Disclosure of relationship with other Directors/KMP	Mr. Utpal Hemendra Sheth is not related to other Directors/KMP of the Company	Mr. Rafique Abdul Malik is the father of Ms. Farah Malik Bhanji (Managing Director) and Alisha Rafique Malik (Additional Director/Whole-time director)	Ms. Alisha Rafique Malik is the Daughter of Mr. Rafique Abdul Malik (Chairman) and sister of Ms. Farah Malik Bhanji (Managing Director).
Number of Equity Shares held in the Company	NIL	27,00,000 Equity Shares of ₹ 5 each	90,88,000 Equity Shares of ₹ 5 each
Number of Equity Shares held in the Company for any other person on a beneficial basis	NIL	**Particulars** — **Equity Shares of ₹ 5/- each** As a Trustee of Zarah Malik Family Trust — 39,69,000 As a Trustee of Farah Malik Family Trust — 39,69,000 As a Trustee of Zia Malik Family Trust — 39,69,000 As a Trustee of Sabina Malik Family Trust — 39,69,000 **TOTAL** — **1,58,76,000**	NIL
List of Directorship in other Companies as on March 31, 2024	1. Aptech Limited 2. NCC limited. 3. Star Health and Allied Insurance Company Limited 4. Kabra Extrusion Technik Ltd. 5. Inventurus Knowledge Solutions Limited 6. Zenex Animal Health India Pvt Ltd. 7. Insight Asset Management (India) Private Limited 8. HRS Insight Financial Intermediaries private Limited. 9. Trust Capital Holdings Private Limited. 10. Trust-Plutus Family Office and Investment Advisers (India) Private Limited. 11. Chanakya Wealth Creation Private Limited (OPC) 12. Trust Asset Management Private Limited 13. Hiranandani Financial Services Private Limited 14. Trustplutus India Wealth (India) Private Limited 15. SNV Aviation Private Limited	1. Ador Fontech Ltd. 2. Metro Shopping Plaza Pvt. Ltd. 3. Metro Shopping Arcade Pvt. Ltd. 4. Metro House Pvt. Ltd. 5. Metmill Footwear Pvt. Ltd. 6. Sabina Comtrade Pvt. Ltd. 7. Zia Comtrade Pvt. Ltd. 8. Zarah Comtrade Pvt. Ltd.	NIL

Particulars	Item No. 3	Item No. 5	Item No. 6
List of Companies from which resigned in the past three FYs (as on March 31, 2024)	Concord Biotech Limited	1. All India Footwear Manufacturers and Retailers Association 2. MHS Developers LLP (Erstwhile MHS Developers Private Limited) 3. MIRC Electronics Limited	NIL
Memberships/ Chairmanships across Listed Entities	**Aptech Limited** • Strategy Committee • Nomination & Remuneration Committee • Investment Committee **NCC Limited** • Performance Review Committee • Nomination & Remuneration Committee **Star Health and allied Insurance Company Limited** • Audit Committee • Investment Committee • Nomination & Remuneration Committee • Policy Holders Protection Committee (Chairman) • Risk Management Committee • Information Technology Committee **Inventurus Knowledge Solutions Ltd.** • Stakeholders Relationship Committee • Risk Management Committee • IPO Committee	**Ador Fontech Limited-** • Management Development, Nomination & Remuneration Committee • Stakeholders' Relationship Committee	NIL
Details of Board/ Committee Meetings attended by the Directors during the FY 2023-24	1. Board Meeting: 6 out of 6 2. Nomination, Remuneration & Compensation Committee Meeting: 4 out of 5	Board Meeting: 6 out of 6 Committee Meeting: NA	-

Information pursuant to Clause (iv) of Section II of Schedule V to the Act for the Item Nos. 5 and 6 is given as under:

I. General information:

(1) Nature of industry: The Company is, inter alia, in the business of trading in footwear and accessories.

(2) Date or expected date of commencement of commercial production: The Company was incorporated on January 19, 1977.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

(4) Financial performance based on given indicators:

(₹ in Crore)

Particulars		Standalone		Consolidated	
		2023-24	2022-23*	2023-24	2022-23
	Gross Sales	2,711.64	2,431.12	2,773.59	2,495.44
Less:	Taxes	(407.16)	(360.63)	(417.70)	(369.00)
	Sales (Net of Tax)	2,304.48	2,070.49	2,355.89	2,126.44
	Profit before depreciation & Tax	693.46	656.58	691.50	670.10
Less:	Depreciation & amortisation	227.61	177.74	229.12	181.01
	Profit Before Tax	465.85	478.84	462.38	489.09
Less:	Provision for tax	78.94	135.65	80.98	136.85
Less:	Deferred Tax (Credit)	(31.01)	(11.10)	(31.52)	(11.32)
Less:	Tax pertaining to earlier years	0.11	0.30	0.47	0.21
Add:	Share of profit of Joint Venture		-	3.02	2.04
	Profit After Tax	417.81	353.99	415.47	365.39
Add/(Less):	Other comprehensive income/(Loss) (net of taxes)	1.14	(1.89)	1.21	(1.94)
	Total Comprehensive Income	418.95	352.10	416.68	363.45
Less:	Total Comprehensive Income attributable to Non-Controlling Interest		-	2.96	3.94
	Total Comprehensive Income attributable to Owners of the Company	418.95	352.10	413.72	359.50

**Comparative financial information in the financial statements of the Company has been restated to give the effect of demerger of "FILA business" into the business of the Company.*

(5) Foreign investments or collaborations, if any: NA

II. Information about the appointee:

(1) Background details:

Brief profile of Mr. Rafique Abdul Malik and Ms. Alisha Rafique Malik has been mentioned in the explanatory statement.

(2) Past remuneration (fixed) during the FY ended March 31, 2024:

(in ₹)

Mr. Rafique Abdul Malik	Ms. Alisha Rafique Malik
6,00,06,506	1,07,50,212

(3) Recognition or awards:

As mentioned in the Explanatory Statement stated above.

(4) Job profile and suitability:

As mentioned in the Explanatory Statement stated above.

(5) Remuneration proposed:

As mentioned in the resolution stated above.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking into consideration the size of the Company, the profile of Mr. Rafique Abdul Malik and Ms. Alisha Rafique Malik, the responsibilities to be shouldered by them and the industry benchmarks, the remuneration proposed to be paid to the Non-Executive Chairman and the Whole-time Director are commensurate with the remuneration packages paid to the peers in the similar capacities in the industry and are commensurate with the size of the Company and diverse nature of its businesses.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration, shareholding in the Company and commission in respect of certain agreements entered into with the Company (for which appropriate related party approval is in place) for a few showrooms of the Company, Mr. Rafique Abdul Malik does not have any pecuniary relationship with the Company. Mr. Rafique Abdul Malik is the relative of Ms. Farah Malik Bhanji, Managing Director, and Ms. Alisha Rafique Malik, Director of the Company.

Besides the remuneration and shareholding in the Company Ms. Alisha Rafique Malik does not have any pecuniary relationship with the Company. Ms. Alisha Rafique Malik is the relative of Mr. Rafique Abdul Malik, Chairman and Ms. Farah Malik Bhanji, Managing Director of the Company.

III. Other information:

(1) Reasons of loss or inadequate profits:

There are no losses in the Company. In fact, the profitability of the Company has been constantly rising in the past few years and the Company has been achieving remarkable benchmarks in terms of its financial and operational performance. However, the profits may be inadequate only for the purpose of calculating the remuneration payable to the directors in terms of Section 197 of the Act. The Company is passing a Special Resolution pursuant to the proviso to sub-section (1) of Section 197 of the Act as a matter of abundant precaution.

(2) Steps taken or proposed to be taken for improvement:

Not applicable. As such, the Company has embarked on a series of strategic and operational measures that are expected to enhance financial results of the Company. The inherent strengths of the Company, especially its reputation are also expected to enable the Company to position itself during adversities.

(3) Expected increase in productivity and profits in measurable terms:

The Company has taken various initiatives to maintain its leadership, improve market share, and financial performance. It has been pursuing and implementing its strategies to improve financial performance.

IV. Disclosures:

The information and disclosures of the remuneration package of all Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the heading “Remuneration to Directors”.

NOTES

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