



ITFL/SEC/2024-25/AUG/14

23rd August 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai- 400 051

Scrip Code – 533329

NSE Symbol: INDTERRAIN

Dear Sir/Madam,

**Sub.: Submission of Annual Report of the Company for FY ended 31st March 2024
along with Notice convening 15th Annual General Meeting**

Ref.: Reg. 30 and 34 of SEBI (LODR) Regulations, 2015

As per the captioned subject and reference, we inform that the 15th Annual General Meeting (AGM) of the Company is scheduled to be held on Monday, 16th September 2024 at 12 Noon IST through video conferencing/ other audio-visual means.

The Notice convening the 15th AGM of the Company along with the Annual Report of the Company for the Financial Year ended 31st March 2024 is enclosed. The Annual Report along with the Notice of AGM has been dispatched to all the eligible shareholders as on the cut-off date 16th August 2024 through e-mail mode only and will be available in the website of the Company www.indianterrain.com

In compliance with section 108 of the Companies Act, 2013 and Regulation 44 of SEBI (LODR) Regulations 2015, the Company is providing the facility of Remote E-voting and E-voting at the 15th AGM through Central Depository Services Limited (CDSL) for the resolutions proposed to be passed at the 15th AGM. The remote E-voting shall commence from Friday, 13th September 2024 at 09.00 A.M. (IST) and end on Sunday, 15th September 2024 at 05.00 P.M. (IST). The cut-off date for determining the eligibility of the Shareholders to cast their vote is Monday, 9th September 2024.

This is for your information and records. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For Indian Terrain Fashions Limited

Charath Ram Narsimhan
Managing Director & CEO

Encl.: As above

INDIAN TERRAIN FASHIONS LIMITED

Registered office and Address for communication: Survey No. 549/2 & 232, Plot

No 4 Thirukkachiyur & Sengundram Industrial Area,

Singaperumal Koil Post, Chengalpattu – 603204, Tamil Nadu

Email ID: response.itfl@indianterrain.com

Website: www.indianterrain.com

CIN: L18101TN2009PLC073017

Ph: 044 – 4227 9100

INDIAN TERRAIN



INDIAN
TERRAIN



ANNUAL
REPORT
2023-24



NOTE FROM THE CHAIRMAN

Dear Shareholders,

The past year has been transformative for our industry, marked by unique challenges and opportunities that have necessitated a reshaping of our approach to business. The rapid evolution of value fashion retail formats as also the emergence of a number of Digital first brands which are expanding into physical retail have meant an intensifying of competition for the customer wallet.

The exuberance of 2022-23 which was in large parts led by the post COVID shopping surge moderated quite significantly in the past year. Coupled with a change of the consumer landscape to a much younger customer being the driver of demand and change of clothing styles, this has necessitated a much sharper product assortment.

This change has also meant the need to revisit ways of working, and defining a clearer positioning as also taking strategic steps to strengthen where the brand can continue to win. It is in the backdrop of this that in the past year your company embarked on some significant strategic steps to refocus its effort.

Firstly, we decided to focus on being a menswear only brand and to that effect have discontinued the boys-wear segment. Post COVID, with a fundamental shift in the consumer buying behavior to online and greater expectations of value pricing, we no longer see this as a sustainable, scalable business. Accordingly from second quarter of last year we have discontinued this business. This is expected to improve the overall profitability of the business the next 18 months.

Secondly, we have decided to strategically refocus and strengthen our presence in select geographies where we continue to see potential and scalability and accordingly all our actions of retail and distribution expansion in these markets with an aim to become large and among the top 3 brands in these regions.

Thirdly, with a aim to substantially improve profitability and reduce our working capital, we have embarked on a transformative operational excellence project using the globally acclaimed "Theory of Constraints" management philosophy. With a focus on sharper product assortments, supply chain agility of sketch to sample and focus on the highest throughput channels namely Retail and Distribution we are starting to seeing significant benefits and the full effects of these changes will be seen in the current year and the next year.

Lastly, the growing E Commerce and younger customers driving consumption has meant a unique opportunity to use this channel for its strengths and to that effect we will continue to invest and scale up the E commerce business.

It is against the backdrop of these significant changes that the performance of your company is to be viewed for the past year wherein revenue dropped by 10% to 456 Cr. We have taken decisive steps to sharpen our focus, exit from low profit lines of business and tighten the working capital significantly to strengthen our balance sheet.

Indian Terrain has a unique signature and reach with more than 240 own retail and 800+ Multi Brand Outlets which reach consumers across 180 towns. The markets we serve are large and the opportunity is immense. I am confident that with this renewed focus we will once again grow and this time in a much more robust manner.

No goal is possible to accomplish without the team's full commitment and to this, I thank and salute all my colleagues at Indian terrain whose unwavering passion and belief in the brand and ability to pivot has been something I'm really proud of.

Lastly, I am extremely grateful to you, our valued shareholders for your continued support and guidance as we embark on this journey of transformation and change and navigate the challenges in the coming year. The path will be rocky but the destination is one of sunshine and I am confident that we will emerge stronger as a brand and company in the years to come.

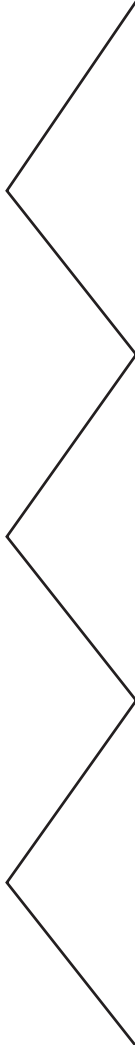
Sincerely,

Venky Rajagopal
Executive Chairman and Whole Time Director





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Board of Directors

Mr. Venkatesh Rajagopal Mrs. Rama Rajagopal	Chairman & Whole Time Director Non-Executive & Non- Independent Director
Mr. Charath Ram Narsimhan	Managing Director & CEO
Mr. P.S. Raghavan (Appointed w.e.f. 01 st April, 2024)	Independent Director
Mr. Tarique Ansari (Appointed w.e.f. 01 st April, 2024)	Independent Director
Mr. Vidyuth Venkatesh Rajagopal (Resigned w.e.f. 31 st March, 2024)	Joint Managing Director
Mr. N.K. Ranganath (Tenure Completed w.e.f. 31 st March, 2024)	Independent Director
Mr. Harsh Bahadur (Tenure Completed w.e.f. 31 st March, 2024)	Independent Director
Mr. Manoj Mohanka (Tenure Completed w.e.f. 31 st March, 2024)	Independent Director

Audit Committee

Mr. Tarique Ansari	Chairman
Mr. P.S. Raghavan	Member
Mr. Charath Ram Narsimhan	Member

Stakeholders Relationship Committee

Mrs. Nidhi Reddy	Chairperson
Mr. Venkatesh Rajagopal	Member
Mr. Charath Ram Narsimhan	Member

Nomination and Remuneration Committee

Mr. P.S. Raghavan	Chairman
Mr. Tarique Ansari	Member
Mrs. Nidhi Reddy	Member

Corporate Social Responsibility Committee

Mrs. Rama Rajagopal	Chairperson
Mrs. Nidhi Reddy	Member
Mr. Venkatesh Rajagopal	Member
Mr. Charath Ram Narsimhan	Member

Chief Financial Officer

Mr. Sheikh Sahenawaz (Appointed w.e.f. 09 th November 2023)
Mr. M. Thiyagarajan (Resigned w.e.f. 14 th August 2023)

Company Secretary & Compliance Officer

Mr. Sainath Sundaram (Appointed w.e.f. 09 th November, 2023)
Mr. E. Elamugilan (Resigned w.e.f. 09 th November, 2023)

Statutory Auditors

M/s. SRSV & Associates,
T.Nagar, Chennai – 600083

Internal Auditors

M/s. RVKS & Associates
T.Nagar, Chennai – 600017

Secretarial Auditors

M/s. BP & Associates
Teynampet, Chennai- 600018

Banker

State Bank of India, Overseas Branch,
Chennai - 600001.
YES Bank Limited
Mylapore, Chennai - 600004.

Registered Office

Survey No 549/2 & 232 Plot No.4,
Thirukkachiyur & Sengundram Industrial
Area, Singaperumal Koil Post,
Chengalpattu, Tamil Nadu – 603204.
Tel : 044-42279100
CIN : L18101TN2009PLC073017
www.indianterrain.com

Registrar and Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli
(West), Mumbai - 400 083
Tel : +91 22 4918 6270
Fax : +91 22 4918 6060
E-mail : rnt.helpdesk@linkintime.co.in,
Website: www.linkintime.co.in



INDIAN TERRAIN
RECEIVES
TWO FAIRTRADE
INDIA AWARDS FOR
BUSINESS



NOTICE OF 15th ANNUAL GENERAL MEETING

To
The Members,
of Indian Terrain Fashions Limited
[CIN: L18101TN2009PLC073017]

NOTICE is hereby given that the 15th Annual General Meeting ("AGM") of the Members of Indian Terrain Fashions Limited (the "Company") will be held on Monday, the 16th September 2024, at 12 Noon IST through Video Conference (VC) or Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2024, together with the reports of Board of Directors' and Auditors' thereon:

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Standalone Financial statements for the year ended 31st March 2024, and Board's Report and Auditor's Report thereon be and are hereby considered and adopted."

2. To appoint a Director in the place of Mrs. Rama Rajagopal (DIN: 00003565), who retires by rotation and being eligible, offers herself for reappointment

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to section 152 of the Companies Act 2013, Mrs. Rama Rajagopal (DIN: 00003565), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and she shall continue to be the Non-Executive Non-Independent Director of the Company in accordance with her terms of appointment."

3. To re-appoint M/s. SRSV & Associates, Chartered Accountants as Statutory Auditors and to fix their remuneration

To consider and if thought fit, to pass, the following resolution(s) as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the proposal of the Audit Committee and the recommendations of the Board in their meeting held on Tuesday, 06th August 2024, the Members of the Company be and hereby approve M/s. SRSV and Associates, Chartered Accountants [Firm Registration No. (FRN) 015041S] to be re-appointed as the Statutory Auditors of the Company to hold office for a consecutive period of five years from the conclusion of this Annual General Meeting ("AGM") until the conclusion of the Twentieth (20th) AGM to be held in the year 2029, on such remuneration, as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company;

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company be and are hereby authorized severally to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions."

SPECIAL BUSINESS

4. Issuance of 14,27,145 Equity Shares on Preferential Basis to Promoter & Executive Chairman & Managing Director & CEO

To consider and if thought fit, to pass, the following Resolution(s) as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, ("Companies Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), the Foreign Exchange Management Act, 1999 and the rules, regulations and guidelines made thereunder as amended from time to time, the listing agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (together, the "Stock Exchanges") on which the equity shares of the Company having face value of ₹2/- each ("Equity Shares") are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs, the Reserve Bank of India, the Securities and Exchange Board of India ("SEBI") and/or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents and permissions as may be necessary or required and subject

to such conditions as may be imposed or prescribed while granting such approvals, consents and permissions, which the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted by the Board to exercise its powers including the powers conferred by this Resolution), is hereby authorised to accept, the consent and approval of the Members of the Company ("Members") be and is hereby accorded to the Board to create, issue, offer and allot upto 14,27,145 Equity Shares at an issue price of ₹70.07 (Rupees Seventy Rupees and Seven Paise only) per Equity Share, including premium of ₹68.07 (Rupees Sixty Eight and Seven paise only) per Equity Share, aggregating to ₹10,00,00,051/- (Rupees Ten Crore and Fifty One only) ("Consideration") as determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, to the persons mentioned below (collectively referred to as the "Investors"):

Sl No.	Name of the Investor(s)	Category (Promoter / Public)	No of Equity Shares	Consideration (in ₹)
1.	Mr. Venkatesh Rajagopal	Promoter- Executive Chairman & Whole time Director	8,20,608	5,75,00,003/-
2.	Mr. Charath Ram Narsimhan	Managing Director & CEO	6,06,537	4,25,00,048/-
TOTAL			14,27,145	10,00,00,051/-

for cash consideration on a preferential basis ("Preferential Issue"), and on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws;

RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for determining the floor price for the Preferential Issue of the Equity Shares is 16th August 2024, being the date 30 days prior to the date of this Meeting ("Relevant Date");

RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Investors under the Preferential Issue shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- The Equity Shares to be issued and allotted shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- The Equity Shares to be allotted shall be locked in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and will be listed on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals;
- The pre-preferential shareholding and the Equity Shares so allotted to the Investors under this Resolution shall not be sold, transferred, pledged or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, except to the extent and in the manner permitted thereunder;
- The Equity Shares shall be allotted in dematerialized form within a period of fifteen (15) days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from Applicable Regulatory Authorities, the allotment shall be completed within a period of fifteen (15) days from the date of receipt of last of such approvals or permissions;

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modifications in the terms of issue of Equity Shares, subject to the provisions of the Companies Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members;

RESOLVED FURTHER THAT the Equity Shares issued to the Investors shall be listed on the Stock Exchanges where the existing Equity Shares of the Company are listed;

RESOLVED FURTHER THAT the monies received by the Company from the Investors pursuant to this Preferential Issue shall be kept by the Company in a separate account opened/maintained by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act;

RESOLVED FURTHER THAT the Board be and is hereby authorized to make an offer to the Investors through private placement offer letter in Form PAS-4 as prescribed under the Companies Act after passing of this resolution with a stipulation that the allotment would be made only upon receipt of in-principle approval from the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited and receipt of the consideration as aforesaid and within the timelines prescribed under the applicable laws;

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 complete record of private placement offers to be recorded in Form PAS-5 for the above issue;

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Equity Shares shall be subject to the following terms and conditions in addition to the terms and conditions as contained in the Statement under Section 102 of the Companies Act annexed hereto, which shall be deemed to form part hereof:

- (a) The Investors shall bring in 100% of the Consideration, on or before the date of allotment thereof, and;
- (b) The Consideration shall be paid by the Investors from their respective bank accounts;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the Preferential Issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Preferential Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction, to any committee of the Board or any one or more Director(s)/Company Secretary/any Officer(s) of the Company to give effect to the aforesaid resolution;

RESOLVED FURTHER THAT to give effect to the resolution the Board of Directors / Committee /Company Secretary/any Officer(s) of the Company be and are hereby severally authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all such acts, deeds, things as may be necessary to finalise any documents and writings related thereto."

**By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED**

Date: 19th August, 2024
Place: Chennai

sd/-
Sainath Sundaram
Company Secretary
Membership No.: F12981

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 9/2023 dated 25th September 2023, General Circular No. 11/2022 dated 28th December 2022, General Circular 3/2022 dated 05th May 2022 read with circulars dated 13th January 2021, 05th May 2020, 08th April 2020, 13th April 2020 and other applicable circulars (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020, SEBI/HO/CFD/CMD2/CIR/ P/2021/11 dated 15th January 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January 2023 and SEBI/HO/CFD/CFD-POD2/P/CIR/2023/167 dated 07th October 2023 ("SEBI Circulars") has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being conducted through VC/OAVM on Monday, the 16th September 2024 at 12 Noon IST. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
3. The Members can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation in the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM forms part of the Notes to this Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The relative Explanatory Statement pursuant to Section 102 of the Act, setting out material facts concerning the Special Business under Item Nos. 4 of the Notice, is annexed hereto.
6. SEBI vide its notification dated 24th January 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form.
7. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are advised to dematerialize the shares held by them. Members can contact the Company or Company's Registrars and Transfer Agents - M/s. Link Intime India Pvt Ltd for assistance in this regard.
8. Members may please note that SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service request viz., Issue of duplicate securities certificates; claim from Unclaimed Suspense Account; Renewal / Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; consolidation of securities certificate/folios; Transmission; Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, on the website of the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt Ltd at <https://liiplweb.linkintime.co.in/investor-services.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
9. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively, for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically
10. 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 Depository Participant in case the shares are held in electronic form and in case the shares are held in physical form to M/s. Link Intime India Pvt Ltd in prescribed form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2021/655 dated 03rd November



2021, SEBI/HO/MIRSD_RTAMB/P/CIR/2021/687 dated 14th November 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023.

11. In case of joint holders attending the AGM, 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.
12. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
13. **Updation of Members' Details:**
The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company / Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant.
14. **Nomination Facility:**
As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members by writing an e-mail to the Company Secretary & Compliance Officer at secretarial@indianterrain.com;
16. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice of AGM will also be available on the Company's website at <https://www.indianterrain.com/pages/investor-information>, on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at <https://www.nseindia.com/> and on the website of CDSL <https://www.cdslindia.com/>;
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice
18. The Register of Members and the Share Transfer books of the Company will remain closed from 10th September, 2024 to 16th September, 2024 (both days inclusive).

THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The remote e-voting period begins on Friday, 13th September 2024 at 09:00 A.M. and ends on Sunday, 15th September 2024 at 05:00 P.M. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Monday, 09th September 2024 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Pursuant to SEBI Circular No. SEBT/HO/CFD/CMD/CIR/P/2020/242 dated 09th December 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. There are also multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India which necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iii) In terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December 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 Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (iv) Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL / NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The user to login to Easi / Easiest are requested to visit www.cdslindia.com or https://web.cdslindia.com/myeasitoken/home/login and click on holding Login icon and select My Easi New (Token). 2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi tab and click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdEasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 4) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP received in registered mobile & email and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login Type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33.
Individual Shareholders holding securities in 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 contact at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form:

- The shareholders should log on to the e-voting website www.evotingindia.com
- Click on "Shareholders / Members" module.
- Now enter your User ID:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

Physical shareholders and shareholders other than individual holding shares in demat form	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company /Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- Click on the relevant Company name i.e. Indian Terrain Fashions Limited on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the Resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(vi) Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer chandramouli@bpcorpadvisors.com and to the RTA at the email address viz: rent.helpdesk@linkintime.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- In case of any difficulty in voting, the Shareholder may contact the Company Secretary and Compliance Officer by sending the email to secretarial@indianterrain.com or by phone no. 044 – 4227 9100.

INSTRUCTIONS TO MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

GENERAL INSTRUCTIONS / INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS:

- Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF / JPG Format) of the relevant Board Resolution/ Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: chandramouli@bpcorpadvisors.com with a copy marked to helpdesk.evoting@cdslindia.com;
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evotingindia.com to reset the password.
- In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-Voting user manual for shareholders available at the download section of www.evotingindia.com or call on 022-23058738 and 022-23058542/43 or send a request at helpdesk Any query or grievance connected with the remote e-voting may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East) Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com.



4. Any grievance or clarifications with regard to voting by electronic means may be addressed to Mr. Sainath Sundaram, Company Secretary & Compliance Officer. Phone: 044 – 4227 9100, Email ID: secretarial@indianterrain.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:

- For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) in Form ISR - I by email to Company/RTA email id.
- For demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
- For individual demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting through depository.
- If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free No.: 1800 22 55 33. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free No.: 1800 22 55 33.
- In terms of SEBI circular dated 09th December 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 Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility.

INSTRUCTIONS TO MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM, ARE AS UNDER

- Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access by following the steps mentioned above for Access to CDSL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVSN of Company will be displayed.
- Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- Members who need assistance before or during the AGM, can contact CDSL on +91 22 2305 8738 or +91 22 2305 8542-43 or contact Mr. Rakesh Dalvi, Sr. Manager at helpdesk.evoting@cdslindia.com.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at secretarial@indianterrain.com at least 7 working days prior to the AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

OTHER INFORMATION:

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and make, not later than 2 working days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same;
- The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed

on the Company's website and on the website of CDSL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed;

- Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Monday, 16th September 2024.

**By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED**

**Date: 19th August, 2024
Place: Chennai**

**sd/-
Sainath Sundaram
Company Secretary
Membership No.: F12981**

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') sets out all material facts relating to the special business mentioned in the accompanying notice dated 19th August 2024. Further, as an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 3 of the said Notice.

Item No. 3

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), though statutorily not required in terms of Section 102 of the Act. The Members at the 10th Annual General Meeting ('AGM') of the Company held on 30th September 2019, had approved appointment of M/s. SRSV and Associates, Chartered Accountants [Firm Registration No. (FRN): 015041S] ("SRSV"), as the Statutory Auditors of the Company to hold office from the conclusion of the 10th AGM till the conclusion of the 15th AGM of the Company to be held in the year 2024.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ("Board") has, based on the recommendation of the Audit Committee, proposed the reappointment of SRSV, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 15th AGM till the conclusion of 20th AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

SRSV have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. SRSV is registered in Chennai having an experience of more than 25 years with State-of-the-art infrastructure having a tailored approach with high ethical values serving varied clients in diverse sectors with thorough integrity and professionalism providing Assurance Services, Tax Services, Advisory Services (GAAP, Compliance, Process, Risk, Management Consulting, Business, Policy, Transaction Advisory), Succession Planning, etc.

The total fee of SRSV & Associates for the audit of standalone financial statements of the Company during the financial year ended 31st March 2024 was ₹4,00,000/- (Rupees Four Lakhs only) including applicable taxes and out-of-pocket expenses. The increase in fee, if any, proposed to be paid to SRSV from the financial year ended 31st March 2024 will be mutually agreed between the Board, in consultation with the Audit Committee which shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure. Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee. The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

Item No. 4

In order to meet the funding requirements for working capital purposes and general corporate purposes, the Company proposes to raise further capital through issuance of Equity Shares on preferential issue basis as explained herein.

The details of the preferential issue of Equity Shares and other particulars as required in terms of Regulation 163 of Chapter V of the SEBI (ICDR) Regulations, 2018, Rule

13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and allotment of securities) Rules, 2014 in relation to the Special Resolution set out in Item No. 4 of the AGM Notice are given below:

- (i) **Objects of the Preferential Issue and aggregate amount proposed to be raised**
The Company proposes to raise an amount aggregating up to ₹ 10,00,00,051/- (Rupees Ten Crore and Fifty One only) through the Preferential Issue of Equity Shares. The Company shall utilize the net proceeds from the Preferential Issue (i.e. total proceeds after adjustment of expenses related to the Preferential Issue, if any) ("Net Proceeds") towards:

Sl No.	Particulars	Total Estimated Amount to be Utilized (Amount in INR)*	Tentative Timeline for Utilization of Issue Proceeds
1.	Deployment towards working capital requirements	9,00,00,000 /-	On or before end of 31 st March, 2026
2.	General Corporate purpose	1,00,00,051 /-	

*Contingent upon full subscription of offer within the stipulated time.

In terms of the NSE Circular No. NSE/CML/2022/56 dated 13th December 2022 and the BSE Circular No. 20221213-47 dated 13th December 2022, the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws. If the Issue Proceeds are not utilised (in full or in part) for the Objects during the period stated above due to any such factors, the remaining Issue Proceeds shall be utilised in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws.

Pending utilization of the proceeds from the Preferential Issue, the Company shall be entitled to invest such proceeds in money market instruments including money market mutual funds, deposits in scheduled commercial banks or any other investment as permitted under applicable laws.

Given that the issue size on issuance of equity shares being less than ₹100 Crore, accordingly in terms of SEBI ICDR Regulations, the requirement for appointment of SEBI registered Credit Rating Agency as the monitoring agency to monitor the use of the proceeds of the Preferential Issue shall not be applicable.

- (ii) **Maximum number of specified securities to be issued**
It is proposed to offer, issue and allot up to 14,27,145 fully paid-up equity shares of the Company having a face value of ₹2 /- (Rupees Two Only) each.
- (iii) **Intent of the Promoters, directors, key managerial personnel or senior management of the Company to subscribe to the Preferential Issue; contribution being made by the Promoters or Directors either as part of the Preferential Issue or separately in furtherance of the objects**
Contribution is being made by the Promoter and Director of the Company for the purposes as stated in sl no. (i) above. None of the other Promoter Group / directors or key managerial personnel intends to subscribe to this preferential issue of Equity Shares.
- (iv) **Shareholding pattern of the Company before and after the Preferential Issue**
Shareholding pattern before and after the proposed preferential issue of securities is provided as Annexure – A to the notice.
- (v) **Time frame within which the Preferential Issue shall be completed**
As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a period of 15 days from the date of passing of this Resolution, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- (vi) **Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the Investors**
The following are the details of Ultimate Beneficial Ownership of the Allottees, as applicable:

Sl. No.	Name of the Allottees	Category (Promoter / Public)	Beneficial Ownership
1.	Mr. Venkatesh Rajagopal	Promoter-Executive Chairman & Whole-time Director	Mr. Venkatesh Rajagopal
2.	Mr. Charath Ram Narsimhan	Managing Director & CEO	Mr. Charath Ram Narsimhan

- (vii) **The percentage of post Preferential Issue capital that may be held by them and change in control, if any.**

The Equity Shares are proposed to be allotted to certain identified Promoter & Non-Promoter persons/entities ("Investors"). The details of shareholding of Investors in the Company, prior to and after the proposed Preferential Issue are as under:

Sl. No.	Name of the Allottee	Category (Promoter / Public)	Pre-Preferential Issue		No of Shares proposed to be allotted	Post-Preferential Issue*	
			No. of equity shares held	% held		No. of equity shares held	% held
1.	Mr. Venkatesh Rajagopal	Promoter-Executive Chairman & Whole-time Director	66,62,115	15.04	8,20,608	74,82,723	16.37
2.	Mr. Charath Ram Narsimhan	Managing Director & CEO	7,52,141	1.70	6,06,537	13,58,678	2.97
Total			74,14,256	16.74	14,27,145	88,41,401	19.34

*Assuming full subscription of Equity Shares issued through this AGM Notice. There would be no change in control of the Company pursuant to this preferential issue of securities.

- (viii) **Undertakings:**

- None of the Company, its Directors or Promoters have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. None of its Directors or Promoters is a fugitive economic offender as defined under the SEBI ICDR Regulations.
- The Company is eligible to make the Preferential Issue under Chapter V of the SEBI ICDR Regulations.
- As the Equity Shares of the Company have been listed on recognised stock exchanges for a period of more than 90 days on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable.
- The Issuer Company undertakes that they shall recompute the price of the specified securities in terms of the provision of SEBI (ICDR) Regulations, 2018, as amended where it is required to do so.
- The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2018, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees. However, the provision of regulation 163(1)(g), 163(1)(h) and 167(5) of SEBI ICDR Regulations are not applicable.
- The Equity Shares being issued pursuant this preferential issue shall rank pari-passu with the existing Equity Shares of the Company.
- The proposed allottees have not sold or transferred any Equity Shares during the 90 (Ninety) trading days preceding the relevant date. All the existing holdings of the Proposed Allottees are already held by them in dematerialized form and would be subject to lock-in for such period as prescribed under the SEBI ICDR Regulations.

- (ix) **Particulars of the Preferential Issue including date of passing of Board resolution**

The Board of Directors at its meeting held on 19th August 2024 had, subject to the approval of the Members and such other approvals as may be required, approved the issuance of up to 14,27,145 Equity Shares at a price of ₹70.07 /- per Equity Share, aggregating to ₹10,00,00,051/- (Rupees Ten Crore and Fifty One only) to the certain identified Promoter and Non Promoter person, for cash consideration, on a preferential basis as provided in point (vii) as above.

- (x) **Kinds of securities offered and the price at which security is being offered**

Up to 14,27,145 Equity Shares, at a price of ₹70.07 /- per Equity Share aggregating up to ₹10,00,00,051/- (Rupees Ten Crore and Fifty One only) to the certain identified Promoter and Non Promoter person, such price being not less than the minimum price as on the Relevant Date determined in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

- (xi) **Relevant Date**

In terms of the provisions of Chapter V of the SEBI ICDR Regulations, relevant date for determining the floor price for the Preferential Issue is 16th August 2024. As per explanation to Regulation 161 of SEBI ICDR Regulations, the 30th day prior to the AGM date falls on a weekday (trading day) and accordingly it has been reckoned as the relevant date.

- (xii) **Basis on which the price has been arrived at and justification for the price**

The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together referred to as the ("Stock Exchanges"). The Equity Shares are frequently traded in terms of the SEBI ICDR Regulations. NSE, being the Stock Exchange with higher trading volumes for the said period, the trading price on NSE has been considered for determining the floor price in accordance with the SEBI ICDR Regulations.



In terms of Regulation 164 of the SEBI ICDR Regulations, the floor price at which the Equity Shares shall be issued, is ₹70.07 /- per Equity Share, being higher of the following:

(a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date;

(b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date;

Given that the Preferential Issue involves allotment of less than 5% of the post issue fully diluted share capital of the Company, still as a good Corporate Governance, the Company has obtained the valuation report under the provisions of SEBI (Issue of Capital and Disclosures Requirement) Regulations 2018 for the purposes of fixing of the floor price as per the said SEBI Regulations. As per the valuation report dated 17th August 2024 issued by independent Registered Valuer, Mr. Amithkumar Shenoy (IBBI/RV/02/2019/11584) having office at Bangalore in accordance with Regulation 164 & 166A of SEBI (Issue of Capital and Disclosures Requirement) Regulations 2018, the fair value of equity shares is ₹70.07 /- per equity share. The Valuation Report shall be available for inspection by the members and the same may be accessed on the Company's website at www.indianterrain.com.

(c) The Articles of Association do not contain any restrictive provisions with respect to the pricing of preferential issue.

The pricing of the Equity Shares to be allotted on preferential basis is ₹70.07 /- per Equity Share which is not lower than the floor price determined in the manner set out above

(xiii) **Principal terms of assets charged as securities:** Not applicable.

(xiv) **Change in control, if any, of the Company consequent to the preferential issue:**
There will not be any change in the management or control of the Company as a result of the proposed preferential allotment.

(xv) **Voting Rights**
Voting rights will change according to the change in shareholding pattern mentioned herein.

(xvi) **Lock-in Period**
The Equity Shares allotted shall be locked-in for such period as specified under Regulations 167 and 168 of the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the allottees, if any, shall be locked in as per Regulation 167 of the SEBI (ICDR) Regulations, 2018.

(xvii) **Practicing Company Secretary Certificate**
The certificate from Mr. K. J. Chandra Mouli of M/s. BP & Associates., Company Secretaries (Membership No. FCS: F11720), certifying that the proposed issue is being made in accordance with the extant regulations of the SEBI ICDR Regulations, 2018 shall be placed before the shareholders of the Company at the AGM. The Certificate is also available on the Company's website www.indianterrain.com

(xviii) **Other disclosures**

(a) Given that the Preferential Issue involves allotment of less than 5% of the post issue fully diluted share capital of the Company, still as a good Corporate Governance, the Company has obtained the valuation report under the provisions of SEBI (Issue of Capital and Disclosures Requirement) Regulations 2018 for the purposes of fixing of the floor price as per the said SEBI Regulations and is also available on www.indianterrain.com;

(b) The Promoter Group have not sold any equity shares of the Company during the six months preceding the Relevant Date.

(xix) **Number of persons to whom allotment has already been made during the year, in terms of Number of Securities as well as Price**
The Company has not made any preferential allotment of Securities during the period from 01st April 2024 till the date of this Notice and further no preferential allotment of Securities is pending for any previous years.

(xx) **Justification for the allotment proposed to be made for consideration other than cash together with the Valuation Report of the Registered Valuer**
Not applicable as the proposed issue is not for consideration other than cash.

(xxi) **The current and proposed status of the investors post the preferential issues namely, promoter or non-promoter**
The proposed preferential issue of Equity Shares is to certain identified Promoter and non-promoter persons and the current and proposed status of the said investors remains in public category for allotment of Equity Shares for Managing Director and in Promoter category for allotment of Equity Shares for Promoter.

In accordance with the provisions of Sections 23, 42 and 62 of the Companies Act, 2013 read with applicable rules thereto and relevant provisions of the SEBI ICDR Regulations, approval of the Members for issue and allotment of the said Equity Shares to Investors is being sought by way of a special resolution as set out in the said item of the Notice.

Issue of the Equity Shares pursuant to the Preferential Issue would be within the Authorised Share Capital of the Company.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the Special Resolution mentioned in Item No. 4 of the accompanying Notice for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise in the special resolution(s) as set out in Item no. 4 except for Mr. Venkatesh Rajagopal, Mrs. Rama Rajagopal and Mr. Charath Ram Narsimhan.

ANNEXURE – A

SHAREHOLDING PATTERN BEFORE AND AFTER THE PROPOSED PREFERENTIAL ISSUE OF SECURITIES

Category	Pre-issue Shareholding as on 30 th June 2024		Preferential Issue*	Post Issue Shareholding*	
	Number of Shares held	% of Share holding		Number of Shares held	% of Share holding
A. Promoters Holding					
1. Indian Individual	1,51,64,040	34.24	8,20,608	1,59,84,648	34.96
2. Bodies Corporate	-	-	-	-	-
Sub-total	1,51,64,040	34.24	8,20,608	1,59,84,648	34.96
3. Foreign individual	-	-	-	-	-
Total Promoters holding	1,51,64,040	34.24	8,20,608	1,59,84,648	34.96
B. Public Holding					
1. Institution:					
Mutual Funds/ UTI	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-
Insurance Companies	-	-	-	-	-
Foreign Portfolio Investors / Foreign body corporate	26,55,540	6.00	-	26,55,540	5.81
2. Non-Institution					
Directors and their relatives (excluding independent directors and nominee directors)	7,52,141	1.70	6,06,537	13,58,678	2.97
Resident Individuals holding nominal share capital up to ₹2 lakhs	1,22,38,419	27.63	-	1,22,38,419	26.77
Resident Individuals holding nominal share capital in excess of ₹2 lakhs	48,84,703	11.03	-	48,84,703	10.68
Non Resident Indians (NRIs)	4,20,692	0.95	-	4,20,692	0.92
Body Corporate	67,88,052	15.33	-	67,88,052	14.85
Any others: Clearing Members, HUF, Office Bearers, LLP, etc.	13,88,098	3.13	-	13,88,098	3.04
Sub-Total (B)	2,91,27,645	65.76	6,06,537	2,97,34,182	65.04
Grand Total	4,42,91,685	100.00	14,27,145	4,57,18,830	100.00

*Assuming full subscription of Equity Shares issued through this AGM Notice.

THE INFORMATION IN RESPECT OF ITEM NO. 2 IN ACCORDANCE WITH REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARDS - 2 ABOUT THE DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 15TH ANNUAL GENERAL MEETING IS FURNISHED HEREUNDER

PARTICULARS	DETAILS OF THE DIRECTORS APPOINTED/ RE-APPOINTED
Name of the Director	Mrs. Rama Rajagopal
Directors Identification Number (DIN)	00003565
Capacity / Designation / Category of the Director	Non-Executive Non-Independent Director
Date of Birth	06 th August, 1955
Initial date of appointment on Board	01 st October, 2013
Term of previous appointment	Non-Executive Non-Independent Director
Terms and Conditions of Appointment / re-appointment	Re-appointment as a Non-Executive Non-Independent Director under Section 152(6) of Companies Act 2013
Qualification	Mrs. Rama Rajagopal holds a Post Graduate Degree in Economics from Banglore University. She had been the Executive Director of the Company since 29 th September 2009 and was subsequently was re-designated as Non-Executive Non-Independent Director w.e.f 10 th November 2021. She has an expertise in General Management and Administration
Brief resume/ Profile / Experience including the Nature of expertise in specific functional areas	
Remuneration last drawn / Revised Remuneration sought to be paid	Nil
List of other Listed / Public Companies in which Directorship held	Celebrity Fashions Limited
Listed entities from which resigned in the past three years	---
Chairperson / Member of the Committee of the Board of Director of the Company	Indian Terrain Fashions Limited: Chairperson of CSR Committee
Chairperson / Member of the Committee of other Listed / Public Companies in which he / she is a Director	Celebrity Fashions Limited: Chairperson of CSR Committee
No. of Board Meetings attended / held during the Financial Year 2023-24	No. of Board Meetings held – 6 No. of Board Meetings attended – 6
Number of Shares held in the Company (both own or held by / for other persons on a beneficial basis as on date of this AGM notice)	83,66,930 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Except for Mr. Venkatesh Rajagopal, she is not related to any other Directors and Key Managerial Personnel in the Company
	Not debarred from holding office by order of SEBI or any authority

Note of abbreviations: AC – Audit Committee, NRC – Nomination & Remuneration Committee, SRC – Stakeholders Relations Committee, CSR – Corporate Social Responsibility Committee

By Order of the Board
For INDIAN TERRAIN FASHIONS LIMITED

Date: 19th August, 2024
Place: Chennai

sd/-
Sainath Sundaram
Company Secretary
Membership No.: F12981









BOARD'S REPORT

Dear Members,

Your Directors hereby present herewith the 15th Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended 31st March 2024 together with Auditors' Report thereon.

FINANCIAL SUMMARY / HIGHLIGHTS

The Company's financial performance for the year ended 31st March 2024 and the comparative figures for the previous year are summarized below:

(₹ In Crores)

Particulars	For the Year ended	
	31 st March, 2024	31 st March, 2023
Revenue from Operations	456.01	500.80
Other Income	3.93	5.51
Total Revenue	459.94	506.31
Earnings Before Depreciation, Interest, Tax & Amortisation (EBDITA)	33.99	61.09
Depreciation & Amortisation	22.28	22.77
Finance Costs	21.87	21.92
Earnings Before Tax (EBT)	(10.16)	10.50
Current Tax	---	---
Deferred Tax	4.77	3.41
Net Profit / (Loss)	(14.93)	7.09
Other Comprehensive Income	0.27	0.18
Total Income	(14.66)	7.27
Earnings per Share (in ₹)		
• Basic	(3.37)	1.62
• Diluted	(3.37)	1.62

OVERVIEW OF FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:

During the year under review, we faced slight headwinds as we continued to navigate through challenging external environment marked by sluggish consumer spending which has led to drop in sales from our Exclusive Brand Outlets (EBO) and Large Format Outlets (LFO) counters. Furthermore, our online channel has slowed down considerably, reflecting the broader decline in overall consumer spending. Despite these challenges, our Men's wear segment has continued its performance in sustained manner, demonstrating resilience in these weak and sluggish market conditions. Moreover, our strategic focus on enhancing revenue quality through controlled discounts and healthier margins have been pivotal in maintaining our profitability under these tough conditions. Despite these conditions there have been only 8.94% fall in our revenue from operations and were able to sustain the finance cost at the same level.

FINANCE AND ACCOUNTS:

The Financial Statements are prepared in accordance with Indian Accounting Standards (IND AS) as required under the notification issued by the Ministry of Corporate Affairs (MCA) in the Official gazette dated 16th February, 2015 which is applicable to the Company from 01st April, 2017 with a transition date of 01st April, 2016.

TRANSFER TO RESERVES:

During the Financial Year ended 31st March 2024, the company had a net loss of ₹ 14.66 Crores and accordingly the transfer to reserves does not apply. The reserves at the end of the year 31st March 2024 was ₹ 188.02 Crores as against ₹ 202.68 Crores in the previous year.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY & CHANGE IN NATURE OF BUSINESS, IF ANY:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report. Further, there were no changes in the nature of the business of the Company.

BUSINESS DEVELOPMENTS PROPOSED:

We remain committed to adapting to the evolving market dynamics as we continue to leverage our strengths in men's wear. We anticipate a shift in customer mindset from unorganized to organized players, driven by the ever-improving standard of living among consumers. This transition presents a significant opportunity for us to capture market share and strengthen our position in the industry. As such, we remain optimistic about the opportunities in the organised retail and e-commerce sectors and consider ourselves well-positioned to capitalise on these growth avenues.

DIVIDEND:

The Board of Directors with a view to conserve financial resources has not recommended any dividend for the financial year ended 31st March 2024.

UNPAID/ UNCLAIMED DIVIDEND:

In accordance with the provisions of Section 125 of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company to transfer unpaid and unclaimed dividends to the Investor Education and Protection Fund. During the year, there were no unclaimed dividends which had to be transferred to IEPF by the Company.

EMPLOYEE STOCK OPTION PLAN / SCHEME:

During the year under review, the Company has not issued any Equity Shares under Employee Stock Option Plan/Scheme and there were no pending options to be vested or exercised.

REVISION OF FINANCIAL STATEMENT OR THE BOARDS REPORT OCCURRED DURING THE YEAR: Nil

ANNUAL RETURN:

In terms of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, a copy of the annual return in Form MGT-7 is to be placed on the website of the Company. The same is available in the website of the Company <https://www.indianterrain.com/pages/investor-information>

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Rama Rajagopal, Non-Executive Non-Independent Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment and the same has been included in the Notice of the 15th Annual General Meeting for approval of the Shareholders.

During the Financial Year 2023-24, the following were the changes in the composition of the Board of Directors and Key Managerial Personnel of the Company:

- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 19th May 2023 recommended to the Shareholders for approval of the re-appointment of Mr. Venkatesh Rajagopal (DIN: 00003625) as Chairman and Whole-time Director with effect from 08th August 2023 for a period of 03 years. Subsequently, it was approved in 14th Annual General Meeting by the Shareholders of the Company by Ordinary Resolution held on 18th September 2023;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 19th May 2023 recommended to the Shareholders for approval of the re-appointment of Mr. Charath Ram Narsimhan (DIN: 06497859) as Managing Director & CEO of the Company with effect from 08th August 2023 for a period of 03 years. Subsequently, it was approved in 14th Annual General Meeting by the Shareholders of the Company by Ordinary Resolution held on 18th September 2023;
- The Board of Directors in the Meeting held on 19th May 2023, took note of the cessation of Mr. Kalpathi S. Suresh (DIN: 00526480) Independent Director w.e.f 27th May 2023;
- The Board of Directors in the Meeting held on 14th August 2023, took note of the resignation of Mr. M Thiyagarajan, Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f. 14th August 2023;
- Pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors in the Meeting held on 09th November 2023, had approved the appointment of Mr. Sheikh Sahenawaz as Chief Financial Officer (Key Managerial Personnel) of the Company w.e.f 09th November 2023;
- The Board of Directors in the Meeting held on 09th November 2023, took note of resignation of Mr. E Elamugilan as Company Secretary & Compliance Officer (Key Managerial Personnel) of the Company w.e.f 09th November 2023;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in the Meeting held on 09th November 2023, had approved the appointment of Mr. Sainath Sundaram as Company Secretary & Compliance Officer (Key Managerial Personnel) of the Company w.e.f 09th November 2023;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 30th March 2024 recommended to the Shareholders for approval of the appointment of Mr. P S Raghavan (DIN: 07812320) as Additional Director in the category of Non – Executive, Independent Director in the Board of the Company with effect from 01st April 2024 for a period of five consecutive years. Subsequently, it was approved through Postal Ballot by the Shareholders of the Company by Special Resolution through e-Voting process which ended on 17th May 2024 and the results of the e-voting declared on 17th May 2024;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 30th March 2024 recommended to the Shareholders for approval of the appointment of Mr. Tarique Ansari (DIN: 00101820) as Additional Director in the category of Non – Executive, Independent

Director in the Board of the Company with effect from 01st April 2024 for a period of five consecutive years. Subsequently, it was approved through Postal Ballot by the Shareholders of the Company by Special Resolution through e-Voting process which ended on 17th May 2024 and the results of the e-voting declared on 17th May 2024;

- (j) The Board of Directors in its Meeting held on 30th March 2024 took note of resignation of Mr. Vidyuth Venkatesh Rajagopal (DIN: 07578471) from the position of Joint Managing Director (Key Managerial Person) of the Company with effect from the close of business hours on 31st March 2024;
- (k) The Board of Directors in its Meeting held on 30th March 2024 took note of the cessation of Mr. N K Ranganath (DIN: 00004044), Independent Director, Mr. Harsh Bahadur (DIN: 00724826), Independent Director and Mr. Manoj Mohanka (DIN: 00128593), Independent Director pursuant to completion of their second and final term with effect from the close of business hours on 31st March 2024.

Brief profile of the Directors seeking appointment/re-appointment along with the disclosures required pursuant to provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and necessary Rules framed thereunder are given in the Notice of the Annual General Meeting, forming part of this Annual Report.

MEETINGS OF THE BOARD OF DIRECTORS:

During the year, six (6) meetings of the Board of Directors were held on 19th May 2023, 14th August 2023, 29th September 2023, 09th November 2023, 14th February 2024 and 30th March 2024. The particulars of the meetings held and attendance by each Director are detailed in the Corporate Governance Report, which forms a part of this Annual Report. The Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India in compliance of Section 118 (10) of the Companies Act, 2013.

INDEPENDENT DIRECTORS AND FAMILIARISATION PROGRAMME:

In terms of the provisions of Section 149(7) of the Companies Act, 2013, all the Independent Directors of the Company have furnished a declaration to the Company stating that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are not disqualified to act as Independent Directors.

In compliance with Regulation 16(10)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board has adopted a policy on familiarisation programme for Independent Directors of the Company. The policy familiarizes the Independent Directors with the nature of industry in which the Company operates, business model of the Company, their roles, rights and responsibilities in the Company.

The details of familiarization programme during the Financial Year 2023-24 are available on the website of the Company at <https://www.indianterrain.com/pages/investor-information>

KEY MANAGERIAL PERSONNEL:

Mr. Venkatesh Rajagopal - Chairman and Whole Time Director, Mr. Charath Ram Narsimhan - Managing Director & CEO, Mr. Sheikh Sahenawaz - Chief Financial Officer and Mr. Sainath Sundaram, Company Secretary & Compliance officer are the Key Managerial Personnel (KMP) of the Company in terms of provisions of Section 203 of the Companies Act 2013 for the Financial Year ended 31st March 2024.

The details of the change in the Key Managerial Personnel during the year have been mentioned in this Board's Report under the heading "Board of Directors and Key Managerial Personnel".

BOARD COMMITTEES:

The Company has constituted various Committees of the Board in compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with the attendance of the Committee Members and re-constitution therein forms part of this Annual Report on Corporate Governance Report section. Details of the constitution of these Committees is also available on the website of the Company <https://www.indianterrain.com/pages/investor-information>.

ANNUAL EVALUATION ON THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

As required under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. The Company has devised a policy for performance evaluation of the Board, its Committees and Directors which include criteria for performance evaluation of Non-executive and Executive Directors. The Company carried out the evaluation process internally which included the evaluation of the Board as a whole, its Committees and Peer evaluation of the Directors.

The evaluation process focused on various aspects of the functioning of the Board and the Committees such as composition of the Board and the Committees, experience and

competencies, performance of specific duties and obligations, governance issues, etc. The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

Details of performance evaluation of Independent Directors as required under Schedule IV to the Companies Act, 2013 is provided in the Report on Corporate Governance.

The Directors have expressed their satisfaction with the evaluation process and its results.

REMUNERATION POLICY OF THE COMPANY:

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015, a policy relating to remuneration of the Directors, Key Managerial Personnel and other employees has been adopted by the Board of Directors thereby analyzing the criteria for determining qualifications, positive attributes and independence of a Director. The said policy duly amended and approved by the Board of Directors on 14th August, 2023 is available on the website of the Company at <https://www.indianterrain.com/pages/investor-information>

PARTICULARS OF REMUNERATION OF DIRECTORS AND EMPLOYEES FROM THE COMPANY, HOLDING OR SUBSIDIARY COMPANY:

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as Annexure - I.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of Annual Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act, this Annual Report excluding the aforesaid information is being sent to the members of the Company.

Any member interested in obtaining such information may address their email to secretarial@indianterrain.com.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of Energy

Steps taken for conservation	The operations of the Company are not energy-intensive. However, wherever possible, the Company strives to curtail the consumption of energy on a continuing basis
Steps taken for utilizing alternate sources of energy	
Capital investment on energy conservation equipment	

(B) Technology absorption:

Efforts made for technology absorption	Not applicable
Benefits derived	
Expenditure of Research & Development, if any	
Details of technology imported, if any	
Year of import	
Whether imported technology is fully absorbed	
Areas where absorption of imported technology has not taken place, if any	

(C) Foreign Exchange Earnings and Outgo:

(₹ in Crore)

Foreign Exchange Earnings and Outgo	2023-24	2022-23
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	26.70	52.26

CASH FLOW STATEMENT:

In compliance with the provisions of Section 134 of the Companies Act, 2013 and Regulation 34 of SEBI (LODR) Regulations, 2015, the Cash Flow Statement for the Financial Year ended 31st March 2024 forms part of this Annual Report.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial



year with related parties were in ordinary course of business and on an arm's length basis and were placed and approved by the Audit Committee. During the financial year 2023-24, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the provisions of the Act. Hence, the disclosure of related party transactions in Form AOC-2 is not applicable.

The Company has framed a policy on Materiality of Related Party Transaction and dealing with Related Party Transaction and the same has been displayed on the Company's website <https://www.indianterrain.com/pages/investor-information>. During the financial year 2023-24, there were no materially significant transactions with the related parties, which were in conflict with the interests of the Company and that require an approval of the Members in terms of the SEBI Listing Regulations.

Suitable disclosures as required under IND AS 24 have been made in the Notes to the financial statements. During the year ended 31st March 2024, there were no approval from the Members on any Related Party Transactions.

PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS:

The Company has not given any loans or provided guarantees or securities to any other body corporates as envisaged under Section 186 of the Companies Act, 2013 during the Financial Year 2023-24. The details of the other investments made by the Company are given under the Note No. 7 (Investments) forming part of the financial statements.

DEPOSITS:

During the year, your Company did not accept any deposits under Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As at 31st March 2024, the Company has not entered into any joint ventures nor did not have any subsidiary or associate Company.

CORPORATE SOCIAL RESPONSIBILITY:

The Corporate Social Responsibility (CSR) Committee is already in place and as on 31st March 2024 the following were the Committee Members:

- Mrs. Rama Rajagopal, Chairperson of the Committee,
- Mr. N.K. Ranganath, Member,
- Mr. Venkatesh Rajagopal, Member and
- Mr. Charath Ram Narsimhan, Member

With the CSR Committee being re-constituted in the Board Meeting held on 30th March 2024, the following were the Committee Members with effect from 01st April 2024:

- Mrs. Rama Rajagopal, Chairperson of the Committee,
- Mrs. Nidhi Reddy, Member,
- Mr. Venkatesh Rajagopal, Member and
- Mr. Charath Ram Narsimhan, Member

The CSR policy of the Company is available on the Company's website <https://www.indianterrain.com/pages/investor-information>.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the details of the same as prescribed under the Companies Act 2013 are detailed in this Report as Annexure II.

SHARE CAPITAL AND STATEMENT PURSUANT TO LISTING AGREEMENT:

The Paid-up Equity Share Capital of the Company as on 31st March 2024 was ₹ 8,85,83,370/- comprising of 4,42,91,685 equity shares of ₹ 2/- each. During the year under review, your Company has neither issued any Shares nor issued shares with differential voting rights or granted any stock options or sweat equity or Shares to Trustees for the benefit of Employees. Your Company's shares are listed with the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The Company has paid the Annual Listing fees and there are no arrears.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Indian Terrain Fashions Limited ("ITFL") has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism.

The Vigil Mechanism is supervised by the Audit Committee and the whistle blower has direct access to the Chairman of the Audit Committee. The vigil mechanism and whistle blower policy is available on the Company's website at <https://www.indianterrain.com/pages/investor-information>.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Prevention of Insider Trading with a view to regulating trading in securities by the Promoters, Directors and Designated Persons of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Promoters, Directors and the Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

MAINTENANCE OF COST RECORDS:

The Central Government has not specified maintenance of cost records under Section 148(1) of the Companies Act 2013 and necessary Rules framed thereunder in respect of the Company's product segment.

RISK MANAGEMENT POLICY:

The Board has adopted and implemented a suitable Risk Management Policy for the company which identifies, assesses and mitigates therein different elements of risk which may threaten the existence of the company viz. strategic, financial, liquidity, security, regulatory, legal, reputational and other risks.

SECRETARIAL STANDARDS:

The Company is in compliance with the applicable Secretarial Standards viz. SS – 1 (Meetings of the Board of Directors) and SS – 2 (General Meetings) issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118 (10) of the Act.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY:

The Company has Internal Control Systems commensurate with the size, scale and complexity of its operations. The Board has devised systems, policies, procedures and frameworks for the internal control which includes adherence to company's policy, safeguarding assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose.

The Auditors of the Company have verified the internal financial control systems prevailing in the organization and confirmed the effectiveness of the same in their report for the Financial Year 2023-24.

RECOMMENDATIONS OF AUDIT COMMITTEE:

All the recommendations of the Audit Committee during the Financial Year 2023-24 have been accepted by the Board of Directors.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. SRSV and Associates, Chartered Accountants (Firm Regn No: 015041S), were appointed as the Statutory Auditors of the Company, for a term of 5 (five) consecutive years, at the 10th Annual General Meeting held on 30th September 2019 till the conclusion of 15th Annual General Meeting of the Company. Pursuant to Section 139(2) of the Companies Act 2013, the Company can appoint the said Audit firm, for a second term of 5 (five) consecutive years, subject to the approval of the Shareholders.

M/s. SRSV and Associates, Chartered Accountants have consented to the said re-appointment and confirmed that their re-appointment, if approved by the Shareholders, would be within the limits specified under Section 141(3)(g) of the Companies Act 2013. They have also confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

Therefore, pursuant to the recommendation of Audit Committee and consideration of the Board in the meetings held on 06th August 2024, the request for Shareholder's approval have been placed forming part of the 15th AGM Notice for re-appointment of M/s. SRSV and Associates, Chartered Accountants, as Statutory Auditors of the Company for the 2nd term from the conclusion of the 15th AGM till the conclusion of 20th AGM of the Company.

The Financial Statements of the Company including its Balance Sheet, Statement of Profit and Loss, Cash Flow Statement along with the notes and schedules for the Financial Year 2023-24 have been audited by M/s SRSV & Associates, Chartered Accountants. The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark on the financial Statements of the Company except they have reported that "the Company has not made provision for ₹1.73 crores towards interest payable to vendors under Micro, Small and Medium Enterprises Development Act 2006" and the management response to that is "the suppliers have subsequently received all the payments and they have not raised any such claims". The Independent Auditors' Report is enclosed with the financial statements in this annual report.

Secretarial Auditors:

Pursuant to the Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors had appointed M/s. BP & Associates, Practising Company Secretaries, Chennai as the Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended 31st March 2024 does not contain any adverse remark, qualification or reservation or disclaimer which requires any explanation/comments of the Board. The Secretarial Audit Report is annexed as **Annexure - III** to this Report.

Internal Auditors:

Pursuant to Section 138 of the Companies Act 2013 read with rule 13 of the Companies (Accounts) Rules, 2014 and all other applicable provisions (including any amendment thereto) of the Companies Act 2013 and as recommended by the audit committee M/s. RVKS & Associates, Chartered Accountants, Chennai was re-appointed as the Internal Auditors of the Company for the financial year 2023-24 by the Board.

The audit conducted by the Internal Auditors is based on an internal audit plan, which is reviewed every quarter in consultation with the Audit Committee. These audits are based on risk-based methodology and inter alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Auditors share their findings on an ongoing basis during the financial year for corrective action. The Audit Committee oversees the functions of the Internal Auditors.

REPORTING OF FRAUD(S) BY THE AUDITORS:

During the Financial Year 2023-24, the Statutory Auditors, Cost Auditors or Secretarial Auditors have not reported any fraud to the Audit Committee under Section 143(12) of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANYS OPERATIONS IN FUTURE:

There are no significant material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance as stipulated in Schedule V read with Regulation 34(3) of the SEBI (LODR) Regulations, 2015.

DISCLOSURE UNDER THE SEXUAL HARASSMENT AT WORKPLACE:

During the year, there were no complaints received pursuant to the provisions of the POSH Act.

SHIFTING OF REGISTERED OFFICE OF THE COMPANY:

During the year, the Shareholders of the Company in the 14th AGM held on 18th September 2023 through Special Resolution had approved the shifting of Registered Office of the Company from "208, Velachery Tambaram Road, Narayanapuram, Pallikaranai, Chennai-600100" to "Survey No 549/2 & 232 Plot No.4, Thirukkachiyur & Sengundram Industrial Area Singaperumal Koil, Post, Chengalpattu - 603204, Tamil Nadu and the same was approved by Registrar of Companies, Chennai, Tamil Nadu on 14th October 2023.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to provisions of Section 134 of the Companies Act, 2013, with respect to Directors' responsibility statement it is hereby confirmed that:

1. in the preparation of the annual accounts applicable accounting standards has been followed and there is no material departure from the same;
2. the Directors 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 the Company at the end of the financial year i.e., 31st March 2024 and of the profit of the Company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;

4. the Directors have prepared the annual accounts on a going concern basis;
5. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AWARDS AND RECOGNITION:

During the year, your company was awarded with "Fairtrade Business Partner of the Year in the Lifestyle and Apparel Sector" and "Fairtrade Impactful Communication for the Year" by global organisation Fairtrade India for its production practices at a gala event at Pulman in Aerocity, Delhi on 05th and 06th October 2023.

ANY APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE FINANCIAL YEAR ENDED 31st MARCH 2024:

There was no such application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) in respect of the Company during the financial year ended 31st March 2024.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

There were no such instances of One-time Settlement with any Bank or Financial Institutions during the Financial Year ended 31st March 2024.

PERSONNEL:

The employee relations have been very cordial during the financial year ended 31st March 2024. The Board wishes to place on record its appreciation to all its employees for their sustained efforts and immense contribution to the high level of the Company, which comprises of young passionate driven professionals committed to achieve the organizational goals.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record their sincere appreciation for the continued trust and confidence reposed in the Company by the bankers, business associates, regulatory authorities, customers, dealers, vendors, shareholders and other stakeholders. Your Directors recognize and appreciate the services rendered by the officers, staff and employees of the Company at all levels for their dedicated efforts to improve the performance of the Company.

For and on behalf of the Board

Date: 19th August, 2024
Place: Chennai

sd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)



ANNEXURE - I TO BOARD'S REPORT

Disclosure under Section 197(12) of Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023-24:

Name of the Director(s)	Category	Ratio
Mr. Venkatesh Rajagopal	Chairman and Whole-time Director	18 : 1
Mr. Charath Ram Narsimhan	Managing Director & CEO	19 : 1

2. The Percentage increase / (decrease) in remuneration of Directors and Key Managerial Personnel's in the financial year 2023-24:

Name of the Director(s)	Category	% Increase or (decrease)
Mr. Venkatesh Rajagopal	Chairman and Whole-time Director	No change
Mr. Charath Ram Narsimhan	Managing Director & CEO	41.67%
Mr. Vidyuth Venkatesh Rajagopal ¹	Joint Managing Director	NA
Mr. M Thiyagarajan ²	Chief Financial Officer	No change
Mr. E Elamugilan ³	Company Secretary & Compliance Officer	No change
Mr. Sheikh Sahenawaz ⁴	Chief Financial Officer	NA
Mr. Sainath Sundaram ⁴	Company Secretary & Compliance Officer	NA

¹ resigned with effect from the close of business hours on 31st March, 2024

² resigned with effect from the close of business hours on 14th August, 2023

³ resigned with effect from the close of business hours on 09th November, 2023

⁴ appointed with effect from 09th November, 2023

3. The Percentage increase/(decrease) in the median remuneration of employees in the financial year 2023-24: **3.39%**

4. The Number of permanent employees on the rolls of company as on 31st March 2024: **273**

5. The average annual increase/(decrease) in the salaries of employees other than the Managerial Personnel during the last financial year was around **7.67%** as compared to average annual increase/(decrease) in managerial remuneration of **17.86%**.

6. Affirmation:

It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company

Note: The managerial remuneration as stated above includes perquisites and profit based commission, if any.

For and on behalf of the Board of Directors
Indian Terrain Fashions Limited

Date: 19th August, 2024
Place : Chennai

Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)

ANNEXURE II - ANNUAL REPORT ON CSR ACTIVITIES

- 1) A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

INDIAN TERRAIN FASHIONS LIMITED ("Company / ITFL") recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations. The company endeavors to make CSR for sustainable development. The Company through its CSR Committee shall identify the activities/projects in line with Section 135 read with Schedule VII of the Companies Act 2013 and the Rules made thereunder. Our company is committed for better utilisation of CSR funds so that it can serve the public at large.

- 2) Composition of the CSR Committee (as on 31st March, 2024):

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Rama Rajagopal	Chairperson	1	1
2	Mr. N K Ranganath	Member	1	1
3	Mr. Venkatesh Rajagopal	Member	1	1
4	Mr. Charath Ram Narsimhan	Member	1	1

- 3) Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://www.indianterrain.com/pages/investor-information>
- 4) Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**
- 5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year 2023-24, if any: **Nil**
- 6) Average Net Profit of the Company as per Section 135(5) of the Act: (**₹ 17.16 Crore**)
- 7) (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: **Nil**
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
 (c) Amount required to be set off for the Financial Year, if any: **Nil**
 (d) Total CSR obligation for the Financial Year 2023-24 [(a) + (b) – (c)]: **Not Applicable**
- 8) (a) CSR Amount spent or unspent for the Financial Year 2023-24:

(₹ In crore)

Total Amount Spent for the Financial Year	Amount Unspent				
	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	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Not applicable	---	---	---	---	---

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

Sl. No.	Name of the Project	Item from the list of activities in Sch VII to the Act	Local area (Yes / No)	Location of the project		Amt allocated for the project	Amt spent in the current financial year	Amt transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation		Mode of Implementation Through Implementing Agency	
				State	District				Direct (Yes/No)	Name	CSR registration number	
Total							NIL					

There being no on-going project, these disclosures are not applicable.

- (c) Details of CSR amount spent against other than ongoing projects for the Financial Year: **Nil**
- (d) Amount spent in Administrative Overheads: **Nil**
- (e) Total Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (f) Total amount spent for the Financial Year: **Nil**



(g) Excess Amount for set off, if any:

(₹ In crore)

S.No	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Excess amount spent in the previous Financial year (spent during the financial year 2022-23)	0.01
(iii)	Total amount to be spent during the Financial year	Nil
(iv)	Total amount spent for the Financial year	Nil
(v)	Excess amount spent for the financial year [(iv)-(iii)]	Nil
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(vii)	Amount available for set off in succeeding financial years [(ii) + (iv)-(iii)]	0.01

9) (a) Details of Unspent CSR Amount for the preceding three financial years:

During the financial year 2022-23, an amount of ₹ 2.78 crore being cumulative outstanding on CSR obligations for previous financial years have been transferred to the Government Funds specified under Schedule VII as mandated under second proviso to section 135(5) making the overall CSR outstanding as "Nil" for that year. The details of those have been duly included in the previous Annual Report (i.e. 14th AGM)

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding financial year(s) – Nil

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year: **Not Applicable**

11) Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5) of the Act – **Not Applicable**

For and on behalf of the Board of Directors
For and on behalf of Committee

sd/-
Venkatesh Rajagopal
Chairman & Whole-time Director
DIN: 00003625

Date: 19th August, 2024
Place: Chennai

Details of CSR amount spent against other than ongoing projects for the Financial Year 2023-24

(₹ in lakh)

Sl.No.	Name of the Project(s)	Item from the list of activities in Sch VII to the Act	Local area (Yes / No)	Amt allocated for the project	Mode of Implementation	Mode of Implementing through implementing	
					Direct (Yes/No)	Agency	CSR registration number
---Nil---							

ANNEXURE - III TO BOARD'S REPORT
**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To,
The Members,
Indian Terrain Fashions Limited,
Survey No 549/2 & 232 Plot No.4,
Thirukkachiyur & Sengundram Industrial Area
Singaperumal Koil, Chettipunniam, Kanchipuram,
Chengalpattu, 603204.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indian Terrain Fashions Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Indian Terrain Fashions Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit.

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Indian Terrain Fashions Limited for the financial year ended on 31st March, 2024 according to the applicable provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation 2021 (Not applicable to the Company during the audit period)
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Other laws applicable to the Company as per the representations made by the Management;

With respect to Fiscal laws such as Income Tax and Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various acts and based on the information and explanation provided to us by the management and officers of the company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by The Institute of Company Secretaries of India have been generally complied with.

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

During the period under review there were no events which required specific compliance of the provisions of

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors to schedule the board meetings, agenda and detailed notes on the 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.

We have relied on the representation made by the Company, its officers and Reports of the Statutory Auditor for relating to maintenance of account as required under rule 3(1) of the Companies (Accounts) rule 2014, statutory payment due, systems and mechanism framed by the Company for the compliance under other Acts, Laws And Regulations applicable to the Company.

We report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines except below:

The Company has not formed the Internal Compliance Committee as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) 2013. Furthermore, the Company has not filed the annual return under POSH act, which is required to be filed annually with District officer.

We further report that during the audit period, the following significant events have taken place:

- The Shareholder of the Company in its 14th Annual General Meeting held on 18th September 2023 has approved the change in address of registered office of the Company from 208, Velachery Tambaram Road, Narayanapuram, Pallikaranai, Chennai- 600100 to Survey No 549/2 & 232 Plot No.4, Thirukkachiyur & Sengundram Industrial Area Singaperumal Koil, Post, Chengalpattu, Tamil Nadu 603204.
- The Changes in the Composition of the Board of Directors of the Company

S. No	Name of the Director	Designation	Appointment/ Resignation	Date of Event
1	Mr. Kalpathi S Suresh (DIN: 00526480)	Non-Executive Independent Director	Resignation (Due to completion of tenure of 1st term)	27 th May 2023
2.	Mr. Charath Ram Narsimhan (DIN: 06497859)	Managing Director & CEO	Re-appointment for period of 3 years	08 th August 2023
3.	Mr. Venkatesh Rajagopal (DIN:00003625)	Executive Chairman & whole time Director	Re-appointment for period of 3 years	08 th August 2023
4.	Mr. N.K Ranganath (DIN:00004044)	Non-Executive Independent Director	Retirement (Due to completion of tenure)	31 st March 2024
5	Mr. Harsh Bahadur (DIN: 00724826)	Non-Executive Independent Director	Retirement (Due to completion of tenure)	31 st March 2024
6	Mr. Manoj Mohanka (DIN:00128593)	Non-Executive	Retirement (Due to completion of tenure)	31 st March 2024
7	Mr. Vidyuth Venkatesh Rajagopal (DIN: 07578471)	Joint Managing Director	Resignation	31 st March 2024
8	Mr. Pundi Srinivasan Raghavan (DIN:07812320)	Additional (Non-Executive)	Appointment	01 st April 2024
9	Mr. Tarique Ansari (DIN: 00101820)	Independent Director	Appointment	01 st April 2024



III. Changes in the Composition of Key Managerial Personnel of the Company

ANNEXURE A'

S. No	Name of the Key Managerial Personnel	Designation	Appointment / Resignation	Date of Event
1.	Mr. M. Thiyagarajan	Chief Financial Officer	Resignation	14 th August 2023
2.	Mr. Sheikh Sahenawaz	Chief Financial Officer	Appointment	09 th November 2023
3	Mr. Elamugilan (Membership No:A33396)	Company Secretary & Compliance officer	Resignation	09 th November 2023
4	Mr. Sainath Sundaram (Membership No:A56851)	Company Secretary & Compliance officer	Appointment	09 th November 2023

**For BP & Associates
Company Secretaries
Peer Review No. P2015TN040200**

**Date: 06th August, 2024
Place: Chennai**

sd/-
K. J. Chandra Mouli
Partner
M No: F11720
CP No: 15708
UDIN: F011720F000901774

To

The Members,
Indian Terrain Fashions Limited,
Survey No 549/2 & 232 Plot No.4,
Thirukkachiyur & Sengundram Industrial Area
Singaperumal Koil, Chettipunniam, Kanchipuram,
Chengalpattu, 603204

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We 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 a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test basis.
- 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.

**For BP & Associates
Company Secretaries
Peer Review No. P2015TN040200**

**Date: 06th August, 2024
Place: Chennai**

sd/-
K. J. Chandra Mouli
Partner
M No: F11720
CP No: 15708





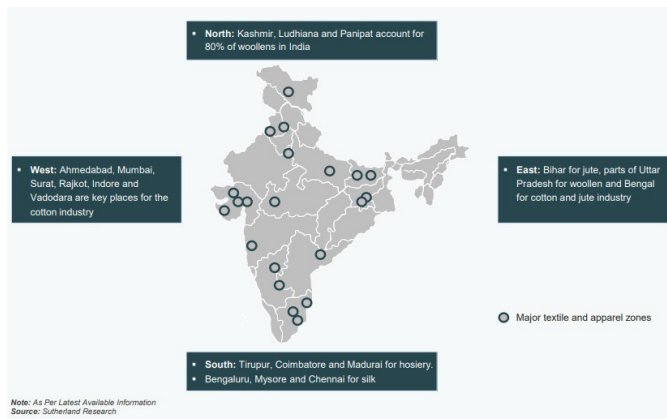
MANAGEMENT DISCUSSION & ANALYSIS

INDIAN INDUSTRY – OUTLOOK, OVERVIEW AND DEVELOPMENTS:

(A) Textile and Apparels:

- India is the world's second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4.6% share of the global trade in textiles and apparel;
- The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports.
- The textile industry has around 45 million workers employed in the textiles sector, including 3.5 million handloom workers. India's textile and apparel exports stood at US\$ 20.01 billion in FY24 (April-October).
- The Indian textile and apparel industry is expected to grow at 10% CAGR to reach US\$ 190 billion by 2025-26.
- The ₹ 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.
- India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$ 65 billion by FY 2026.

(B) Key textiles and apparel zones in India:



(C) Revolutionary trends shaping the Indian textile industry:

- **Emphasis On Sustainability:**
Companies are redefining their entire value chain, from sourcing raw materials to production, supply chain management and waste recycling, as they transition from a linear to a circular operational model. This holistic approach addresses both pre- and post-consumer waste, making sustainability a cornerstone of the Indian textile industry's future.
- **Increasing Focus On Technical Textiles:**
The technical textile sector specialises in producing advanced fabrics by employing cutting-edge technology on natural and synthetic fibres. This industry prioritises materials with heightened durability, exceptional insulation and enhanced heat resistance.
- **Increasing Demand For Man-made Fibres:**
India stands as the world's second-largest producer of man-made fibres. These fibres contribute to nearly 100% of non-cotton and blended fabrics, offering versatility and cost-efficiency. Currently, the country produces a staggering 1,441 million kilogrammes of synthetic fibres and over 3,000 million kilogrammes of synthetic filaments.
- **Growing Need for Yarn Quality:**
Quality now tops price in importance for today's consumers. In garment manufacturing, it spans processes and products, encompassing attributes like durability, aesthetics, functionality and adherence to standards. Manufacturers are vital in meeting these requirements, as consumers prioritize value and reliability. Quality remains central in the garment manufacturing industry.
- **Demand For Natural Fibres:**
In an increasingly eco-conscious world, the textile industry is witnessing a rising appetite for natural fibres. These fibres, including cotton, silk, linen, wool, jute and cashmere are at the core of the Indian textiles industry, which is poised to grow from its current valuation of \$138 billion to a projected \$195 billion by 2025.

• Rise In Digital Textile Printing:

Its adoption, particularly with dye sublimation printing, has surged in recent times and is poised for continued growth as technology evolves. This innovative approach empowers designers and manufacturers to unleash their creative potential, reduce waste and meet the demands of a rapidly changing market, while maintaining vibrant and high-quality textile designs.

(D) Future of the Indian textile market:

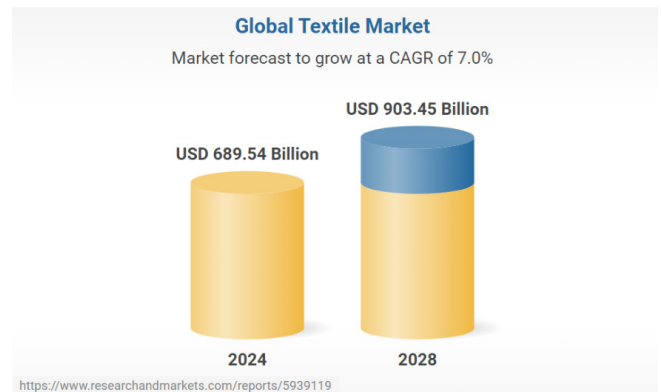
Looking ahead, the Indian textile market is anticipated to exceed a valuation of US\$ 209 billion by 2029. The textile sector remains resilient by evolving to meet the demands of a changing world, actively embracing innovation, sustainability and consumer preferences to maintain its enduring relevance.

GLOBAL INDUSTRY – OUTLOOK, OVERVIEW AND DEVELOPMENTS:

(A) Textile market size:

The ever-evolving textile industry stands at the cusp of significant transformation, spurred by technological advancements and changing consumer behaviors. As the global landscape shifts towards a more digital and sustainable future, understanding these dynamics is crucial for decision-makers in the textile sector.

The textile market size has grown strongly in recent years. It will grow from \$638.03 billion in 2023 to \$689.54 billion in 2024 at a compound annual growth rate (CAGR) of 8.1%. The growth witnessed in the historical period can be ascribed to factors such as the expansion of the global population, heightened demand for man-made fibers, government initiatives supporting the textile industry, robust economic growth in emerging markets, and the implementation of restrictions on plastic usage.



(B) Factors driving the Global textile market growth:

- Growing fashion clothing market;
- Demand for customised products,
- Sustainability in production processes,
- Adoption of technical textiles
- Corporate restructuring and investment in manufacturing processes
- Eco-friendly textiles

(C) Global Textile Market Segmental Analysis:

Analysis by Product	<ul style="list-style-type: none"> • Natural fibers led the industry and held a 44.1% share of revenue in 2023 due to their broad use in a variety of applications in the fashion & apparel sector. • Polyester is predicted to experience a 7.4% increase in sales between 2024 and 2031, a trend that can be linked to the material's advantageous traits like high strength, chemical and wrinkle resistance, and rapid drying.
Analysis by Application	<ul style="list-style-type: none"> • The demand for high-quality colored and printed fabrics as well as crease-free suiting & shirting fabrics is also anticipated to rise significantly throughout the course. • Due to its high-performance qualities and end-user applications, the demand in textiles in the technological category is anticipated to increase at the fastest rate, 7.7%, in terms of value over the projected period.

(D) Global Textile Market Dynamics:
• Growing Population and Urbanization (Market Drivers):

The increasing global population and rapid urbanization are driving the demand for textiles. As more people move to urban areas, the need for clothing, home textiles, and other textile products increases, stimulating market growth.

• Intense Competition (Market Restraints):

The textile market is highly competitive, with numerous manufacturers and suppliers worldwide. Intense competition can lead to price pressures and lower profit margins, especially for commoditized textile products.

THE WAY FORWARD:

As the industry continues to be challenged by geopolitical and economic headwinds, fashion leaders in 2024 will look to strike a careful balance between managing uncertainty and seizing opportunities. With cost-saving tactics mostly exhausted, companies may focus on growing sales, underpinned by new pricing and promotion strategies. Across the industry, net intent to raise prices is more than 50 percent, according to the BoF-McKinsey Executive Survey. At the same time, reduced cost pressures could provide a potential boost to performance. As climate change brings increasingly extreme weather events and global temperatures rise, the coming year is likely to mark a heightened industry focus on environmental, social, and governance issues. The most successful companies will find a balance between sustainability initiatives, risk management, and commercial imperatives.

In the era of uncertain world, consumer discretionary spend will be weighted toward trusted categories and brands. Consumers are expected to travel more and continue spending more time outdoors. And they prefer emotional connections and authenticity over celebrity endorsements. All told, executives are bracing for a strategically complex year ahead. To counter uncertainty, the companies shall prepare for a wide range of outcomes.

RISKS, OPPORTUNITIES AND THREATS:

Risks	Opportunities	Threats
<ul style="list-style-type: none"> Fluctuating raw material prices impacting profitability Regulatory compliances with increase in operational complexities Intense competition which leads to price wars and margin pressures 	<ul style="list-style-type: none"> Diverse product range Proper presence across India with key players along with E-commerce enabling wider market reach Driving the need for efficient supply chains & sustainable fashion 	<ul style="list-style-type: none"> Volatile economic conditions impacting consumer spending Rapid changes in the fashions trends Competition from big conglomerates affects the sector specific industries

THE INDIAN TERRAIN FASHIONS LIMITED STORY

Indian Terrain Fashions Limited (ITFL) is a well-established apparel retailer in India, specializing in the men's smart casual category under the brand name 'Indian Terrain.' With a sharp focus on providing comfortable clothing that caters to the needs of millennial consumers, Indian Terrain's brand philosophy of "Makes You Feel Good" resonates well with a younger generation of audiences, further strengthening its visibility in the markets it operates in. The company distributes its products through various channels, including multi-branded outlets, exclusive brand outlets, large format stores, and e-commerce platforms.

With the apparel segment in India presenting a significant growth opportunity, Indian Terrain recognises this potential and has strategically chosen a minimal capital investment approach, leveraging the availability of apparel manufacturers in India. This decision not only aids profitability but also aligns with the interests of shareholders and stakeholders. The company's commitment to providing premium fabrics, superior tailoring, and comfortable fits has made Indian Terrain a preferred choice for cosmopolitan, upwardly mobile young Indian men seeking affordable yet stylish smart-casual clothing.

Indian Terrain's commitment to sustainability, as evidenced by its Fairtrade Label certification, further enhances its brand reputation. As the company continues to evolve and engage with consumers, its brand promise of creating clothing that combines elegance, style, and comfort remains at the forefront of its mission to provide customers with a satisfying shopping experience.

The company is actively investing in building a stronger brand presence by adopting social media and digital marketing strategies, as well as engaging directly with end consumers. This approach allows Indian Terrain to stay relevant and aligned with upcoming fashion trends.

STRATEGIC STORE FORMATS:

The Company retails across the country through 236 Exclusive Outlets, 800+ Multi Brand Outlets, 500+ doors of Large Format Stores such as Lifestyle, Shoppers Stop, and Central and 4+ key e-commerce platforms.

Store Format	As on 31 st March, 2024
COCO (Company Owned Company Operated)	12
COFO (Company Owned Franchise Operated)	72
FOFO (Franchise Owned Franchise Operated)	125
EFO (Exclusive Factory Outlet)	26
Out of India	1
Total	236

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Board has devised systems, policies and procedures/frameworks, which are currently operational within your Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Performance Metrics	FY 2023-24	FY2022-23	Change %
Revenue from Operations	456.01	500.80	(8.94)
Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)	33.99	61.09	(44.36)
Depreciation and Amortisation Expense	22.28	22.77	(2.15)
Earnings Before Interest and Tax (EBIT)	11.71	32.42	(63.88)
Finance Costs (Interest)	21.81	21.92	(0.50)
Earnings After Tax (EAT)	(14.93)	7.09	(310.58)
Shareholders Fund	196.88	211.54	(6.93)
Earnings Per Share (EPS)	(3.37)	1.62	(308.02)
Net Fixed Assets	19.65	24.39	(19.43)

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The employees of the Company are our best assets and their commitment towards work is directly proportional to our inherent strength. At Indian Terrain Fashions Limited (ITFL), we encourage our people to discover and realise their valuable potential. Having varied experiences and exposures, implementing challenging tasks along with continuous learning enables the employees of ITFL deliver optimum results. Acculturing new employees through physical interactions with senior colleagues and leaders, by observing and following their behaviours and ways of thinking have been crucial keeping the employees in momentum. ITFL being an equal opportunity employer and has a well-defined and progressive diversity, equity and inclusion approach embracing all diversity parameters which includes gender, marital status, religion, race/caste, colour, age, ancestry, nationality, language, ethnic origin, socio-economic status, physical appearance, disability, gender identity and/or expression and any other category protected by applicable law.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG-WITH DETAILED EXPLANATIONS:

Key Financial Ratios	FY 2023-24	FY 2022-23	Change %	Remarks
Debtors' Turnover (in times)	1.70	2.08	(18.04)	Due to increase in Debtors & decrease in Revenue from Operations for the year
Inventory Turnover (in times)	4.07	4.79	(14.96)	Due to decrease in Inventory & Revenue from Operations for the year
Interest Coverage Ratio (in times)	1.55	2.79	(44.44)	Due to proportionate reduction in Revenue from Operations
Current Ratio (in times)	1.59	1.62	(1.84)	Due to increase in current Assets over the increase in current Liabilities



Debt Equity Ratio (in times)	0.48	0.25	(92.39)	Due to the additional debt raised during the year
Operating Profit Margin (%)	7.45	12.19	(38.88)	Due to proportionate reduction in Revenue from Operations
Net Profit Margin (%)	(3.27)	1.42	(330.28)	Due to loss during the current financial year
Return on Networth (%)	(7.58)	3.44	(320.35)	Due to loss during the current financial year

CAUTIONARY STATEMENT:

Statements in this Annual Report on describing our objective, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws, rules, regulations, etc. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets, in which we operate, in addition to changes in government regulations, tax laws and other statutes and incidental factors.

For and on behalf of Board of Directors
Indian Terrain Fashions Limited

sd/-
Venkatesh Rajagopal
Chairman & Whole-time Director
DIN: 00003625

sd/-
Charath Ram Narsimhan
Managing Director & CEO
DIN: 06497859

Date: 19th August, 2024
Place: Chennai







CORPORATE GOVERNANCE REPORT

In accordance with the Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"/"SEBI (LODR) Regulations, 2015"), as applicable, the report containing the details of Corporate Governance systems and processes at Indian Terrain Fashions Limited (ITFL) is as follows:

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Your Company's Corporate Governance philosophy is based on transparency, accountability, values, and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth, and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders involves the balancing of interests of the stakeholders of a Company, Management, Customers, Suppliers, financiers, the Government and the Community.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate governance encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure. At ITFL, with a strong legacy of fair, transparent and ethical governance practices we ensure that the balance is maintained at all levels. We strive to enhance shareholder's value and protect the interest of the stakeholders by improving the corporate performance and accountability.

The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. ITFL follows a traditional and holistic approach in delivering accountability to all its stakeholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46(2)(b) to (i) of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.

II. BOARD OF DIRECTORS:

The Board of Directors along with its Committees, provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. ITFL has ensured the presence of an active and Independent Board to ensure the highest standards of Corporate Governance. The Company, as on the date of this report has in all 6 (six) Directors with considerable professional experience in divergent areas connected with corporate functioning. The Board comprises of 2 Executive Directors, 3 Non-Executive Independent Directors and 1 Non-Executive Non-Independent Director. The Independent Directors in the Board are competent and highly respected professionals from their respective fields and have vast experience, which enables them to contribute effectively to the company. The Company's Board has an optimum combination of both Executive and Non-Executive Directors including a Woman Independent Director.

As stated in the Board's Report, during the Financial Year 2023-24, the following were the changes in the composition of the Board:

- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 19th May 2023 recommended to the Shareholders for approval of the re-appointment of Mr. Venkatesh Rajagopal (DIN: 00003625) as Chairman and Whole-time Director with effect from 08th August 2023 for a period of 03 years. Subsequently, it was approved in 14th Annual General Meeting by the Shareholders of the Company by Ordinary Resolution held on 18th September 2023;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 19th May 2023 recommended to the Shareholders for approval of the re-appointment of Mr. Charath Ram Narsimhan (DIN: 06497859) as Managing Director & CEO of the Company with effect from 08th August 2023 for a period of 03 years. Subsequently, it was approved in 14th Annual General Meeting by the Shareholders of the Company by Ordinary Resolution held on 18th September 2023;
- The Board of Directors in the Meeting held on 19th May 2023, took note of the cessation of Mr. Kalpathi S. Suresh (DIN: 00526480) Independent Director w.e.f 27th May 2023;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 30th March 2024 recommended to the Shareholders for approval of the appointment of Mr. P S Raghavan (DIN: 07812320) as Additional Director in the category of Non – Executive, Independent Director in the Board of the Company with effect from 01st April 2024 for a period of five consecutive years. Subsequently, it was approved through Postal Ballot by the Shareholders of the Company by Special Resolution through e-Voting process which ended on 17th May 2024 and the results of the e-voting has been declared on 17th May 2024;
- Pursuant to the recommendation of Nomination & Remuneration Committee, the Board of Directors in its Meeting held on 30th March 2024 recommended

to the Shareholders for approval of the appointment of Mr. Tarique Ansari (DIN: 00101820) as Additional Director in the category of Non – Executive, Independent Director in the Board of the Company with effect from 01st April 2024 for a period of five consecutive years. Subsequently, it was approved through Postal Ballot by the Shareholders of the Company by Special Resolution through e-Voting process which ended on 17th May 2024 and the results of the e-voting has been declared on 17th May 2024;

- The Board of Directors in its Meeting held on 30th March 2024 took note of resignation of Mr. Vidyuth Venkatesh Rajagopal (DIN: 07578471) from the position of Joint Managing Director (Key Managerial Person) of the Company with effect from the close of business hours on 31st March 2024;
- The Board of Directors in its Meeting held on 30th March 2024, took note of the cessation of Mr. N K Ranganath (DIN: 00004044), Independent Director, Mr. Harsh Bahadur (DIN: 00724826), Independent Director and Mr. Manoj Mohanka (DIN: 00128593), Independent Director pursuant to completion of their second and final term with effect from the close of business hours on 31st March 2024.

A. Board Composition and Category of Directors as on 31st March 2024 and as on the date of this Report:

SI No	Name of Directors	DIN	Designation	Category
1	Mr. Venkatesh Rajagopal	00003625	Chairman and Whole-Time Director	Promoter Executive
2	Mrs. Rama Rajagopal	00003565	Non-Independent Director	Promoter Non-Executive
3	Mr. Charath Ram Narsimhan	06497859	Managing Director	Executive
4	Mr. Vidyuth Venkatesh Rajagopal*	07578471	Joint Managing Director	Promoter Executive
5	Mr. N K Ranganath #	00004044	Independent Director	Non-Executive
6	Mr. Manoj Mohanka #	00128593	Independent Director	Non-Executive
7	Mr. Harsh Bahadur #	00724826	Independent Director	Non-Executive
8	Mrs. Nidhi Reddy	00004081	Independent Director	Non-Executive
9	Mr. P S Raghavan &	07812320	Independent Director	Non-Executive
10	Mr. Tarique Ansari &	00101820	Independent Director	Non-Executive

* Mr. Vidyuth Venkatesh Rajagopal stepped down from the position as Joint Managing Director with effect from the close of business hours on 31st March 2024.

Mr. N K Ranganath, Mr. Harsh Bahadur and Mr. Manoj Mohanka have completed their second and final term as an Independent Directors of the Company and consequently ceased to be Independent Directors of the Company w.e.f. the close of business hours on 31st March 2024.

& Mr. P S Raghavan and Mr. Tarique Ansari were appointed as Additional Directors in the category of Non – Executive, Independent Director in the Board of the Company with effect from 01st April 2024 for a period of five consecutive years and subsequently it was approved through Postal Ballot by the Shareholders of the Company by Special Resolution through e-Voting process which ended on 17th May 2024 and the results of the e-voting has been declared on 17th May 2024.

Mrs. Rama Rajagopal is the wife of Mr. Venkatesh Rajagopal and Mr. Vidyuth Venkatesh Rajagopal is the son of Mr. Venkatesh Rajagopal. None of the other Directors are related inter-se.

The details of the shareholding of the Directors are provided in the Annual Return in Form MGT - 7 in the weblink <https://www.indianterrain.com/pages/investor-information>

The Composition of the Board and the number of Directorships is in conformity with Regulation 17, and 26(1) of SEBI Listing Regulations and as per the provisions of Companies Act, 2013 and the limits of the Directorships of the Directors are within the stipulated requirements as per SEBI Listing Regulations.

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, Part C (2) (i), the Board of Directors of the company hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified under Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management. A formal letter of appointment has been issued to the Independent Directors and the same is also hosted on the website of the Company at <https://www.indianterrain.com/pages/investor-information>.

B. Board Meetings:

The Board meets at regular intervals to discuss and decide on the Company/ Business Policy and Strategy apart from other Board businesses. The Notice along with the Agenda of the Board meetings are given well in advance to all the Directors and the Board Meetings held during the Financial Year were held through Physical Meeting and/or Video Conferencing & other Audio Visual means.

The Agenda for the Meeting covers items set out as per the guidelines in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent it is relevant and applicable. The Agenda includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. Where it is not practicable to attach any document to the agenda, it is placed before the meeting with specific reference to this effect.

During the financial year ended 31st March 2024, six (6) Board Meetings were held and the maximum interval between any two meetings was well within the maximum allowed gap of 120 days. The details of the Board Meetings held are given below:

Date	Board Strength	No. of Directors Present
19 th May, 2023	9	8
14 th August, 2023	8	7
29 th September, 2023	8	6
09 th November, 2023	8	8
14 th February, 2024	8	8
30 th March, 2024	8	7

C. Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorship(s) and Chairmanship(s) / Membership(s) of Committees of each Director in various Companies:

S. No.	Name of Directors	Attendance at meetings during financial year 2023-24		Number of Directorships in other Companies as on 31 st March 2024 (excluding ITFL)	No. of Membership(s)/ Chairmanship(s) of Audit and Stakeholders Relationship Committee(s) in other Public Companies as on 31 st March 2024 (excluding ITFL)	
		Board meetings	Attendance at the last AGM		Membership	Chairmanship
		1	Mr. Venkatesh Rajagopal	6/6	Yes	1
2	Mrs. Rama Rajagopal	6/6	No	1	-	-
3	Mr. Charath Ram Narsimhan	6/6	Yes	NA	NA	NA
4	Mr. Vidyuth Venkatesh Rajagopal	4/6	Yes	1	-	2
5	Mr. N K Ranganath	6/6	Yes	8	-	-
6	Mr. Manoj Mohanka	6/6	Yes	9	3	3
7	Mr. Harsh Bahadur	5/6	No	1	-	1
8	Mrs. Nidhi Reddy	5/6	Yes	1	-	2
9	Mr. K S Suresh	0/1	NA	-	-	-

None of the Directors are holding any position as Directors/ Committee members in any other Listed Entity.

Names including separately the names of the listed entities where the person is a director and the category of directorship:

S. No.	Name of Directors	Directorship in Listed Entities		
		No. of Directorship in Listed entities Board as on 31 st March, 2024	Name of Listed entity	Category of Directorship held
1	Mr. Venkatesh Rajagopal	1	Celebrity Fashions Limited	Non -Executive and Non-Independent Director
2	Mrs. Rama Rajagopal	1	Celebrity Fashions Limited	Executive Director
3	Mr. Charath Ram Narsimhan	-	NA	NA
4	Mr. Vidyuth Venkatesh Rajagopal	1	Celebrity Fashions Limited	Executive Director
5	Mr. N K Ranganath	1	Celebrity Fashions Limited	Independent Director
6	Mr. Manoj Mohanka	6	Celebrity Fashions Limited	Independent Director
			XPRO India Limited	Independent Director
			India Carbon Limited	Independent Director
			Titagarh Railsystems Limited	Independent Director
			Ludlow Jute & Specialities Limited	Independent Director
7	Mr. Harsh Bahadur	1	Vaibhav Global Limited	Independent Director
8	Mrs. Nidhi Reddy	1	Celebrity Fashions Limited	Independent Director



D. Profile of the Directors:

The brief profile of the Board of directors is given below.

Mr. Venkatesh Rajagopal (DIN: 00003625), Chairman and Whole Time Director:

Mr. Venkatesh Rajagopal is the Executive Chairman and Whole time Director of the Company. He holds B.A. Honors in Economics from Sri Ram College of Commerce, New Delhi and Master of Arts from Bangalore University. He has expertise knowledge in specific functional areas like Managerial, Financial, Marketing and Administration. He joined the Indian Police Service during the year 1979 and served the nation for a decade. During the year 1988, he quit the Indian Police Service and entered into the business of garment exports. He served as a Member of the Young President Organization, Madras Chapter. Mr. Venkatesh Rajagopal served as a Member of a Social Organization called Round Table for 8 years till 1998. He was associated in organizing the International conference of Round Tables in 1996, in Chennai in the capacity as Vice Chairman of the conference.

Mrs. Rama Rajagopal (DIN: 00003565) – Non-Executive Non-Independent Director:

Mrs. Rama Rajagopal, holds a Post Graduate Degree in Economics from Bangalore University. She has been the Executive Director of Indian Terrain Fashions Limited since 29th September, 2009.

Mr. Charath Ram Narsimhan (DIN: 06497859) – Managing Director & Chief Executive Officer:

Mr. Charath Ram Narsimhan holds a Bachelor's degree from IIT and PGDBM (Finance) from IIM – Lucknow. Having over two decades of rich experience in garment industries, his expertise area includes Managerial, Financial, Commercial, Systems and Administration.

Mr. Vidyuth Venkatesh Rajagopal (DIN: 07578471) - Joint Managing Director:

Mr. Vidyuth Venkatesh Rajagopal is the Managing Director of Celebrity Fashions Limited. With over a decade of experience in Business Development, Merchandising, Product Development, Retail Operations, Cluster Management and factory operations in Apparel manufacturing industry. He had stepped down as Joint Managing Director w.e.f close of business hours on 31st March 2024.

Mr. N.K. Ranganath (DIN: 00004044) – Independent Director:

Mr. N.K. Ranganath is a mechanical engineer and holds a post graduate degree in Business Management from XLRI. He was the Managing Director of Grundfos Pumps India Private Limited. He has acquired valuable knowledge, experience and expertise in the field of sales, marketing, finance, production and human resource disciplines. He has completed the second and final term as an Independent Director of the Company and consequently ceased to be Independent Director of the Company w.e.f. the close of business hours on 31st March 2024.

Mr. Manoj Mohanka (DIN: 00128593) - Independent Director:

Mr. Manoj Mohanka holds a Master Degree in Strategic Marketing from National University of Ireland and Chevening Scholar from London School of Economics. He has more than 20 years of experience in Business Management and held various positions in Industry forums including President, Calcutta Chamber of Commerce, Co-Chairman, Economic Affairs Committee of FICCI (Eastern Region), Committee Member of Indo-Italian Chamber of Commerce, Young President Organization, Kolkata. He is also a guest Lecturer at Indian Institute of Technology (IIT) at Kharagpur. He has completed the second and final term as an Independent Director of the Company and consequently ceased to be Independent Director of the Company w.e.f. the close of business hours on 31st March 2024.

Mr. Harsh Bahadur (DIN – 00724826) - Independent Director:

Mr. Harsh Bahadur holds a Master Degree in History from St. Stephens College, Delhi University and Master of Business Administration from Boston University. He has more than 30 years of rich experience in retail, branded FMCG and Music, Sportswear, Business services and jewelry industries. He is also a senior advisor at PricewaterhouseCoopers (PWC). Mr. Bahadur also advises Private Equity Funds and has evaluated Companies in the automobile servicing, branded food and e-commerce sectors. He has completed the second and final term as an Independent Director of the Company and consequently ceased to be Independent Director of the Company w.e.f. the close of business hours on 31st March 2024.

Mrs. Nidhi Reddy (DIN – 00004081) – Independent Director:

Mrs. Nidhi Reddy holds a Master Degree in Economics from Delhi School of Economics and a Post Graduate Diploma in Personnel Management and Industrial Relations from XLRI. She specializes in the field of Human Resource Management, Behavioral Training and Recruitment.

Mr. P S Raghavan (DIN – 07812320) – Independent Director:

Mr. P S Raghavan is a former Diplomat and Ambassador who had handled diplomatic assignments in USSR, UK, Poland, South Africa and Vietnam, and was Ambassador to Czech Republic, Ireland and Russia. He is currently Chairman of the National Security Advisory Board. He is a Distinguished Fellow of the Vivekananda International Foundation, New Delhi and Emeritus Resource Faculty, Rashtriya Raksha University, Gandhinagar. He is an Independent Director on the Board & in certain committees of Listed Companies. He was an Independent Director of an unlisted PSU.

Mr. Tarique Ansari (DIN – 00101820) – Independent Director:

Mr. Tarique Ansari, an ex - Managing Director and Chairman at Next Mediaworks Limited (formerly Mid day Group) is also the founder of "India's most Attractive Radio Brand "Radio One 94.3" in the year 1999 which was among the first private players to venture into private premium FM Brand in top metro cities. Currently, he is on the board of different Indian Companies.

E. Number of Shares and Convertible Instruments held by Non-Executive Directors as on 31st March 2024 and as on the date of this Report:

Name of Non-Executive Director(s)	No. of Shares held
Mrs. Rama Rajagopal	83,66,930
Mr. N K Ranganath	---
Mr. Manoj Mohanka	---
Mr. Harsh Bahadur	---

The following non-executive directors who were appointed w.e.f 01st April 2024 are detailed below:

Name of Non-Executive Director(s)	No. of Shares held
Mr. Tarique Ansari	---
Mr. P S Raghavan	5,800

F. Separate Independent Directors' Meeting

The Company's Independent Directors met on 14th February 2024 without the presence of the Executive Directors. During the meeting, the Independent Directors inter-alia reviewed the performance of the non- Independent Directors, Board as a whole, and the Chairman after taking into the views of executive and non-executive Directors. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Company confirms that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Attendance of Independent Directors at the meeting held on 14th February 2024 is given hereunder:

Name of the Independent Director(s)	Whether Present
Mr. N K Ranganath	Yes
Mr. Harsh Bahadur	Yes
Mr. Manoj Mohanka	Yes
Mrs. Nidhi Reddy	Yes

G. Familiarization Programme:

The Company has a familiarization programme for the Independent Directors. At the time of appointing new Non-Executive Independent Directors, a formal letter of appointment is given to them, which explains their role, function, duties and responsibilities in the Company. The Executive Directors provide an overview of the Company's business operations to the new Non-Executive Directors/ Independent Directors. The New Director is also explained in detail the compliance required from him under the Companies Act, the Listing Regulations and other various statutes. Further on an ongoing basis as a part of the Agenda of the Board meeting and the Committee meeting, presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's business and operations, industry strategy, finance and other relevant matters. The details of the Familiarization program for Director are available on the website link: <https://www.indianterrain.com/pages/investor-information>

H. Skills/Expertise/Competencies of the Board of Directors:

The Board Members are equipped with varied experience and also possess the required skills that allows them to make effective contribution to the Board and its Committees.

Skill	Description
Leadership/ Strategy	Experience in Leadership roles and industry expertise which help in strategic planning, effective decision making and risk management.
Global Business	Experience in driving business success/ dynamics in markets around the world, understanding of various Geographical Markets, Industry verticals and regulatory jurisdictions.
Apparel / Textile / Retail Industry	Widespread knowledge in Apparel / Textile / Retail Industry and technical knowledge of the Industry's process.
Sales and Marketing	Well versed in developing strategies to grow sales and increase the market share and enhance the Organisation's reputation.
Finance	Financial expertise resulting in proficiency in complex financial management and capital allocation and a strong ability to assess financial impact of decision making and ensure profitable and sustainable growth.
Technology	Technology expertise resulting in knowledge of creation of new business models.
Regulatory	Strong Knowledge and expertise in Corporate Law and other regulatory compliances including Industry specific Laws.

Name of Director(s)	Leadership / Strategy	Global Business	Apparel / Textile / Retail Industry	Sales and Marketing	Finance	Technology	Regulatory
Mr. Venkatesh Rajagopal	✓	✓	✓	✓	✓	✓	✓
Mrs. Rama Rajagopal	✓	✓	✓	✓	✓	✓	✓
Mr. Charath Ram Narsimhan	✓	✓	✓	✓	✓	✓	✓
Mr. Vidyuth Venkatesh Rajagopal	✓	✓	✓	✓	✓	✓	✓
Mr. N K Ranganath	✓	✓	✓	✓	✓	✓	✓
Mr. Manoj Mohanka	✓	✓	✓	✓	✓	✓	✓
Mr. Harsh Bahadur	✓	✓	✓	✓	✓	✓	✓
Mrs. Nidhi Reddy	✓	✓	✓	✓	✓	✓	✓
Mr. P S Raghavan	✓	✓	✓	✓	✓	✓	✓
Mr. Tarique Ansari	✓	✓	✓	✓	✓	✓	✓

III. COMMITTEES OF THE BOARD

The Board of Directors have set up Committees as applicable to the Company to deal with specific areas / activities as mandated by the applicable regulations. The Board clearly defines the role of each committee and the Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board has established the following committees

- (i) **Audit Committee:** The constitution and terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations.

The Company has a qualified and independent Audit Committee comprising of Non-Executive Independent Directors and Executive Director. The Chairman of the Committee is an Independent Director.

Terms of Reference in brief:

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations. The terms of reference of the Audit Committee, inter-alia are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
- Review of quarterly / half-yearly / annual financial statements with reference to changes, if any in accounting policies and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment by management, and significant adjustments made in the financial statements, if any arising out of audit findings.
- Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process.
- Reviewing, with the management, the performance of statutory auditors and internal auditors, and adequacy of internal control systems.
- Formulating the scope, functioning, periodicity and methodology for conducting internal audit.
- To review the functioning of the Whistle Blower Mechanism.

- Approval of appointment of Chief Financial Officer after assessing qualifications, experience, background, etc. of the candidate.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems.

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of SEBI Listing Regulations and provisions of Section 177 of the Companies Act, 2013.

Composition and Attendance:

The composition of the committee and Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Member(s)	Designation	Attendance
Mr. N K Ranganath	Chairman, Independent Director	4 / 4
Mr. Harsh Bahadur	Member, Independent Director	4 / 4
Mr. Manoj Mohanka	Member, Independent Director	4 / 4
Mrs. Nidhi Reddy	Member, Independent Director	3 / 4
Mr. Venkatesh Rajagopal	Member, Executive Director	4 / 4
Mr. Charath Ram Narsimhan	Member, Executive Director	4 / 4

During the Financial Year 2023-24, in the Board Meeting held on 30th March 2024, the Audit Committee was re-constituted as follows w.e.f 01st April 2024:

Name of the Committee(s)	Current Composition	Revised
Audit Committee	Mr. N K Ranganath, Chairman	Mr. Tarique Ansari, Chairman
	Mr. Harsh Bahadur	Mr. P. S. Raghavan
	Mr. Manoj Mohanka	---
	Mrs. Nidhi Reddy	---
	Mr. Venkatesh Rajagopal	---
	Mr. Charath Ram Narsimhan	Mr. Charath Ram Narsimhan

During the Financial Year 2023-24, four (4) meetings of the Audit Committee were held on 19th May 2023, 14th August 2023, 09th November 2023 and 14th February 2024. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings.



Mr. Sainath Sundaram, Company Secretary & Compliance Officer of the Company acts as the Secretary to the Committee.

(ii) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted as per the provisions of Regulation 19 of SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013.

Terms of Reference in brief:

The terms of reference of the Nomination & Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

- Identification of persons who are qualified to become Directors and who may be appointed to Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and renewal.
- Evaluating the performance of the Directors and providing necessary reports to the Board for further evaluation and consideration.
- Recommending to the Board on remuneration to the Directors, KMP's and SMP's of the Company.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented personnel by creation of competitive advantage through a structured talent review.

The composition of the Nomination and Remuneration Committee and attendance of members are given below:

Composition and Attendance:

The Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Member(s)	Designation	Attendance
Mr. N K Ranganath	Chairman, Independent Director	5 / 5
Mr. Harsh Bahadur	Member, Independent Director	5 / 5
Mr. Manoj Mohanka	Member, Independent Director	5 / 5

During the Financial Year 2023-24, in the Board Meeting held on 30th March 2024, the Nomination & Remuneration Committee was re-constituted as follows w.e.f 01st April 2024:

Name of the Committee(s)	Current Composition	Revised Composition
Nomination & Remuneration Committee	Mr. N K Ranganath, Chairman	Mr. P. S. Raghavan, Chairman
	Mr. Harsh Bahadur	Mr. Tarique Ansari
	Mr. Manoj Mohanka	Mrs. Nidhi Reddy

Five (5) meetings of the Nomination and Remuneration Committee were held on 19th May 2023, 14th August 2023, 09th November 2023, 14th February 2024 and 30th March 2024.

Mr. Sainath Sundaram, Company Secretary & Compliance Officer of the Company acts as the Secretary to the Committee.

Performance Evaluation

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including the Independent Directors. The criteria for Board evaluation cover the areas relevant to their functioning and is in compliance with the applicable laws and regulations. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, the Board had carried out an annual evaluation of its own performance, the directors individually and of the committees of the Board.

Remuneration Policy

The policy on directors' appointment and remuneration, including criteria for determining qualifications and making payments, positive attributes, independence of a director and other matters, as required under Section 178(3) of the Companies Act, 2013, can be viewed on the Company's website at <https://www.indianterrain.com/pages/investor-information>. There has been no change in the policy since the last financial year. We affirm that the remuneration paid to the directors is as per the terms laid down in the remuneration policy of the Company. The Committee has also devised a Board Diversity policy vide <https://www.indianterrain.com/pages/investor-information> which has been approved by the Board.

Directors Remuneration:

Details of Remuneration paid to the Executive Directors during the Financial Year 2023-24 are mentioned below:

(₹ In Lakhs)

Name of the Director	Salary	Perquisites / Bonus / PF	Profit based commission	Total
Mr. Venkatesh Rajagopal	96.00	0.39	---	96.39
Mr. Charath Ram Narsimhan	72.00	0.28	30.00	102.28

The remuneration to the above directors is paid in accordance with Schedule V to the Companies Act, 2013. The tenure of office of the Chairman, Managing Director and Whole Time Directors is for a period of three years from the date of their respective appointments. The Company is not paying any Performance linked incentives to its Directors. The service contract and the notice period of the Executive Directors are as per the terms of appointment. There is no separate provision for payment of severance fees. The Company has not allotted any shares through Stock option / Sweat Equity.

In addition to the above, the Executive Directors shall be entitled to suitable Mediclaim policy for hospitalization and reimbursement of all actual medical expenses for themselves and their family to the extent not reimbursed under Mediclaim policy. They shall be entitled to telephone, fax and other communication facilities at their residence at company's cost. They are entitled to a car fully maintained by the Company with drivers for company's purpose. They shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by them for and on behalf of the Company, in furtherance of its business and objects. But they will not be entitled to any sitting fee for attending the meetings of the Board or of any Committees thereof.

The Nomination and Remuneration Committee considered various parameters during his tenure of office which, inter alia, includes, the increased scale of operations of the Company and increased involvement of the Chairman and Managing Director in to the day to day operations for the overall growth of the Company especially in respect of exploring new domestic markets, deeper penetration of existing markets, enhancing brand value through various initiatives, financial growth of the Company, etc

The Non-Executive Independent Directors are entitled to sitting fees for attending the Board meetings.

Sitting fees paid to the Non-Executive Directors during 2023-24:

(₹ In Lakhs)

Name of the Non-Executive Director	Sitting Fee
Mrs. Rama Rajagopal	3.80
Mr. N K Ranganath	8.50
Mr. Manoj Mohanka	8.10
Mr. Harsh Bahadur	7.50
Mr. K S Suresh *	---
Mrs. Nidhi Reddy	4.55

* Mr. K S Suresh, Independent Director of the Company resigned from the Company w.e.f 27th May, 2023

The payment of sittings fees to the Non-Executive Directors is within the limits as prescribed under the Companies Act, 2013.

(iii) Stakeholders Relationship Committee:

The constitution and terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The said committee consists of Executive & Non-executive/Independent Directors and the Committee redresses the Shareholders' grievances.

Composition and Attendance:

The Chairman and the Members of the Committee as on 31st March 2024 are as under:

Name of Member(s)	Designation	Attendance
Mr. N K Ranganath	Chairman, Independent Director	1 / 1
Mr. Venkatesh Rajagopal	Member, Executive Director	1 / 1
Mr. Charath Ram Narsimhan	Member, Executive Director	1 / 1

During the Financial Year 2023-24, in the Board Meeting held on 30th March 2024, the Stakeholders Relationship Committee was re-constituted as follows w.e.f 01st April 2024:

Name of the Committee(s)	Current Composition	Revised Composition
Stakeholders Relationship Committee	Mr. N K Ranganath, Chairman	Mrs. Nidhi Reddy, Chairperson
	Mr. Venkatesh Rajagopal	Mr. Venkatesh Rajagopal
	Mr. Charath Ram Narsimhan	Mr. Charath Ram Narsimhan

As required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Sainath Sundaram is the Compliance Officer of the Company, who oversees the redressal of Investor grievances. The Stakeholders' Relationship Committee met once on 14th February 2024.

The Company had not received any complaints during the year. Further, there are no pending complaints as on 31st March 2024.

(iv) Corporate Social Responsibility Committee:

In compliance with Section 135 of the Companies Act 2013, the Board has constituted the Corporate Social Responsibility Committee. The terms of reference of the Committee inter alia consists of framing the CSR policy of the Company and reviewing it from time to time

and ensuring effective implementation and monitoring of CSR activities as per the approved policy, plans and budget.

The composition of the Corporate Social Responsibility Committee as on 31st March 2024 and the attendance of members are given below:

Name of Member(s)	Designation	Attendance
Mrs. Rama Rajagopal	Chairperson, Non-Executive Non-Independent Director	1 / 1
Mr. N.K. Ranganath	Member, Independent Director	1 / 1
Mr. Venkatesh Rajagopal	Member, Executive Director	1 / 1
Mr. Charath Ram Narsimhan	Member, Executive Director	1 / 1

During the Financial Year 2023-24, in the Board Meeting held on 30th March 2024, the Corporate Social Responsibility Committee was re-constituted as follows w.e.f 01st April 2024:

Name of the Committee(s)	Current Composition	Revised Composition
Corporate Social Responsibility Committee	Mrs. Rama Rajagopal, Chairperson	Mrs. Rama Rajagopal, Chairperson
	Mr. N.K. Ranganath	Mrs. Nidhi Reddy
	Mr. Venkatesh Rajagopal	Mr. Venkatesh Rajagopal
	Mr. Charath Ram Narsimhan	Mr. Charath Ram Narsimhan

The Corporate Social Responsibility Committee met once on 14th February 2024.

Mr. Sainath Sundaram, Company Secretary & Compliance Officer of the Company and acts as the Secretary to the Committee.

(v) Risk Management Committee:

Though not mandatory under the SEBI Listing Regulations, the Risk Management Committee is constituted by the Company. Business Risk Evaluation and Management (BRM) is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. The Committee consists of Mr. Venkatesh Rajagopal being the Chairman, Mrs. Rama Rajagopal and Mr. Charath Ram Narsimhan as Members.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluates treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks. Within its overall scope as aforesaid, the Committee shall review risks trends, exposure and potential impact analysis and mitigation plan.

(vi) Independent Directors Meeting:

During the financial year ended 31st March 2024, the Independent Directors met on 14th February 2024 without the presence of the Executive Directors and management personnel of the Company. Such meetings are conducted to enable Independent Directors to inter alia to discuss:

- Evaluation of the performance of the Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive Directors.
- Assess the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The directors were satisfied with the evaluations.

All the Independent Directors were present at the Meeting viz. Mr. N.K. Ranganath, Mr. Harsh Bahadur. Mr. Manoj Mohanka and Mrs. Nidhi Reddy.

(vi) Particulars of change in senior management:

Sl No.	Name of the Senior management Person	Designation	Reason for change	Date of Change
1	Mr. M Thiyagarajan	Chief Financial Officer	Resignation	14 th August, 2023

2	Mr. E Elamugilan	Company Secretary & Compliance Officer	Resignation	09 th November, 2023
3	Mr. Sheikh Sahenawaz	Chief Financial Officer	Appointment	09 th November, 2023
4	Mr. Sainath Sundaram	Company Secretary & Compliance Officer	Appointment	09 th November, 2023

V. GENERAL BODY MEETINGS:

(i) Annual General Meeting:

Year	Date	Time	Venue	Special Resolution(s)
2022-23	14 th AGM 18 th Sept 2023	11:00 AM	Held through Video Conferencing/ Other Audio Visual Means	(1) To authorise the change in address of Registered Office
2021-22	13 th AGM 09 th Sept 2022	11:00 AM	Held through Video Conferencing/ Other Audio Visual Means	(1) To approve the waiver of recovery of excess remuneration paid to Mr. Venkatesh Rajagopal (DIN: 00003625), Chairman & whole time director of the company during the FY 2021-22 (2) To approve increase in managerial remuneration payable to Mr. Venkatesh Rajagopal (DIN: 00003625), Chairman & Whole time Director of the company (3) to approve increase in managerial remuneration payable to Mr. Charath Ram Narsimhan (DIN: 06497859), Managing Director & CEO of the company
2020-21	12 th AGM 16 th Sept 2021	11:00 A.M	Held through Video Conferencing/ Other Audio Visual Means	---

(ii) Other General Meeting(s):

There were no other General Meeting(s) during the Financial Year 2023-24.

(iii) Postal Ballot:

During the Financial Year 2023-24, no resolutions were passed through Postal Ballot.

VI. MEANS OF COMMUNICATION:

The Company promptly reports all material information including quarterly / half year and annual audited financial results to the Stock Exchange. All disclosures and communications to the National Stock Exchange of India Limited and BSE Limited are filed electronically through their designated portals.

The quarterly results are published in a leading Tamil (Tamil Murasu) & English (Business Standard) Newspaper having wide circulation. The said results are also hosted in the company's website <https://www.indianterrain.com/pages/investor-information>. Company has not given any other official news release or presentation to institutional investors or the analysts apart from the one which are informed to Stock Exchange.

The Company maintains a functional website <https://www.indianterrain.com/pages/investor-information>. The website contains a separate dedicated section "Investor Relations" where all shareholders' information required under the Act / Rules / Regulations is made available. The Company also has a designated exclusive e-mail id response.itfl@indianterrain.com for investor services.

VII. GENERAL SHAREHOLDERS INFORMATION:

(a) Company Registration Details

Indian Terrain Fashions Limited was incorporated on 29th September 2009. The Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs is L18101TN2009PLC073017. The Registered Office of the Company is situated at Survey No 549/2 & 232 Plot No. 4, Thirukkachiyyur & Sengundram Industrial Area, Singaperumal Koil Post, Chengalpattu, Tamil Nadu - 603204.



(b) Annual General Meeting

The 15th Annual General Meeting (AGM) of the Company will be held on 16th September, 2024 at 12 Noon IST through Video Conferencing/Other Audio Visual Means.

(c) Financial Year

The Company's Financial Year commences from 01st April and closes on 31st March and the Financial Statements of the Company from 01st April 2023 till 31st March 2024 forms part of this Annual Report.

(d) Book Closure

The Transfer books of the Company shall be closed from 10th September 2024 to 16th September 2024 (both days inclusive).

(e) Dividend Payment Date

The Company has not declared any dividend and hence this is not applicable.

(f) Bonus Shares

The Company has not issued any Bonus Shares and hence this is not applicable.

(g) Listing on Stock Exchange and Stock Code

Equity Shares of the Company are listed in BSE Limited having its registered office at 25th Floor, P J Towers, Dalal Street, Mumbai- 400 001 and National Stock Exchange of India Limited having its registered office at Exchange Plaza, 05th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051

- Stock Code (BSE) : 533329
- Security ID (NSE) : INDTERRAIN
- ISIN : INE611L01021

(h) Payment of Annual Listing Fees/Custodian Fees

Annual Listing Fee for the Financial Year 2023-24 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited. Annual Custody fee for the Financial Year 2023-24 shall be paid by the Company to NSDL and CDSL on receipt of invoices.

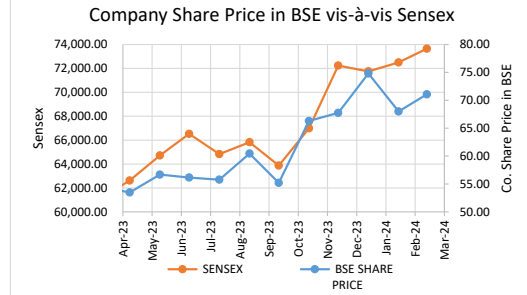
(i) Share Market data:

The Market price data for the Financial Year 2023-24 is as follows

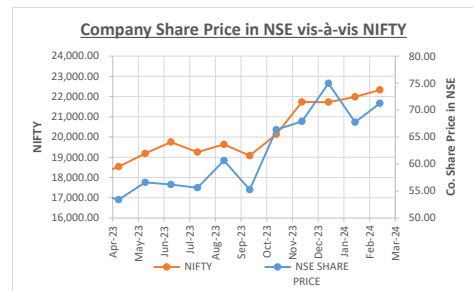
Share price in (₹)

Month	BSE		NSE	
	High price	Low Price	High price	Low Price
April' 23	55.00	45.79	54.95	45.60
May' 23	63.54	52.00	63.50	52.10
June' 23	62.51	52.20	62.70	52.80
July' 23	58.99	52.25	58.25	52.10
Aug' 23	59.00	50.71	59.40	50.70
Sept' 23	66.45	54.00	66.70	54.00
Oct' 23	65.71	53.50	65.70	53.40
Nov' 23	68.00	54.45	68.00	54.50
Dec' 23	71.89	62.56	72.00	62.50
Jan' 24	79.34	66.15	78.90	66.00
Feb' 24	85.65	66.05	86.00	65.60
Mar' 24	85.20	68.27	85.30	68.15

(j) Performance of the Company's Share Price vis-à-vis BSE Sensex during the financial year 2023-24 (High price of BSE and ITFL taken as base):



(k) Performance of the Company's Share Price vis-à-vis NSE Sensex during the financial year 2023-24 (High price of NSE and ITFL taken as base):



(l) Registrar and Share Transfer Agents:

Link Intime India Private Limited
 C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083
 Tel : +91 22 4918 6270
 Fax : +91 22 4918 6060
 E-mail : rnt.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

(m) Share Transfer System

As on 31st March 2024, 99.99% of the equity shares of the Company are held in electronic form (for previous year i.e., 31st March 2023 it was 99.99%). Transfers of these shares are done through the depositories with no involvement of the Company.

SEBI, effective 01st April 2019, prohibited physical transfer of shares of listed companies and transfer only through Demat mode is allowed. The Board has delegated the authority to Stakeholders Relationship Committee for approving transfer, transmission, etc. which approves the transfer. The same is taken note of at the subsequent Board Meeting. During the year the Company has not received any physical Share transfer requests.

(n) Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in the BSE Limited and National Stock Exchange of India Limited in dematerialized form. 99.99% of the Company's equity share capital is in dematerialized form as on 31st March 2024. The Company's equity shares are regularly traded in BSE Limited and National Stock Exchange of India Limited.

The details of mode of holding are as follows:

Mode of Holding	Number of Shares held as on 31 st March 2024	% of total Number of Shares as on 31 st March 2024
NSDL	1,83,52,820	41.4363
CDSL	2,59,37,745	58.5612
Physical	1,120	0.0025
Total	4,42,91,685	100.0000

(o) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments in the past and hence as on 31st March 2024, the Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible Instruments.

(p) Categories of Shareholders as on 31st March 2024:

Category Code	Category	Shares	%
A(1)	Shareholding of Promoters	1,51,64,040	34.24
B (1)	FPI (CAT – I and CAT – II)	29,09,535	6.57
B (3) [(a) (i)] and [(a) (ii)]	Resident Individuals	1,73,73,984	39.23
B (3) (e) (1)	Body Corporates	69,54,646	15.70
B (3) (e) (6) and (7)	Non – Resident Individuals	4,97,385	1.12
B (3) (e) (2) to (5)	Others (Clearing Members, HUF, Office Bearers, LLP)	13,92,095	3.14
TOTAL [(A) + (B)]		4,42,91,685	100.00

(q) Distribution of Shareholding by Size as on 31st March 2024:

No. of Shares held	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total Shares held
Upto 500	17,928	84.13	20,25,013	4.57
501-1000	1,454	6.82	11,80,706	2.67
1001-2000	802	3.77	12,38,023	2.80
2001-3000	322	1.51	8,40,410	1.90
3001-4000	164	0.77	5,99,579	1.35
4001-5000	168	0.79	7,97,126	1.80
5001- 10000	217	1.02	16,22,232	3.66
Above 10000	254	1.19	3,59,88,596	81.25
TOTAL	21,309	100.00	4,42,91,685	100.00

(r) Plant Locations

The Company does not have any inhouse manufacturing facilities as on date. The warehouse facility of the Company is situated at Survey No. 549/2 & 232, Plot No 4 Thirukkachiyur & Sengundram Industrial Area, Singaperumal Koil Post, Chengalpattu – 603204, Tamil Nadu

(s) Address for correspondence:

- Shareholder's correspondence should be addressed to the Company's Registrar and Share Transfer Agents at the address mentioned above.
- Shareholders may also contact Mr. Sainath Sundaram, Company Secretary & Compliance Officer, at the Registered Office of the Company at 044 – 4227 9100 for any assistance. He can also be contacted at secretarial@indianterrain.com
- Investors can also contact the Company at the designated exclusive e-mail id response.itfl@indianterrain.com for quick responses and resolution to their queries and grievances.
- Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

(t) List of Credit Rating:

During the year, the Company has got ratings from CRISIL as detailed below:

(i) On 14th August 2023.

Total Bank Loan Facilities Rated	₹ 80 Crore
Long Term Rating	CRISIL BBB+/Stable (Assigned)
Short Term Rating	CRISIL A2 (Assigned)

(ii) On 29th January 2024:

Total Bank Loan Facilities Rated	₹ 80 Crore
Long Term Rating	CRISIL BBB/Stable (Downgraded)
Short Term Rating	CRISIL A3+ (Downgraded)

(iii) On 31st January 2024.

Total Bank Loan Facilities Rated	₹ 105 Crore (Enhanced)
Long Term Rating	CRISIL BBB/Stable (Reaffirmed)
Short Term Rating	CRISIL A3+ (Reaffirmed)

VIII. OTHER DISCLOSURES:

(a) Related Party Transactions:

During the year under review, there were no materially significant related party transactions having potential conflict with the interests of the Company. The Company has adopted a policy on determining the material related party transactions and dealing with the related party transactions and the same is available on the website of the Company and it can be viewed at <https://www.indianterrain.com/pages/investor-information>

(b) Compliance(s) of matters relating to Capital Market

The Company has complied with all applicable rules and regulations prescribed by Securities and Exchange Board of India (SEBI), stock exchanges (BSE & NSE), or any other statutory authority relating to the capital markets. No other non-compliance by the listed entity, penalties, and strictures were imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years expect for the ones mentioned below:

Financial Year	Particulars
2023-24	Nil
2022-23	The Company had intimated to the stock exchange with a delay of Two days about the Board Meeting of the Company held on 12 th August, 2022 for considering the unaudited financial results of the Company for the period ended 30 th June, 2022, which was non-compliance with Regulation 29(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subsequently the Company has paid fines of ₹ 11,800/- (Including Tax) on 15 th September, 2022 to BSE & NSE
2021-22	Nil

(c) Whistle Blower Policy/Vigil Mechanism

The Company has established a Whistle Blower Policy/ Vigil Mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it, to which employees of the Company can raise their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company. The existence of the mechanism was appropriately communicated within the organization. No personnel of the Company have been denied access to the Audit Committee. The said policy has been posted on the Company's website at the following link: <https://www.indianterrain.com/pages/investor-information>

(d) Disclosure in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013

Pursuant to para 10(l) of Para C of Schedule V to the SEBI Listing Regulations, details of complaints received and disposed off during the year is as follows:

- Number of complaints filed during the year – Nil
- Number of complaints disposed off during the year – N.A.
- Number of complaints pending at the end of the year – N.A.

(e) Code of conduct:

The Company has adopted a Code of Conduct for all board members and senior management of the Company. The Code has been communicated to the directors and the members of the Senior Management of the Company. The code has been displayed on the Company's website namely www.indianterrain.com. All the members of the Board and senior management have confirmed compliance with the Code for the year ended, 31st March 2024. The annual report contains a declaration to this effect signed by the Managing Director & CEO. The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of insider trading) Regulations, 2015, as amended and the same is available in the website of the Company at <https://www.indianterrain.com/pages/investor-information>.

In compliance with the above SEBI regulations on Prevention of Insider Trading, the Company has instituted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its management and staff. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and cautioning them of the consequences of violations.

The insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company and non-consequences of violation. Mr. Sainath Sundaram, Company Secretary is the Compliance Officer by the Board for ensuring compliance and effective implementation of the Insider Trading Code.



(f) Commodity price risk/Foreign exchange risk and Hedging activities:

The Company has adequate risk assessment and minimization system in place including for commodities. The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November 2018.

Commodity risks faced by the listed entity during the year and how they have been managed: **Not Applicable**

(g) Certificate from a Company Secretary in Practice

The Company has received a certificate from a Company Secretary in Practice stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The certificate from the Company Secretary in Practice is annexed to this report.

(h) Details of non-acceptance of recommendation of any Committee by the Board.

The Board has accepted the recommendations of all the Committees of the Board during the financial year 2023-24.

(i) Fees paid to Statutory Auditors

During the Financial Year 2023-24, the Company has paid ₹ 4.99 Lakhs (after TDS) to the Statutory Auditors for all services received by the Listed Entity detailed below:

(₹ in Lakhs)

Type of Service	Amount
Statutory Audit fees	4.00
Limited Review	0.89
Other Certifications	0.10
Total	4.99

(j) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with all the mandatory requirements and has adopted certain non - mandatory requirements as prescribed in Part E of the Schedule II to the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are as follows:

- The Company has appointed separate person to the post of Chairman and Managing Director.
- Modified opinion(s) in audit report : There was no qualification by the auditors on the financial statements of the Company except the auditors have reported that the Company has not made provision for ₹1.73 Crore towards interest payable to vendors under MSME and the management response to that is the suppliers have consequently received all the payments and they have not raised such claims.
- The internal auditor may report directly to the audit committee.
- Shareholder rights: The Company regularly does statutory filings as required under SEBI (LODR) Regulations, 2015 as amended and also updates the website of the Company on a regular basis. The financial results as and when approved by the Board are hosted on the investor column of the Company's website from which any shareholder can easily access and obtain the requisite information about the Company.

(k) Compliance

The Company has complied with all the mandatory requirements and with the requirements of Corporate Governance report given under sub-para (2) to (10) of the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(l) Compliance with Governance Framework

The company has complied with all mandatory requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(m) Risk Management

During the year, the risk assessment parameters were reviewed and modified, wherever needed. The audit committee reviewed the elements of risk and the steps taken to mitigate the risks. In the opinion of the Board, there are no

major elements of risk which has the potential of threatening the existence of the Company. The Risk Management Policy can be viewed in the website of the Company at <https://www.indianterrain.com/pages/investor-information>

(n) Details of utilization of funds raised through preferential allotment or qualified institutional placement

During the year under review, the Company has not raised any money from public issue, rights issue or any preferential issue, etc.

(o) Issue of Securities:

During the year, the Company has not issued any Securities.

(p) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Nil

(q) Unclaimed Suspense account:

During the Financial Year 2023-24, the following are the details of the Shares lying in the said Account pursuant to Part F to Schedule V of SEBI Listing Regulations:

Particulars	Details
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (i.e. 01 st April 2023)	Nil
Number of shareholders who approached listed entity for transfer of shares from suspense account during the Financial Year 2023-24	Nil
Number of shareholders to whom shares were transferred from suspense account during the Financial Year 2023-24	Nil
Aggregate number of shareholders at the end of the year (i.e. 31 st March 2024)	Nil
Outstanding shares in the suspense account lying at the end of the year (i.e. 31 st March 2024)	Nil

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(r) Transfer of Unpaid/ Unclaimed Amounts and Shares to the Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Act, if the Dividend transferred to the unpaid dividend account of the company, remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company to the Investor Education and Protection Fund (IEPF), a fund established under subsection (1) of Section 125 of the Act. The Company has not transferred any amount to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24.

In terms of Section 124(6) of the Act read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) the shares on which dividend has not been paid or claimed by a shareholder for a period of 7 consecutive years or more shall be credited to the demat account of the Investor Education and Protection Fund (IEPF) Authority within a period of 30 days of such shares becoming due to be so transferred. The Company has not transferred any amount to the Investor Education and Protection Fund (IEPF) during the Financial Year 2023-24.

During the Financial Year 2023-24, it is not applicable for the Company. However, for informational purposes, the claim on Unclaimed Dividend/ Shares may be claimed from IEPF by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed, to the company along with requisite documents as mentioned in Form IEPF-5. No claims shall lie against the company in respect of the Unclaimed Dividend/Shares so transferred does not arise.

For and on behalf of Board of Directors

Indian Terrain Fashions Limited

sd/-
Venkatesh Rajagopal
Chairman & Whole-time Director
DIN: 00003625

sd/-
Charath Ram Narsimhan
Managing Director & CEO
DIN: 06497859

Date: 19th August, 2024
Place: Chennai

DECLARATION PURSUANT TO CLAUSE D OF SCHEDULE V TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Charath Ram Narsimhan, Managing Director & CEO of Indian Terrain Fashions Limited, declare that all the Members of the Board of Director and Senior Management have affirmed compliance with the ITFL Code of Conduct for the Financial Year ended 31st March 2024.

For Indian Terrain Fashions Limited

sd/-

Charath Ram Narsimhan
Managing Director & CEO
DIN: 06497859

Date: 19th August, 2024
Place: Chennai

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
Pursuant to SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015)

To the Members of Indian Terrain Fashions Limited

- This certificate is issued in accordance with our engagement letter dated at 07th October 2023.
- We, SRSV & Associates, the Statutory Auditors of **INDIAN TERRAIN FASHIONS LIMITED** have examined the compliance of conditions of Corporate Governance by **Indian Terrain Fashions Limited** ("the Company"), for the year ended on 31st March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Management's Responsibility

- The compliance of conditions of corporate governance is the responsibility of the Company's management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2024.
- We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" and Guidance Note on Certification of Corporate Governance" both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
- We 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.

Restriction on use:

- This certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For SRSV & Associates

Chartered Accountants
Firm Registration No: 015041S

Place : Chennai
Date : 29th May, 2024

V. Rajeswaran
Partner
Membership No: 020881
UDIN:24020881BKDHQR4963

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10 (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

INDIAN TERRAIN FASHIONS LIMITED,

Survey No 549/2 & 232 Plot No.4, Thirukkachiur &

Sengundram Industrial Area, Singaperumal Koil Post,

Chengalpattu – 603204, Tamil Nadu.

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Indian Terrain Fashions Limited having CIN: L18101TN2009PLC073017 and having registered office at Survey No 549/2 & 232 Plot No.4, Thirukkachiur & Sengundram Industrial Area, Singaperumal Koil Post, Chengalpattu – 603204, Tamil Nadu (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 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.

Sl No.	Name of the Director	DIN	Date of Appointment in the Company *
1.	Mr. Venkatesh Rajagopal	00003625	29 th September, 2009
2.	Mrs. Rama Rajagopal	00003565	01 st October, 2013
3.	Mr. Charath Ram Narsimhan	06497859	08 th August, 2018
4.	Mr. N K Ranganath [§]	00004044	20 th September, 2010
5.	Mr. Harsh Bahadur [§]	00724826	27 th June, 2011
6.	Mr. Manoj Mohanka [§]	00128593	13 th December, 2011
7.	Mrs. Nidhi Reddy	00004081	11 th February, 2021

* The date of Appointment is as per the MCA portal.

[§] Ceased to be Independent Directors w.e.f the close of business hours on 31st March 2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BP & Associates
Company Secretaries

Place : Chennai
Date : 06th August, 2024

K. J. Chandra Mouli
Partner
Peer Review No. P2015TN040200
M No: F11720
CP No: 15708
UDIN:F011720F000901653







INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIAN TERRAIN FASHIONS LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying Standalone Financial Statements of INDIAN TERRAIN FASHIONS LIMITED ("the Company"), which comprises the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BASIS FOR QUALIFIED OPINION

INTEREST PAYABLE AS PER MSMED ACT 2006

The Company has not made provision for Rs 1.73 crores towards interest payable to vendors under Micro, Small and Medium Enterprises Development Act 2006 and of the opinion that vendors would not claim interest for delayed payment.

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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

<p>A) Contingent Liability:</p> <p>Assessment of Provisions for taxation, litigations and claims: As of 31st March 2024, the Company had a provision in respect of possible or actual taxation disputes, litigation and claims to the tune of ₹ 7.85 crores. These provisions are estimated using a significant degree of management judgment in interpreting the various relevant rules, regulations and practices and in considering precedents in various forums. Refer Note No. 41 in Financial Statements.</p>	<p>Our procedures included, but were not limited to the following:</p> <p>Obtain details of completed Tax Assessments and Demands for the year ended 31st March 2024 from the Management. Assessed the adequacy of Tax Provisions by reviewing correspondence with the Tax Authorities. Assessed the view of the External Advisors regarding the likely outcome and magnitude of and exposure to the relevant litigation and claims. Our Internal Experts also considered Legal precedence and other rulings in evaluating Management's position on these uncertain tax positions. Our audit procedure did not identify any material discrepancies with respect to Contingent Liabilities.</p>
<p>B) Existence and impairment of Trade Receivables</p> <p>Trade Receivables are significant to the Company's financial statements. The Collectability of trade receivables is a key element of the Company's working capital management, which is managed on an ongoing basis by its management. Due to the nature of the Business and the requirements of customers, various contract terms are in place which impacts the timing of revenue recognition. Given the magnitude and judgment involved in the impairment assessment of trade receivables, we have identified this as a key audit matter.</p> <p>As at 31st March 2024, an amount of ₹ 277.35 crores are classified as "Receivables considered good and unsecured." Refer Note No. 8 of the Financial Statements.</p>	<p>We performed audit procedures on existence of trade receivables, which included substantive testing of revenue transactions, obtaining trade receivable external confirmations and testing the subsequent payments received. Assessing the impact of trade receivables requires judgment and we evaluated management's assumptions in determining the provision for impairment of trade receivables, by analyzing the ageing of receivables, assessing significant overdue individual trade receivables and specific local risks, combined with the legal documentations, where applicable.</p> <p>We tested the timing of revenue and trade receivables recognition based on the terms agreed with the customers. We also reviewed, on a sample basis, terms of the contract with the customers, invoices raised, etc., as a part of our audit procedures.</p> <p>One of the customers has filed for insolvency and the amount receivable as on the Balance Sheet date is ₹ 9.91 crores. During the Financial Year 2022-23, one-third of the outstanding balance, amounting to ₹ 3.37 crores, was provided for as "Net impairment losses on financial and contract assets". An Additional provision of ₹ 3.24 Crores was made during the Current Year. The same has been considered adequate and will be reviewed in the next year.</p> <p>Assessed the appropriateness of the disclosures made in Note No. 8 to the Financial Statements.</p> <p>Our Audit Procedures did not identify any material discrepancies with respect to Trade Receivables.</p>

<p>C) Inventory:</p> <p>Management judgment is required to establish the carrying value of inventory particularly in relation to determining the appropriate level of provisions in relation to obsolete and Surplus items.</p> <p>The judgment reflects that inventory is held to support Company's operations which results in the Company holding inventory for extended periods before utilization.</p>	<p>Physical Verification of inventory was conducted by the management and necessary certificates have been produced evidencing the inventory check.</p> <p>Audit procedures include testing the inventory provisions, we assessed the management control and estimation of inventory provisions and their appropriateness. Future salability of inventory was assessed based on past track records</p> <p>Based on the audit procedure performed, no material discrepancies were identified.</p>
<p>D) Adoption of IND AS 116 – Leases</p> <p>As described in Note 2A to the financial statements, the Company has adopted Ind AS 116 - Leases (Ind AS 116). The application of this accounting standard is complex and is an area of focus in our audit.</p> <p>The Company has opted for Practical Expedient for the Year ended 31st March 2024.</p> <p>As per Ind AS 116 the Lessee may opt not to account change in lease payment due to Rent Concession as a Lease Modification by Opting for Optional Exemption</p> <p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. Refer Note - 2A of financial statements.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116). Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business. Evaluated the reasonableness of the discount rates applied in determining the lease liabilities. Tested completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities. <p>On a statistical sample, we performed the following procedures:</p> <ul style="list-style-type: none"> assessed the key terms and conditions of each lease with the underlying lease contracts; and evaluated computation of lease liabilities and challenged the key estimates such as, discount rates and the lease term. Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

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

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, total comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the rule 3 of 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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.

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

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

We also provide those charged with governance with a statement that we have complied



with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 (here in after referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

1. As required by Section 143(3) of the Companies Act, 2013, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in the Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts
- (d) In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report above, the aforesaid Standalone Financial Statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements as referred to in Note No. 41 (i) to the Standalone Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March 2024;
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company for the year ended 31st March 2024.
 - iv. (a) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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. (Refer Note. 45(vii) to the Standalone Financial Statements)
 - (b) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 (Refer Note 45 (vii) to the Standalone Financial Statements), and

- (c) Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any Dividend during the year.
- vi. Based on our examination which included test checks, the Company, in respect of financial year commencing on 01st April 2023, has used an 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 do not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 is applicable from 01st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended 31st March 2024.

For SRSV & Associates
Chartered Accountants
F.R. No. 0150415

V. Rajeswaran
Partner

Place: Chennai
Date: 29th May 2024

Membership No. 020881
UDIN No.: 24020881BKDHQ6266

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditor's Report to the members of Indian Terrain Fashions Limited on the Standalone Financial Statements for the year ended 31st March 2024,

- i.
 - (A) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
 - (B) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of Intangible Assets.
 - (b) The Company has a regular program of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment are verified in a phased periodical manner designed to cover all the items over a period of three years. In accordance with this program, certain Property, Plant & Equipment were verified during the year and no discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - (c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held 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.
 - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
 - ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
 - (b) According to the records of the Company and information and explanations given to us, the Company has been sanctioned working capital limits in excess of

Rupees Five crores, in aggregate from banks or financial institutions on the basis of security of current assets during the year. The quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the unaudited books of accounts of the Company. For the Quarter Ended 31st March 2024, the statement is yet to be filed with the banks or financial institutions. (Refer Note No. 15 and 45 (iv) to the Standalone Financial Statements)

- iii. (a) In our opinion and according to the explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships. However, the Company has granted loans and advances to the employees as detailed below-

(₹ in crores)

To whom	Type (Loan/adv/guarantee/security)	Aggregate Amount during the year (₹)	Balance outstanding at Balance sheet date (₹)
Employees	Loans	0.21	0.12

- (b) In our opinion and according to the explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.
- (c) In our opinion and according to the explanations given to us in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments are regular.
- (d) In our opinion and according to the explanations given to us in respect of loans and advances in the nature of loans, no amounts are overdue for a period of more than 90 days.
- (e) In our opinion and according to the explanations given to us, no loans or advance in the nature of loan granted which has fallen due during the year has been renewed or extended nor fresh loans have been granted to settle the overdue of existing loans given to the same parties.
- (f) In our opinion and according to the explanations given to us, the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the explanations given to us, in respect of loans, investments, guarantees, and security, the Company has complied with the provisions of Section 185 and 186 of the Companies Act. Therefore, the provisions of the paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder and hence reporting under clause (v) of the Order are not applicable.
- vi. In our opinion and as explained to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of the products/services manufactured/rendered by the Company.
- vii. In respect of statutory dues:

- a) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.
- b) As at 31st March 2024 according to the records of the Company, the following are the particulars of the statutory dues referred in sub-clause (a) which have not been deposited on account of dispute:

(₹ in crores)

Name of the Statute	Nature of Dues	Forum Where the Dispute is Pending	Period to which the amount relates	Amount
Central Excise Act 1944	Excise Duty	The Commissioner of Central Excise, Chennai	February 2013	0.52
Income Tax Act 1964	IT Demand	JCIT(A) Or CIT(A)	AY 22-23	7.33

- viii. According to the information and explanations given to us and on the basis of records of the Company examined by us, in our opinion, the Company has no transactions that has not been recorded in the books of account and no unrecorded income was disclosed or surrendered as income during the year in the

Tax assessments under the Income Tax, 1961. Accordingly, clause (viii) of the Order is not applicable.

- ix. (a) Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lenders during the year.
- (b) According to the records of the Company and information and explanations given to us, the Company is not a declared wilful defaulter by any bank or financial institution or other lender or Government or any Government Authority.
- (c) According to the records of the Company and information and explanations given to us, term loans were applied for the purpose for which the loans were obtained. (Also refer Note 15 to the financial statements).
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, clause (ix)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, clause (ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause (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 or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause (x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause (xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause (xi)(c) of the Order is not applicable to the Company.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clauses (xii)(a), (xii)(b), (xii)(c) of the Order are not applicable.
- xiii. In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors. Accordingly, clause xv of Para 3 of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial activities or housing finance activities during the year. Accordingly, the reporting under clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause (xvi)(c) of the Order is not applicable to the Company.



- (d) Based on the information and explanation provided by the Management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the Management is accurate and complete. Accordingly, the reporting under clause (xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of Rs 0.69 crores during the current financial year and had not incurred cash losses in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 44 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 our opinion and according to the information and explanation given to us, the provisions of Sec. 135 of the Act, are not applicable to the Company. Accordingly, clause (xx)(a) and (b) of the Order is not applicable.
- xxi. The Company does not have any subsidiary, associate or joint venture and hence not required to prepare consolidated financial statements. Accordingly, clause xxi of the Order is not applicable.

For SRSV & Associates
Chartered Accountants
F.R. No. 015041S

V. Rajeswaran
Partner

Place: Chennai
Date: 29th May 2024

Membership No. 020881
UDIN No.: 24020881BKDHQQ6266

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date)

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

We have audited the internal financial controls over financial reporting of INDIAN TERRAIN FASHIONS LIMITED ("the Company") as of 31st March 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 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 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

For SRSV & Associates
Chartered Accountants
ICAI Firm Registration No. 015041S

V. Rajeswaran
Partner

Place: Chennai
Date: 29th May 2024

Membership No. 020881
UDIN No.: 24020881BKDHQQ6266





BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in crores)

	Notes	As at 31 st March 2024	As at 31 st March 2023
Assets			
Non-current assets			
Property, plant and equipment	2	19.65	24.39
Right-of-use assets	2A	41.90	48.35
Intangible assets	2	-	0.07
Financial assets			
i) Security Deposits	3	16.32	13.69
Deferred tax assets (Net)	4	20.25	26.82
Other non-current assets	5	0.01	0.17
Total non-current assets		98.13	113.49
Current assets			
Inventories	6	97.46	126.59
Financial assets			
i) Investments	7	9.00	16.71
ii) Trade receivables	8	277.35	257.65
iii) Cash and cash equivalents	9	0.24	0.35
iv) Bank balances other than cash and cash equivalents	10	28.60	22.27
v) Loans	11	0.12	1.64
Current tax assets (Net)		0.93	-
Other current assets	12	10.63	7.56
Total current assets		424.33	432.77
Total Assets		522.46	546.26
Equity and liabilities			
Equity			
Equity share capital	13	8.86	8.86
Other equity	14	188.02	202.68
Total equity		196.88	211.54
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	15	2.35	5.79
ii) Lease liabilities	16	31.12	36.65
iii) Other financial liabilities	17	24.06	23.96
Provisions	18	1.36	1.33
Total non-current liabilities		58.90	67.74
Current liabilities			
Financial liabilities			
i) Borrowings	15	91.47	46.61
ii) Lease liabilities	16	18.39	20.23
iii) Trade payables	19		
(a) Total outstanding dues to micro and small enterprises		49.53	34.44
(b) Total outstanding dues other than micro and small enterprises		84.12	129.36
iv) Other financial liabilities	20	19.61	31.15
Customer Loyalty Program	21	2.43	2.02
Current Tax Liabilities		-	1.73
Provisions	22	1.11	0.88
Other current liabilities	23	0.03	0.57
Total current liabilities		266.69	266.99
Total equity and liabilities		522.46	546.26

The above balance sheet should be read in conjunction with the accompanying notes.
Summary of Material Accounting Policies and Other Accounting Policies

1

As per our report of even date
For SRSV & Associates

Chartered Accountants
ICAI Firm Reg No.015041S

sd/
V. Rajeswaran
Partner
Membership No.020881

-sd/
Sainath Sundaram
Company Secretary
Membership No.F12981

-sd/-
Sheikh Sahenawaz
Chief Financial Officer

For and on behalf of Board of Directors
Indian Terrain Fashions Limited

sd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)

sd/-
Charath Ram Narsimhan
Managing Director & CEO
(DIN: 06497859)

Chennai, 29th May, 2024


PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

₹ in crores (except per shares data)

	Notes	Year Ended 31 st March, 2024	Year Ended 31 st March, 2023
Income			
Revenue from operations	24	456.01	500.80
Other income	25	3.93	5.51
Total Income		459.94	506.31
Expenses			
Purchase of finished goods	26	260.14	350.86
Changes in inventories of work-in-progress, finished goods & bought-out goods	27	29.13	(43.93)
Garment processing costs	28	1.58	1.83
Employee benefits expense	29	23.03	23.23
Other expenses	30	112.07	115.80
Total expenses		425.95	447.79
Earnings before interest, tax, depreciation and amortisation (EBITDA)		33.99	58.52
Less:			
Depreciation and amortisation expense	31	22.28	22.77
Finance costs	32	21.87	19.35
Profit / (Loss) before exceptional items and tax		(10.16)	16.40
Exceptional items	43	-	(5.90)
Profit / (Loss) before tax		(10.16)	10.50
Income tax expense			
Current tax	34	-	-
Deferred tax		4.77	3.41
(Excess) / Short provision of previous years			
Total Tax Expense		4.77	3.41
Profit / (Loss) for the Year		(14.93)	7.09
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	33	0.36	0.28
Income tax relating to the above item		(0.09)	(0.10)
Other Comprehensive Income for the Year		0.27	0.18
Total Comprehensive Income for the Year		(14.66)	7.27
Earnings per equity share nominal value of share ₹ 2/-	36		
Basic in ₹ per share		(3.37)	1.62
Diluted in ₹ per share		(3.37)	1.62

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date
For SRSV & Associates

Chartered Accountants
ICAI Firm Reg No.015041S

sd/
V. Rajeswaran
Partner
Membership No.020881

Chennai, 29th May, 2024

-sd/
Sainath Sundaram
Company Secretary
Membership No.F12981

-sd/-
Sheikh Sahenawaz
Chief Financial Officer

For and on behalf of Board of Directors
Indian Terrain Fashions Limited

sd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)

sd/-
Charath Ram Narsimhan
Managing Director & CEO
(DIN: 06497859)

STATEMENT OF CASH FLOWS

(₹ in crores)

	Year Ended 31 st March, 2024	Year Ended 31 st March, 2023
Cash flow from operating activities		
Profit / (Loss) before income tax	(10.16)	16.40
Adjustments for		
Depreciation and amortisation expense	22.28	22.77
Profit/(loss) on sales of property, plant and equipment	0.09	(1.84)
Deferred revenue	0.41	0.54
Interest on fair valuation of security deposits	(0.76)	(0.85)
Gain on termination of leases	(1.11)	(0.86)
Income from sale of investments	(0.61)	(0.79)
Interest income	(1.49)	(1.01)
Finance costs	21.87	25.25
Net impairment losses on financial and contract assets	3.24	3.37
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(22.94)	(37.10)
(Increase)/Decrease in inventories	29.13	(43.93)
Increase/(Decrease) in trade payables	(30.16)	63.13
(Decrease) in other financial liabilities	(11.45)	(12.70)
Increase in other liabilities and provisions	(0.00)	0.19
(Increase) in other financial assets	(7.72)	(19.23)
(Increase)/decrease in other assets	(3.82)	(3.86)
Cash generated from operations	(13.19)	9.48
Income taxes paid	(0.86)	0.14
Net cash inflow from operating activities	(14.05)	9.62
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	0.26	15.42
Payments for property, plant and equipment (net)	(0.64)	(1.10)
Payments for purchase of investments	(2.66)	(22.75)
Proceeds from sale of investments	10.98	25.35
Loans to employees and related parties	0.02	(0.01)
Repayment of loans by employees and related parties	1.50	0.50
Interest received	1.49	1.01
Net cash inflow / (outflow) from investing activities	10.95	18.42
Cash flows from financing activities		
Proceeds from issues of shares	-	7.74
Proceeds from long term borrowings	0.17	(0.01)
Repayment of long term borrowings	(3.61)	(3.01)
Proceeds/(Repayment) of Short Term Borrowings (Net)	44.86	5.45
Principal elements of lease payments	(16.56)	(15.46)
Interest paid	(21.87)	(25.25)
Net cash inflow / (outflow) from financing activities	2.99	(30.54)
Net increase (decrease) in cash and cash equivalents	(0.11)	(2.51)
Cash and cash equivalents at the beginning of the financial year	0.35	2.86
Cash and cash equivalents at end of the year	0.24	0.35

The above statement of cash flows should be read in conjunction with the accompanying notes.

 As per our report of even date
For SRSV & Associates

 For and on behalf of Board of Directors
Indian Terrain Fashions Limited

 Chartered Accountants
ICAI Firm Reg No.0150415

 sd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)

 sd/
V. Rajeswaran
Partner
Membership No.020881

 -sd/
Sainath Sundaram
Company Secretary
Membership No.F12981

 -sd/-
Sheikh Sahenawaz
Chief Financial Officer

 sd/-
Charath Ram Narsimhan
Managing Director & CEO
(DIN: 06497859)

 Chennai, 29th May, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

a) Equity Share Capital	Notes	₹ In Crs
As at 01 st April, 2022		8.22
Changes in equity share capital	13	0.64
As at 31st March, 2023		8.86
Changes in equity share capital	13	-
As at 31st March, 2024		8.86

b) Other Equity

(₹ in crores)

	Notes	Reserves and surplus			Total
		Share Premium	Capital reserve	Retained earnings	
Balance as at 01st April, 2022		86.24	8.01	91.48	185.73
Profit for the year	14	-	-	7.09	7.09
Other comprehensive income	33	-	-	0.18	0.18
Total comprehensive income for the year		-	-	7.27	7.27
Proceeds received during the year		9.68	-	-	9.68
Redmption of Proceeds during the year		-	-	-	-
As at 31st March, 2023		95.92	8.01	98.75	202.68
As at 01st April, 2023		95.92	8.01	98.75	202.68
Profit for the year	14	-	-	(14.93)	(14.93)
Other comprehensive income	33	-	-	0.27	0.27
Total comprehensive income for the year		-	-	(14.66)	(14.66)
Proceeds received during the year		-	-	-	-
Redmption of Proceeds during the year		-	-	-	-
Balance as at 31st March, 2024		95.92	8.01	84.09	188.02

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date
For SRSV & AssociatesChartered Accountants
ICAI Firm Reg No.015041Ssd/
V. Rajeswaran
Partner
Membership No.020881Chennai, 29th May, 2024-sd/
Sainath Sundaram
Company Secretary
Membership No.F12981-sd/-
Sheikh Sahenawaz
Chief Financial OfficerFor and on behalf of Board of Directors
Indian Terrain Fashions Limitedsd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)sd/-
Charath Ram Narsimhan
Managing Director & CEO
(DIN: 06497859)





SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW

Indian Terrain Fashions Limited (CIN: L18101TN2009PLC073017) is a Company incorporated in India under The Companies Act, 1956; and existing Company under the Companies Act, 2013 and is domiciled in India. Its Registered Office is located at Survey No.549/2 & 232, Plot No.4, Thirukkachiyyur & Sengundram Industrial Area, Singaperumal Koil Post, Chengalpattu, Tamil Nadu - 603204. The Company is engaged in the business of retailing branded apparel through retail stores in India. The company's equity shares are listed on BSE Ltd (BSE) and National Stock Exchange of India Ltd (NSE).

Note 1 - MATERIAL ACCOUNTING POLICIES AND OTHER ACCOUNTING POLICIES

A MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The standalone financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company and all values are rounded to the nearest crores, except where otherwise indicated.

Entity specific disclosure of material accounting policies where Ind AS permits options is disclosed hereunder.

The company has assessed the materiality of the accounting policy information which involves exercising judgements and considering both qualitative and quantitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

Entity's conclusion that an accounting policy is immaterial does not affect the disclosures requirements set out in the accounting standards.

The company adopted Ind AS from 01st April 2017. Accounting Policies have been consistently applied except where a newly-issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto adopted.

1.1 BASIS OF PREPARATION AND COMPLIANCE

1.1.1 HISTORICAL COST CONVENTION

The financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair values at the end of each reporting period, as explained in the Accounting Policies set out below. The financial statements are prepared on a 'going concern' basis using accrual concept for the statement of cash flow.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

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 takes into account the characteristics of the asset or liability if 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 financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS-2 inventories or value in use in Ind AS 36 – Impairment of Assets.

1.1.2 NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

The Ministry of Corporate Affairs vide notification dated 31st March, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 01st April, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

1.1.3 REVENUE RECOGNITION

The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk.

1.2.1 SALE OF GOODS

Revenue from sale of products is recognised when the control of the products has transferred, being when the products are delivered to the dealer/customer, and there is no unfulfilled obligation that could affect the dealer/

customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the dealer/customer, and either the dealer/customer has accepted the products in accordance with the contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

1.2.2 REVENUE RECOGNITION - LOYALTY POINTS

The Company operates a loyalty points programme which allows customers to accumulate points when they purchase the products. The points entitle the customers to discount on future purchases. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis based on expected value method considering the historical trends. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed. Consideration allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

1.3 CURRENT / NON-CURRENT CLASSIFICATION

"For the purpose of current / non-current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current."

1.4 PROPERTY, PLANT AND EQUIPMENT

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method on a prorata basis from the month in which each asset is put to use to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives have been determined based on technical evaluation done by the management's expert and are in line with those specified in Schedule II to the Companies Act, 2013

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.

Additional depreciation is being provided to the extent required during the year of sale of assets. Assets, for which the estimated useful life is completed, have been removed from gross block and accumulated depreciation.

1.5 INVENTORIES

Traded goods and finished goods are valued at the lower of cost and net realisable value. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.6 GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and set off against the relevant expense.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

1.5 EMPLOYEE BENEFITS

1.7.1 SHORT-TERM OBLIGATIONS

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

1.7.2 OTHER LONG-TERM EMPLOYEE BENEFIT OBLIGATIONS

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

1.7.3 POST EMPLOYMENT OBLIGATION

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees, and
- b) Defined contribution plans such as provident fund.

Defined contribution plan:

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

Defined benefit plan:

The Company has a gratuity defined benefit plans for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC'). The contributions made to the LIC are treated as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

1.7.4 BONUS PLANS

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.8 INVESTMENTS AND FINANCIAL ASSETS

1.8.1 CLASSIFICATION

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes

1.8.2 RECOGNITION

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the company commits to purchase or sale the financial asset.

1.8.3 MEASUREMENT

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

1.8.4 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 FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

1.8.5 DERECOGNITION OF FINANCIAL ASSETS

A financial asset is derecognised only when

- the company has transferred the rights to receive cash flows from 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.

1.8.6 INCOME RECOGNITION

Interest income

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

1.9 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially



measured at fair value. 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 Statement of Profit and Loss (FVTPL) are recognised immediately in Statement of Profit and Loss. However, Trade Receivables are recognized at Transaction Price.

1.10 INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.11.1 TRADE RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

B. OTHER ACCOUNTING POLICIES

1.1 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Company has only a single reportable segment.

1.2 FOREIGN CURRENCY TRANSLATION

1.2.1 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the company's functional and presentation currency.

1.2.2 TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

1.3 LEASES

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the company under residual value guarantees

- the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

1.4 IMPAIRMENT OF ASSETS

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.5 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

1.6 INTANGIBLE ASSETS

Computer software

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Intangible assets are amortised over its estimated useful life of 5 years on straight line basis.

Amortisation methods and periods

The useful lives have been determined based on technical evaluation done by the management's expert and are in line than those specified in Schedule II to the Companies Act, 2013.

1.7 TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.8 BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

1.9 BORROWING COSTS

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

1.10 PROVISIONS

Provisions for legal claims are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.11 CONTRIBUTED EQUITY

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.12 EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (see note 35).

Diluted earnings per share

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

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

1.13 ROUNDING OFF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.





NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
2. PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

(₹ in crores)

	Freehold land	Buildings	Plant and equipment	Electrical Installation	Office Equipments	Computers	Vehicles	Furniture & Fixtures	Total Tangible Assets	Computer Software	Total Non Tangible Assets	Total
Gross carrying amount												
As at 01st April, 2022	8.22	6.77	1.77	2.00	0.90	1.35	0.66	47.56	69.24	5.04	5.04	74.28
Additions	-	-	0.04	0.05	-	0.02	-	0.99	1.10	-	-	1.10
Disposals	(8.22)	(6.78)	-	-	-	-	-	-	(14.99)	-	-	(14.99)
As at 31st March, 2023	-	(0.01)	1.81	2.05	0.90	1.37	0.66	48.55	55.35	5.04	5.04	60.38
As at 01st April, 2023	-	-	1.81	2.05	0.90	1.37	0.66	48.55	55.35	5.04	5.04	60.39
Additions	-	-	-	0.34	-	0.02	0.17	0.10	0.64	-	-	0.64
Disposals	-	-	-	-	-	-	(0.14)	(0.20)	(0.34)	-	-	(0.34)
As at 31st March, 2024	-	-	1.81	2.39	0.90	1.40	0.69	48.45	55.65	5.04	5.04	60.69
Accumulated depreciation / amortisation												
As at 01st April, 2022	-	1.34	0.63	0.67	0.80	1.13	0.55	21.83	26.94	4.57	4.57	31.51
Additions	-	0.06	0.13	0.20	0.09	0.12	0.06	4.75	5.40	0.40	0.40	5.81
Disposals	-	(1.40)	-	-	-	-	-	-	(1.40)	-	-	(1.40)
As at 31st March, 2023	-	0.00	0.76	0.87	0.89	1.25	0.61	26.58	30.95	4.97	4.97	35.92
As at 01st April, 2023	-	0.00	0.76	0.87	0.89	1.25	0.61	26.58	30.95	4.97	4.97	35.92
Additions	-	-	0.13	0.21	0.01	0.09	0.01	4.78	5.23	0.07	0.07	5.30
Disposals	-	-	-	-	-	-	(0.10)	(0.09)	(0.19)	-	-	(0.19)
As at 31st March, 2024	-	0.00	0.89	1.08	0.90	1.34	0.52	31.27	35.99	5.04	5.04	41.03
Carrying amount as on 31 st March, 2023	-	(0.00)	1.05	1.18	0.01	0.12	0.05	21.98	24.39	0.07	0.07	24.46
Carrying amount as on 31 st March, 2024	-	(0.00)	0.92	1.31	0.00	0.06	0.17	17.18	19.65	0.00	0.00	19.65

2A - Right to use assets

(₹ in crores)

Particulars	FY'24				FY'23			
	Computer	Building	Fixtures	Total	Computer	Building	Fixtures	Total
Gross Block								
Opening balance	0.48	110.58	1.86	112.92	0.48	98.09	-	98.57
Additions	-	13.02	-	13.02	-	17.24	1.86	19.10
Deletions	-	(2.46)	-	(2.46)	-	(4.75)	-	(4.75)
Closing Balance	0.48	121.13	1.86	123.47	0.48	110.58	1.86	112.92
Amortisation								
Opening balance	0.46	63.84	0.28	64.57	0.38	47.26	-	47.64
Additions	0.02	16.61	0.38	17.00	0.08	16.58	0.28	16.94
Deletions	-	-	-	-	-	-	-	-
Closing Balance	0.48	80.44	0.65	81.58	0.46	63.84	0.28	64.57
Closing Balance during the year	-	40.69	1.20	41.90	0.02	46.74	1.58	48.35



(i) The company has leased computer servers, warehouses, showrooms and furnitures & fixtures across the country, the lease period which ranges from 2-9 years, lease terms included is the non-cancellable period together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(ii) Some showroom lease contain variable payment terms that are linked to sales generated from that store. Variable lease payments ranges from 12% to 15% of sales. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(iii) Company has exercised the option of short term leases exemption.

(iv) Extension and termination options

Extension options has been included in a number of showroom leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations.

(v) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

For leases of retail stores, the following factors are normally the most relevant:

- If there are significant penalties to terminate or not extend, the Company is typically reasonably certain to extend.
- If the leasehold improvements expected to have a significant remaining value, the Company is typically reasonably certain to extend.
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised or not exercised, or the Company becomes obliged to exercise or not exercise. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Expense relating to variable lease payments not included in the measurement of lease liabilities ₹ 3.37 crores

Expense relating to Short term lease payments - ₹ 3.03 crores

The total cash outflow for leases for the year ended 31st March, 2024 was ₹ 22.49 Crs

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023						
3. Other Financial Assets								
Security Deposits	16.32	13.69						
Total	16.32	13.69						
4. Deferred Tax - (liabilities) / asset								
The balance comprises temporary differences attributable to:								
Depreciation	(1.18)	(2.70)						
Provision for employee benefits	0.73	0.93						
Right of use asset	(10.55)	(16.89)						
Lease liability	12.46	19.88						
Tax Losses	18.31	23.01						
MAT Credit	-	1.80						
Others	0.47	0.79						
Net deferred tax (liabilities) / asset	20.25	26.82						
Movement in deferred tax (liabilities) / asset								
	Depreciation	Provision for employee benefits	Right of use asset	Lease liability	Tax losses	MAT Credit	Others	Total
At 01st April, 2022	(4.21)	0.82	(17.76)	20.72	27.94	-	0.91	28.42
(Charged)/credited:								
- to profit or loss	1.51	0.21	0.88	(0.85)	(4.93)	1.80	(0.13)	(1.51)
- to other comprehensive income	-	(0.10)	-	-	-	-	-	(0.10)
- (Debited) / Credited to Current tax payable	-	-	-	-	-	-	-	-
At 31st March, 2023	(2.70)	0.93	(16.89)	19.88	23.01	1.80	0.79	26.82
(Charged)/credited:								
- to profit or loss	1.52	(0.10)	6.34	(7.41)	(4.70)	(1.80)	(0.32)	(6.48)
- to other comprehensive income	-	(0.09)	-	-	-	-	-	(0.09)
- (Debited) / Credited to Current tax payable	-	-	-	-	-	-	-	-
At 31st March, 2024	(1.18)	0.73	(10.55)	12.46	18.31	-	0.47	20.25
5. Other non-current assets								
Capital advances					0.01		0.17	
Total					0.01		0.17	
6. Inventories								
Raw materials					-		-	
Finished goods / bought-out goods					97.46		126.59	
Total					97.46		126.59	
7. Investments								
Investments in mutual funds (Unquoted)								
At fair value through profit and loss								
SBI Magnum Ultra Short Duration Fund - Direct - Growth					1.30		0.26	
Aditya Birla Sun Life Savings Fund - Growth - Direct					1.72		1.60	
Axis Corporate Debt Fund - Growth					1.50		1.88	
DSP Bond Fund - Growth					1.15		1.87	
Edelweiss Aribtrage Fund - Growth					-		0.00	
ICICI Prudential Corporate Bond Fund - Growth					3.33		8.42	
IDFC Banking and PSU debt fund - Growth					-		0.68	
State Bank of India Limited					-		2.00	
Total					9.00		16.71	
Aggregate amount of Unquoted investments					9.00		16.71	
Aggregate amount of impairment in value of investments					-		-	

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023		
8. Trade receivables				
Trade Receivables from contract with customers - Billed	283.96	261.02		
Less: Loss Allowance	(6.61)	(3.37)		
Total	277.35	257.65		
Current	283.96	261.02		
Non Current	-	-		
Break-up of security details				
Trade receivables considered good – unsecured	274.05	250.91		
Trade receivables which have significant increase in credit risk	9.91	10.11		
Total	283.96	261.02		
Loss allowance	(6.61)	(3.37)		
Total trade receivables	277.35	257.65		
Ageing of Trade Receivables	Outstanding for following periods from the due date of payment - 31st March, 2024			
Particulars	Not Due	< 6 Months	6 Months - 1Year	Total
Undisputed trade receivables				
considered good	242.09	31.95	-	274.05
which have significant increase in credit risk	-	-	9.91	9.91
credit impaired	-	-	-	-
Disputed trade receivables				
considered good	-	-	-	-
which have significant increase in credit risk	-	-	-	-
credit impaired	-	-	-	-
Total	242.09	31.95	9.91	283.96
Ageing of Trade Receivables	Outstanding for following periods from the due date of payment - 31st March, 2023			
Particulars	Not Due	< 6 Months	6 Months - 1Year	Total
Undisputed trade receivables				
considered good	250.91	-	-	250.91
which have significant increase in credit risk	-	10.11	-	10.11
credit impaired	-	-	-	-
Disputed trade receivables				
considered good	-	-	-	-
which have significant increase in credit risk	-	-	-	-
credit impaired	-	-	-	-
Total	250.91	10.11	-	261.02
9. Cash and cash equivalents				
Balances with banks				
Current Accounts	0.23			0.34
Cash on hand	0.01			0.01
Total	0.24			0.35
For the purpose of Statement of cash flows, Cash and cash equivalents comprises of above balances				
10. Bank Balances				
Fixed Deposits with Bank	28.60			22.27
The above deposits are being held as margin money under lien to bank for borrowings / bank guarantee				
Total	28.60			22.27
11. Loans				
Loans considered good - unsecured				
Loans and advances to Directors				1.50
Loans and advances to Employees				0.14
Less: Loss allowance				-
Total	0.12			1.64

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
Breakup of Security Details		
Loans considered good - secured	-	-
Loans considered good - unsecured	0.12	1.64
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	0.12	1.64
Loss allowance	-	-
Total	0.12	1.64

Loans and advances to Directors as at 31st March, 2023 includes a sum of ₹ 1.50 crores advanced to Mr. Charath Ram Narasimhan when he was a employee of the Company and not a member of the board. Mr. Charath Ram Narsimhan was appointed as Managing Director of the Company on 08.08.2018.

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

	2023-24		2022-23	
	Amount Outstanding	% to the total loans and advances in the nature of loans	Amount Outstanding	% to the total loans and advances in the nature of loans
a) amounts repayable on demand				
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	1.50	91.5%
Other related parties	-	-	-	-
b) without specifying any terms or period of repayment				
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnel	-	-	-	-
Other related parties	-	-	-	-
12. Other Current assets				
Prepaid expenses		2.01		1.55
Advances to suppliers		0.17		1.36
Tax receivable - GST		8.45		4.65
Total		10.63		7.56

13 Equity share capital
Authorised Share Capital

	No. of Shares	₹ In Crs
As at 01st April, 2022	6.00	12.00
Increase during the year	-	-
As at 31st March, 2023	6.00	12.00
Increase during the year	-	-
As at 31st March, 2024	6.00	12.00

Issued, Subscribed and Paid-up Capital

	No. of Shares	₹ In Crs
As at 01st April, 2022	4.11	8.22
Increase during the year	0.32	0.64
As at 31st March, 2023	4.43	8.86
Increase during the year	-	-
As at 31st March, 2024	4.43	8.86

Terms and rights attached to equity shares

The company has one class of equity shares having a par value of ₹ 2 each.

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

Shares of the company held by holding / ultimate holding company / subsidiaries / associates - NIL

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

Details of shareholders holding more than 5% shares	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of shares held	% holding	No. of shares held	% holding
Mr. Venkatesh Rajagopal	66,62,115	15.04%	66,62,115	15.04%
Mrs. Rama Rajagopal	83,66,930	18.89%	83,66,930	18.89%
Note: Mr. Venkatesh Rajagopal & Mrs. Rama Rajagopal are the Promoters of the Company				
iv) Shares allotted for consideration other than cash - NIL in last 5 years				
14 Other Equity				
Share Premium			95.92	95.92
Retained earnings			84.09	98.75
Capital Reserve			8.01	8.01
Money received against share warrants			-	-
Total			188.02	202.68
a) Share Premium				
As at the beginning of the year			95.92	86.24
Proceeds received during the year			-	9.68
As at the end of the year			95.92	95.92
b) Retained earnings				
Opening balance			98.75	91.48
Net profit for the period			(14.93)	7.09
Items of other comprehensive income recognised directly in retained earnings				
- Remeasurements of post-employment benefit obligation, net of TAX			0.27	0.18
As at the end of the year			84.09	98.75
c) Capital Reserve				
Opening balance			8.01	8.01
Additions / (Utilisation)			-	-
As at the end of the year			8.01	8.01
d) Money received against share warrants				
Opening balance			-	2.58
Additions / (Utilisation)			-	(2.58)
As at the end of the year			-	-
Nature of Reserves				
i) Retained Earnings - Company's cumulative earnings since its formation less distribution				
ii) Share Premium - represents the premium received on issue of equity shares. The reserves is utilised in accordance with the provisions of Companies Act, 2013				
iii) Capital Reserve - Capital Reserve was created out the demerger in 2010-11				
15. Borrowings				
Non-Current				
Secured				
i) Term loans from banks			2.35	5.25
From Others			-	-
Unsecured				
i) From Others			-	0.54
Total			2.35	5.79
SBI has sanctioned Guarantee Emergency Credit Line (GECL 1.0) Working Capital Term Loan amount of ₹ 6.83 Crs during FY 21-22. The Company has given extension of charge 2nd charges over the existing Primary & Secondary Collateral including mortgages created in favour of the Bank. Rate of Interest 1.00% above 6 months MCLR (currently 8.95%), making the applicable interest rate to 9.95%, which is capped to a Maximum of 9.25% during entire tenor of Loan. The Interest will be charged on monthly intervals. Principal 12 months Moratorium and Principal payment 36 monthly installments.				
Term loan from bank		Rate of interest	2024-25	
State Bank of India (1% over 6 months MCLR, Max - 9.25%)		9.25%	1.70	

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

**As at
31st March, 2024**
**As at
31st March, 2023**

- b) SBI has sanctioned Guarantee Emergency Credit Line (GECL 1.0) (Extension) Working Capital Term Loan amount of ₹ 3.40 crs. The Company has given extension of charge 2nd charges over the existing Primary & Secondary Collateral including mortgages created in favour of the Bank. Rate of Interest 1.00% above 6 months MCLR (currently 8.95%), making the applicable interest rate to 9.95%, which is capped to a Maximum of 9.25% during entire tenor of Loan. The Interest will be charged on monthly intervals. Principal 24 months Moratorium and Principal payment 36 monthly installments.

Term loan from bank	Rate of interest	2024-25	2025-26	2026-27
State Bank of India (1% over 6 months MCLR, Max - 9.25%)	9.25%	1.13	1.13	1.13

- c) Secured Term loan from ICICI Bank Limited amounting to ₹ 0.17 crs availed during the FY 23-24 represents the vehicle loan availed which carries interest rate of 9.10% p.a. This loan is repayable in 36 monthly instalments from the date of the loan. The loan is secured by the hypothecation of the motor vehicle purchased under their assistance.

The maturity profile and rate of interest of the above term loan is as set out below:

Term loan from Bank	Rate of interest	2024-25	2025-26	2026-27
ICICI Bank Ltd	9.10%	0.05	0.06	0.03

- d) Secured Term loan from Vivriti Capital Limited amounting to ₹ 5 crs availed during the FY 23-24 represents the short term loan availed for business purposes which carries interest rate of 12.5% p.a. This loan is repayable in 15 monthly instalments after the moratorium of 3 months from the date of loan. The loan is secured with a 15% deposit of the loan amount.

The maturity profile and rate of interest of the above term loan is as set out below:

Term loan from Others	Rate of interest	2024-25
Vivriti Capital Limited	12.50%	3.00

Current Maturities of Long Term Borrowings

	2024-25	2023-24
Total Long Term Loans	8.24	8.31
Considered under Current Liabilities		
ICICI Bank Limited - Vehicle Loan	0.05	-
SBI - GECL 1.0	2.84	2.28
Vivriti Capital Limited	3.00	-
Cholamandalam Invstmt & Finance Company Ltd	-	0.23
Total current maturities of long term borrowings	5.89	2.51
Current Borrowings		
Loans Repayable on Demand		
Cash Credit from State Bank of India (Secured)	53.61	44.10
Stand by Line of Credit from State Bank of India (Secured)	5.05	-
Cash Credit from Yes Bank (Secured)	19.43	-
Working Capital Demand Loan from Vivriti Capital (Secured)	7.49	-
Current maturities of long term borrowings (Note 15(d))	5.89	2.51
Total	91.47	46.61

Cash Credit and Stand by line of Credit availed from State Bank of India & Yes Bank are secured by way of pari passu charge over the stocks, receivables and other current assets the Company.

The loan from State Bank of India are further secured by the following collaterals:

- Hypothecation of Plant & Machinery (Furniture & Fixtures) of the Company.
- Fixed Deposit from the Sale Proceeds of Land & Building - ₹18.17 Crs.
- Personal guarantee of the Promoters.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2024-25	2023-24
Current borrowings	91.47	46.61
Lease liabilities	49.51	56.88
Non-current borrowings	2.35	5.79
Net debt	143.33	109.28

	Non-current borrowings	Current borrowings	Lease liabilities	Total
Net debt as at 01st April, 2022	8.81	41.16	59.35	109.32
Adjustments towards Fresh/Terminated Leases	-	-	12.99	12.99
Cash flows	(4.02)	9.08	(21.89)	(16.83)
Interest expense	1.00	(3.63)	-	3.80
Net debt as at 31st March, 2023	5.79	46.61	56.88	-
Adjustments towards Fresh/Terminated Leases	-	-	9.19	9.19
Cash flows	(5.18)	50.76	(22.62)	(22.95)
Interest expense	1.75	(5.90)	-	1.91
Net debt as at 1st March, 2024	2.35	91.47	49.51	143.33

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
16. Lease Liabilities		
Non current	31.12	36.65
Current	18.39	20.23
Total	49.51	56.88
17. Other Financial Liabilities - Non Current		
Security deposits received	24.06	23.96
Total	24.06	23.96
18. Non-Current Provisions		
Employee benefit obligation		
Provision for Gratuity (Refer Note 39)	1.36	1.33
Total	1.36	1.33
19. Trade Payables		
Trade payables : Micro and small enterprises	49.53	34.44
Trade Payables : Others	83.10	124.96
Trade Payables to related parties (Refer note 38)	1.02	4.40
Total	133.65	163.80

Trade payable are non-interest bearing and are settled generally as per the agreed terms.

Ageing of Trade Payables

	Not Due	< 6 Months	6 months - 1 year	Total
2023-24				
Undisputed trade payables				
Micro Enterprises & Small Enterprises	49.53	-	-	49.53
Others	13.29	70.57	0.25	84.12
Disputed trade Payables				
Micro Enterprises & Small Enterprises	-	-	-	-
Others	-	-	-	-
Total	62.82	70.57	0.25	133.65
2022-23				
Undisputed trade payables				
Micro Enterprises & Small Enterprises	34.44	-	-	34.44
Others	124.96	1.09	3.31	129.36
Disputed trade Payables				
Micro Enterprises & Small Enterprises	-	-	-	-
Others	-	-	-	-
Total	159.40	1.09	3.31	163.80

Note : DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act are as follows

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	49.53	34.44
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.10	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	92.90	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	1.63	-
Further interest remaining due and payable for earlier years	-	-

The Company has not provided for any interest in its books of accounts towards the overdue payments to MSME Creditors, since it is of the opinion that vendors would not claim interest for delayed payment.

20. Other financial liabilities - current		
Salaries, Wages and Other benefits payable	1.87	2.06
Accrued Expenses	17.74	29.09
Total	19.61	31.15
20. Customer Loyalty Program		
As at the beginning of the year	2.02	1.48
Deferred during the year	2.37	4.63
Released to the Statement of Profit and Loss	1.96	4.09
As at the end of the year	2.43	2.02

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
Significant estimate		
Revenue recognition – Loyalty points Customer loyalty program refers to a contract liability represented through loyalty points, wherein the Company has an obligation to transfer goods the customer for which the Company has already received consideration. The Company estimates the fair value of points awarded under the loyalty programme by applying statistical techniques. Inputs to the model include making assumptions about expected redemption basis the Company's historic trends of redemption and expiry period of the points and such estimates are subject to significant uncertainty.		
22. Provisions		
Employee benefit obligation		0.46
Provision for unavailed leave	0.80	0.61
Provision for gratuity (Refer note 39)	0.31	0.27
Total	1.11	0.88
23. Other Current Liabilities		
Withholding and Other Taxes payables	0.03	0.57
Total	0.03	0.57
24. Revenue from Operations		
Sale of goods	454.05	496.71
Revenue from redemption of loyalty points (refer note 20)	1.96	4.09
Total	456.01	500.80
24.1 Transaction price allocated to the remaining performance obligations		
The Company's contracts with customers are short term contracts with performance obligations that has an original expected duration of one year or less. Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.		
24.2 Reconciliation of revenue with contract price		
1. Contract price	497.13	555.55
2. Adjustments :		
Discounts	(41.12)	(54.75)
Customer loyalty programme	(1.96)	(4.09)
3. Revenue from operations as per Statement of Profit and loss	454.05	496.71
24.3 Disclosure of disaggregated revenue recognised in the statement of Profit and Loss:		
Revenue from retail operations	265.20	305.74
Revenue from non-retail operations	190.82	195.06
Total	456.01	500.80
24.3 Significant judgements		
a) Timing of satisfaction of performance obligations. There are no significant judgements made by the Company in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract.		
b) Transaction price and the amounts allocated to performance obligations.		
Sale of apparels and accessories		
Revenue from sales is recognised based on the transaction price, adjusted for variable consideration in the form of volume discounts, loyalty points, penalty on delay in delivery of goods and marketing expenses. A liability is recognised for expected variable consideration payable to customers in relation to sales made until the end of the reporting period.		
Customer loyalty Programme		
The points provide a material right to customers that they would not receive without entering into a contract. Therefore, the promise to provide points to the customer is a separate performance obligation. The transaction price is allocated to the product and the points on a relative stand-alone selling price basis. Management estimates the stand-alone selling price per point on the basis of the discount granted when the points are redeemed and on the basis of likelihood of redemption, based on past experience. The stand-alone selling price of product sold is estimated on the basis of retail price.		
25. Other income		
Gain on sale of investments	0.61	0.79
Gain on termination of leases	1.11	0.86
Interest income	1.49	1.01
Unwinding of discount on security deposits	0.76	0.85
Othe income	(0.04)	2.00
Total	3.93	5.51
26. Purchase Of Finished Goods (Stock-In-Trade)		
Purchase of stock-in-trade	260.14	350.86
Total	260.14	350.86

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
27. (Increase) / Decrease in inventories of finished goods, work-in-progress and bought-out goods		
Opening balance		
Finished goods / bought-out goods	126.59	82.66
	126.59	82.66
Closing balance		
Finished goods / bought-out goods	97.46	126.59
	97.46	126.59
Total changes in finished goods / bought-out goods	29.13	(43.93)
28. Garment Processing Costs		
Garment Re-Processing Charges	1.58	1.83
Total	1.58	1.83
29. Employee Benefits Expense		
Salaries, wages and bonus	21.42	20.89
Contribution to provident and other funds	0.66	0.65
Gratuity (Refer note 38)	0.34	0.30
Staff welfare expenses	0.61	1.39
Total	23.03	23.23
30. Other Expenses		
Advertisement	14.01	16.79
Auditor's remuneration	0.08	0.07
Books, periodicals & subscriptions	0.15	0.13
Communication expenses	0.42	0.45
Consultancy charges	2.52	1.78
Corporate social responsibility*	-	2.79
Distribution costs	7.75	10.22
Entertainment & sales promotion expenses	3.89	3.48
Insurance	0.38	0.49
Showroom support services	13.50	11.71
Other operational expenses	3.74	3.36
Rent, rates and taxes	11.27	9.37
Remuneration to directors	1.98	1.68
Selling commission	30.59	28.34
Selling expenditure	6.53	11.01
Showroom maintenance	3.42	2.53
Cash Pickup & CC Charges	3.37	2.57
Net impairment losses on financial and contract assets	3.24	3.37
Loss on foreign exchange translation	0.82	1.57
Traveling & conveyance	4.41	4.09
Total	112.07	115.80
Details of Auditors' Remuneration:		
Payments to Statutory Auditor:		
For Statutory Audit Fee	0.04	0.04
For Tax Audit	0.02	0.01
For other services by Statutory & Tax Auditors	0.08	0.01
For reimbursement of expenses	-	-
	0.14	0.06
Payments to Secretarial Auditor:		
For audit fee	0.02	0.01
For other services	0.01	0.03
For reimbursement of expenses	-	-
	0.03	0.04
Payment towards Corporate Social Responsibility		
Prime Minister Relief Fund	-	2.78
Rotary Club of Madras East Trust (Skill Development)	-	0.01
	-	2.79

Interest expense includes and Exceptional Item of ₹ 5.9 Crs and hence the same has been reduced and shown separately (Refer note 42)

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
Corporate Social Responsibility Expenditure:		
Amount required to be spent during the year	-	-
Amount of expenditure incurred	-	0.01
Amount of expenditure incurred / spent (previous years)*	-	2.78
Amount of shortfall for the year	-	-
Amount of cumulative shortfall at the end of the year		
* Company has remitted the CSR dues of ₹ 2.78 Crs pertaining to the previous years during the FY 22-23		
31. Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Refer note 2)	5.21	5.43
Amortisation of right of use asset (Refer note 2A)	17.00	16.94
Amortisation of intangible assets (Refer note 2)	0.07	0.40
Total	22.28	22.77
32. Finance Cost		
Interest and finance charges on lease liabilities and financial liabilities not at fair value through profit or loss:		
Interest expense on working capital & others	15.20	18.23
Interest expense on lease liabilities	6.06	6.43
Other borrowing costs	0.61	0.59
Exceptional Item	-	(5.90)
Total	21.87	19.35
Interest expense includes and Exceptional Item of ₹ 5.9 Crs and hence the same has been reduced and shown separately (Refer note 42)		
Cash Pickup and Credit Card/Debit Card/UPI Charges grouped under Finance Costs until FY 22-23 are now grouped under Other Expenses and hence expenses of previous year are also regrouped accordingly.		
33. Other Comprehensive Income		
Remeasurement gains / (losses) on defined benefit plans (net of tax)	0.27	0.18
Total	0.27	0.18
34. Income tax expense		
The major components of income tax expense for the years 2024 and 2023 are :		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
Decrease/(Increase) in deferred tax assets	(12.63)	(5.79)
(Decrease)/Increase in deferred tax liabilities	7.86	2.38
Total deferred tax expense/(benefit)	(4.77)	(3.41)
Income tax expense	(4.77)	(3.41)
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit before income tax expense	(10.16)	16.40
Tax at the Indian tax rate of 25.17% (FY 23-24) & 34.944% (FY 22-23)	(2.56)	5.73
Tax effects of amounts which are not deductible (taxable) in calculating taxable income :		
Deferred tax asset adjusted towards current tax liability	7.32	(2.32)
Income tax expense	4.77	3.41

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
35. Fair value measurements		
Financial instruments by category		
Financial assets		
Amortised cost		
Security deposits	16.32	13.69
Trade receivables	277.35	257.65
Cash and cash equivalents	0.24	0.35
Other bank balances	28.60	22.27
Loans and advances to employees	0.12	0.14
Loans and advances to Directors	-	1.50
Fair value through profit and loss		
Mutual funds	9.00	16.71
Total financial assets	331.63	312.31
Financial liabilities		
Amortised Cost		
Borrowings	93.82	52.40
Trade payables	133.65	163.80
Salaries and wages	1.87	2.06
Security Deposits	24.06	23.96
Accrued Expenses	17.74	29.09
Total financial liabilities	271.13	271.31

(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. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of foreign currency option contracts is determined using Black Scholes valuation model.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2

Fair value of financial assets (Mutual Funds) are measured at Fair Value

Fair value of Other financial assets and liabilities held at amortised cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalent, other financial liabilities, are considered to be the same as their fair values, due to their short-term nature.

The carrying value of borrowings, security deposits paid and received approximate to fair value.

36. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all dilutive potential equity shares into equity shares.

Earnings Per Share (EPS) is calculated as under:

Profit / (loss) as per the statement of profit and loss	(A)	(14.93)	7.09
Weighted average number of equity shares for calculation of Basic EPS	(B)	4,42,91,685	4,38,09,493
Basic EPS (In ₹)	(A/B)	(3.37)	1.62
Nominal Value of Shares (In ₹)		2.00	2.00

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
37. Financial risk management

(₹ in crores)

The company's activities expose it to market risk, liquidity risk and credit risk.

(A) Credit risk

Company faces credit risk from cash and cash equivalents, deposits with banks and financial institutions and unsecured trade receivables. The company doesn't face any credit risk with other financial assets

Risk management

Credit risk on deposit is mitigated by the depositing the funds in reputed public sector bank.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company sells the products to customers only when the collection of trade receivables is certain. Credit risk is monitored on an ongoing basis to identify any significant increase in the credit risk. As at the balance sheet date, based on the credit assessment, the historical trend of low default is expected to continue. Historical trends showed that the company had no significant credit risk.

Reconciliation of loss allowance provision – Trade receivables

	Trade receivables
Loss allowance on 31st March, 2022	-
Changes in loss allowance	3.37
Loss allowance on 31st March, 2023	3.37
Changes in loss allowance	3.24
Loss allowance on 31st March, 2024	6.61

(B) Liquidity risk

Objective of liquidity risk management is to maintain sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal requirements.

The Company's liquidity position remains strong at ₹39.75 crores as at 31st March 2024, comprising ₹37.84 crores in the form of current investments, cash and cash equivalents and other balances with banks (including non-current earmarked balances) and ₹1.91 crores in committed undrawn bank lines.

ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months are equal to their carrying balances as the impact of discounting is insignificant.

Contractual maturities of financial liabilities

	31 st March, 2024			31 st March, 2023		
	Maturing within 1 year	Maturing after 1 year	Total	Maturing within 1 year	Maturing after 1 year	Total
Non-derivatives						
Borrowings	91.47	2.35	93.82	46.61	5.79	52.40
Trade payables	133.65	-	133.65	163.80	-	163.80
Salaries and wages	1.87	-	1.87	2.06	-	2.06
Security Deposits	-	24.06	24.06	-	23.96	23.96
Accrued Expenses	17.74	-	17.74	29.09	-	29.09
Lease Liabilities	18.39	31.12	49.51	20.23	36.65	56.88
Total non-derivative liabilities	263.11	57.53	320.64	261.80	66.39	328.19

(C) Market risk

The only risk that the company faces with respect to market risk is fluctuation in foreign currency movements against INR

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the company's profit/(loss) before tax is affected through the impact on floating rate borrowings as follows:

	Impact on P&L	
	31 st March, 2024	31 st March, 2023
Basis Points (%)	(+/-) 0.5%	(+/-) 0.5%
Increase / Decrease in Profit / Loss before tax	0.47	0.26
Increase / Decrease in Profit / Loss after tax	0.35	0.20

Foreign currency risk

The company activities exposes it to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.



NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

The company's significant exposure to foreign currency risk at the end of the reporting period expressed in INR Crores, are as follows:

	31 st March, 2024	31 st March, 2023
Financial liabilities		
Trade payables		
Exposure to foreign currency risk (liabilities)	7.90	20.16
Net exposure to foreign currency risk	7.90	20.16

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD, With all other variables held constant. The impact on the Company's profit/(loss) before tax is due to changes on the foreign currency rate is as below. The Company's exposure to foreign currency changes for all other currencies is not material.

	Impact on P&L	
	31 st March, 2024	31 st March, 2023
INR/USD Rate	(+/-) 8%	(+/-) 8%
Increase / Decrease in Profit / Loss before tax	0.63	1.61
Increase / Decrease in Profit / Loss after tax	0.47	1.21

38. Capital Management

(₹ in crores)

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The policy of the company is to borrow funds through banks/financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company changes its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of financial markets.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio - Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The company's strategy is to maintain a optimal gearing ratio. The gearing ratios were as follows:

	31 st March, 2024	31 st March, 2022
Net debt	93.58	52.05
Total equity	196.88	211.54
Net debt to equity ratio	47.5%	24.6%

In order to achieve this overall objective, the Company's Capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable and there have been no instances of breach of any financials covenants attached to the borrowings.

39. Related party transactions

Related Parties with whom transactions have taken place during the year:

Key Managerial Personnel:

- Mr. Venkatesh Rajagopal - Chairman & Executive Director
- Mrs. Rama Rajagopal - Non Executive Non Independent Director
- Mr. Charath Ram Narasimhan - Managing Director & CEO
- Mr. Vidyuth Venkatesh Rajagopal - Joint Managing Director
- Mr. N K Ranganath - Independent Director
- Mr. Harsh Bahadur - Independent Director
- Mr. Manoj Mohanka - Independent Director
- Mr. Thiyagarajan - Chief Financial Officer till 14th August, 2023
- Mr. Sheikh Sahenawaz - Chief Financial Officer with effect from 09th November, 2023
- Mr. E Elamugilan - Company Secretary till 09th November, 2023
- Mr. Sainath Sundaram - Company Secretary with effect from 09th November, 2023

Enterprises under Control or Significant Influence of Key Managerial Personnel / Relatives of Key Managerial Personnel

- M/s Celebrity Fashions Limited
- Others
- ITFL Employees Gratuity Fund**

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

Transactions carried out with Related Parties during the Year	31 st March, 2024	31 st March, 2024
Managerial Remuneration		
Short term Employee Benefits	2.63	2.06
Long Term Employee Benefits	-	-
Termination Benefits	-	-
Sitting Fees to Directors	0.36	0.22
Material Purchases and Rental Income - Celebrity Fashions Limited		
Material Purchases & Washing Charges	1.03	8.19
Rental Income	-	0.02
Outstanding Balances	31 st March, 2024	31 st March, 2024
Payable as Managerial Remuneration	0.19	0.20
Loan given to Mr. Charath Ram Narasimhan (Managing Director & CEO)	-	1.50
Trade Payables - Celebrity Fashions Limited	1.02	4.40

** Transaction and balances with Gratuity fund has been disclosed in Note 39

40. Employee benefit plans

The Company operates a gratuity plan through a Trust wherein certain employees are entitled to benefit equivalent to fifteen days of salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

The Company is only making provisions for the entire Gratuity Liability on the valuation and follows a "pay as you go" system to meet the liabilities as when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero.

The following tables summarise the components of net benefit expense recognised in the Profit and Loss and Balance Sheet

Unfunded defined benefit plans - Gratuity

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

(₹ in crores)

Particulars	For the year Ended	
	31 st March, 2024	31 st March, 2023
Present value of obligations at the beginning of the year	1.60	1.48
Current service cost	0.22	0.21
Interest expense	0.12	0.09
Re-measurement (gains)/losses:		
- (Gain)/loss from change in demographic assumptions	-	-
- (Gain)/loss from change in financial assumptions	0.01	(0.08)
- Experience (gains)/losses	(0.28)	(0.10)
Benefit payments	-	-
Present value of obligations at the end of the year	1.68	1.60
Changes in the fair value of planned assets		
Fair value of plan assets at beginning of year	-	-
Interest income	-	-
Actuarial gain/loss	-	-
Contributions from the employer	-	-
Benefit Payments	-	-
Fair Value of plan assets at the end of the year	-	-
Amounts recognized in the balance sheet		
Projected benefit obligation at the end of the year	1.68	1.60
Fair value of plan assets at end of the year	-	-
Unfunded status of the plans – liability recognised in the balance sheet	1.68	1.60
Components of defined benefit cost recognised in profit or loss		
Current service cost	0.22	0.21
Net interest expense	0.12	0.09
Net cost in profit or loss	0.34	0.30



NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

Components of defined benefit cost recognised in other comprehensive income

Remeasurement on the net defined benefit liability:		
- (Gain)/loss from change in demographic assumptions	-	-
- (Gain)/loss from change in financial assumptions	0.01	(0.08)
- Experience (gains)/losses	(0.28)	(0.10)
Return on plan assets	-	-
Net cost in other comprehensive income	(0.27)	(0.18)

Assumptions

Discount rate	7.18%	7.31%
Expected rate of salary increases	7.00%	7.00%
Expected rate of attrition	28.70%	28.70%
Average age of members	34.91	34.21
Mortality - Indian Assured Lives Mortality (2012-14) Ultimate		

Sensitivity Analysis

Impact on change in assumptions on liability (₹ in crores)

Particulars	31 st March, 2024	31 st March, 2023
Discount rate		
- 1% increase	1.59	1.50
- 1% decrease	1.76	1.70
Salary growth rate		
- 1% increase	1.74	1.68
- 1% decrease	1.60	1.51
Attrition rate		
- increase of 1% of attrition rate	1.66	1.59
- decrease of 1% of attrition rate	1.67	1.60
Mortality rate		
- increase of 10% of mortality rate	1.67	1.59

Effect on future cash flows

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	31 st March, 2023	31 st March, 2022
Less than 1 year	0.32	0.28
Between 2 - 5 years	0.80	0.63
Between 6 - 10 years	0.61	0.58
Over 10 years	0.84	1.25

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit.

Changes in bond: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Significant Estimates

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes.

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

(₹ in crores)

	As at 31 st March, 2024	As at 31 st March, 2023
41. Contingent liabilities		
i) Claims against Company not acknowledged as Debts, being demands from Commissionerate of Central Excise on availing Input Credit of Service Tax. Based on the advise of its legal counsels and interpretation of the relevant regulations governing the levy of Excise Duty, the Company is of the opinion that the issues raised in the demand notice are unlikely to be sustained. Accordingly no provision has been made for such demands.	0.52	0.52
ii) On account of Letters of Credit issued by Bankers on behalf of the Company	1.29	7.56
iii) Towards the pending demand order raised on 29 th March 2024 by the Income Tax department for the AY 2022-23. The Company has disagreed to the demand order and filed an appeal with Commissioner (Appeals) on 27 th April 2024. Accordingly no provision has been made in the books of accounts.	7.33	

42. Segment Information

Chief Operating Decision Makers (CODM) evaluates the company's performance and allocate resources based on the analysis of various performance indicators of the company as a single unit. Therefore there is single reportable segment for the company.

43. Exceptional items

The company had availed a term loan under de-merger scheme in 2010-11, wherein the bank had initially provided a concession on the interest component. In the FY 22-23, the bank has raised a retrospective demand for the payment of ₹ 5.90 crores attributed to the said concessional interest. Due to the exceptional nature and timing of the expense, the Company has disclosed it as an exceptional item in the face of Statement of profit and loss.

44. Financial ratios

Ratio	As at 31 st March, 2024	As at 31 st March, 2023	% variance	Reason for Variance
Current ratio (in times)	1.59	1.62	-1.84%	Increase in current Assets in the current year over the increase in current Liabilities
Debt-equity ratio (in times)	0.48	0.25	-92.39%	Due to the additional debt raised during the year, Debt-Equity Ratio has gone up
Debt service coverage ratio (in times)	1.11	1.59	-29.87%	Reduction in profitability has impacted the Debt Service coverage ratio for the year
Return on equity ratio (in %)	-7.45%	3.44%	-316.64%	Loss during the Current Year has impacted the Return on Equity
Inventory turnover ratio (in times)	4.07	4.79	-14.96%	Decrease in Inventory & Revenue from Operations for the year has reduced the I/T Ratio
Trade receivables turnover ratio (in times)	1.70	2.08	-18.04%	Increase in Debtors & Decrease in Revenue from Operations for the year
Trade payables turnover ratio (in times)	1.75	2.65	34.08%	Decrease in purchases in line with decrease in Revenue from Operations
Net capital turnover ratio (in times)	2.82	3.38	-16.65%	Decrease in Revenue from Operations and decrease in net working capital
Net profit ratio (in %)	-3.27%	1.42%	331.23%	Loss during the Current Year has impacted the Net profit ratio.
Return on average capital employed (in %)	5.14%	14.40%	-64.35%	"Decrease in Earnings before interest and tax compared to previous year has impacted the ROCE"
Return on investment (in %)	6.36%	11.49%	-44.62%	"Decrease in Earnings before interest and tax and decrease in total assets compared to previous year"

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)

2. Debt equity ratio = Debt / Equity

Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) & Equity = Equity share capital + Other equity

3. Debt service coverage ratio = Earnings before interest and tax (excluding Interest on lease) / [Finance cost + Principal repayment of Borrowings]

4. Return on equity ratio = Profit after tax / Total Equity

5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories

6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables

7. Trade payables turnover = Total Credit Purchases / Average of opening and closing Trade Payables

8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital

9. Net profit ratio = Profit After Tax / Revenue from Operations for the period

10. Return on Average Capital Employed = Earnings before interest and tax / Average Capital Employed (Networth + Lease Liabilities + Deferred Tax Liabilities)

11. Return on Investment = Earnings before interest, depreciation and tax / Average of opening and closing Total Assets

Note: Ratios are worked out based on industry norms and accordingly previous year ratios have been reworked to make them comparable



NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

45. Additional Regulatory Information Required By Schedule Iii

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly return with such banks in compliance with loan covenants.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) LOANS OR ADVANCES TO SPECIFIED PERSONS

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 / indirectly lend / invest in other persons / 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.

(viii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not received any funds 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 / indirectly lend / invest in other persons / 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.

(ix) UNDISCLOSED INCOME

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

(x) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year

(xi) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current or previous year. The Company did not have assets) and Intangible assets during the current or previous year. The Company did not have any Investment Property during the current or previous year.

(xii) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

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

(xiii) UTILISATION OF BORROWINGS TAKEN FROM BANKS AND FINANCIAL INSTITUTIONS FOR SPECIFIC PURPOSE

The borrowings obtained by the company from banks and financial institutions have been applied only for the purposes for which such loans were taken.

As per our report of even date
For SRSV & Associates

Chartered Accountants
ICAI Firm Reg No.015041S

sd/
V. Rajeswaran
Partner
Membership No.020881

-sd/
Sainath Sundaram
Company Secretary
Membership No.F12981

-sd/-
Sheikh Sahenawaz
Chief Financial Officer

For and on behalf of Board of Directors
Indian Terrain Fashions Limited

sd/-
Venkatesh Rajagopal
Chairman & Whole Time Director
(DIN: 00003625)

sd/-
Charath Ram Narsimhan
Managing Director & CEO
(DIN: 06497859)

Chennai, 29th May, 2024



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