BRAND CONCEPTS

BRAND CONCEPTS LIMITED

CIN – L51909MP2007PLC066484
140/2/2, Musakhedi Square, Ring Road, Indore 452001 (M.P) INDIA
Phone: 91-731-4223000, Fax- 4221222/444
Email: info@brandconcepts.in

Date: 04th, October, 2023

To,	To,
National Stock Exchange of India Limited	BSE Limited
Listing & Compliance Department	Listing & Compliance Department
Exchange Plaza, 5th Floor,	Phiroze Jeejeebhoy Towers,
Plot No. C/1, G Block,	Dalal Street,
Bandra Kurla Complex,	Mumbai - 400001
Bandra East, Mumbai - 400051	

Symbol: BCONCEPTS **Scrip Code: 543442**

Subject: Submission of 16th Annual Report along with the Notice of Annual General Meeting to be held on Thursday 26th October, 2023, at 11:00 am through Video Conferencing/ Other Audio-Visual Means (VC/OAVM) pursuant to Regulation 34(1) of SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015

Dear Sir/Madam,

- Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we here by submit the 16th Annual Report for the financial year 2022-23 of the company containing the Standalone & Consolidated financial statement i.e. Balance Sheet, Statement of change in Equity, Statement of Profit & Loss, Cash Flow statement, as on 31st March 2023, along with the Board Report, Corporate Governance Report and the Auditor's Report on the date and its annexure.

- Kindly Note that the 16th Annual General Meeting of the Company is scheduled to be held on Thursday, 26th October, 2023 at 11:00 am through Video Conferencing/ Other Audio-Visual Means (VC/OAVM).

You are therefore requested to take this into your records and oblige.

Thanking You,
Yours faithfully
For Brand Concepts Limited,

Swati Gupta
Digitally signed by Swati Gupta
Date: 2023.10.04 15:44:33 +05'30'

Swati Gupta
Company Secretary & Compliance Officer
Mem No. A33016

BRAND CONCEPTS

Building Recognition. Delivering Value.

Exclusive brands I Sustainable business practices I Strong digital ecosystem I End-to-end service provider I Robust financials

Brand Concepts Limited
Annual Report 2022-23

Corporate Overview

02-27

Scan above QR code to know more about us

What's inside

> "I must reiterate that the future potential of BCL is immense, and we are adopting several short, medium and long-term strategies to establish ourselves as a well-known fashion house for travel and accessories.

Notice

28-37

Statutory Reports

38-79

Financial Statements

80-180

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

We are a premier resource for licensed fashion and lifestyle brands in various categories such as travel gear, bags and accessories. Our well-rounded portfolio and expansive product offering have helped us emerge as a go-to resource for travel gear, bags and accessories across all channels of distribution.

The proficiency in design, quality assurance and product knowledge that we bring to the table has helped strengthen our leadership in our chosen categories. We are dedicated to developing exclusive brands and products to delight customers and enrich their lives. Our overarching objective is to utilise our strategic licensed brands, extensive resources, and our team's talents to differentiate our products and services.

Over the years, as our business has continued to thrive, so have our product offerings. Our strong inventory management, omnichannel presence, end-to-end services and sustainable business practices, along with robust financials and quality commitments have accelerated our growth trajectory.

We aim to cross the milestone of being the

₹ 500-crore

revenue company in the next 4 years and build recognition as a reliable fashion house for travel and accessories categories.

India's promising multi-brand retail company

At Brand Concepts, we serve as a distinguished platform for a curated selection of fashion and lifestyle brands across multiple categories. Specialising in the domains of travel accessories, bag-packs, small leather essentials, and women's lifestyle accessories, we have carved a niche for ourselves in the retail market.

We collaborate with globally esteemed brands such as Tommy Hilfiger, Aeropostale, and United Colors of Benetton. Alongside, our in-house labels—Sugarush and The Vertical—further enrich our product portfolio. This diversified brand mix positions us as a sought-after retail destination across various formats in our chosen categories.

TOMMY HILFIGER
UNITED COLORS OF BENETTON.
AÉROPOSTALE
SUGARUSH
THE VERTICAL

Since we work with distinguished global brands, we adhere to the highest standards of quality checks, despite outsourcing the manufacture of our products. The internal team, comprising merchandisers, account specialists and retail planners, remains instrumental in fostering enduring relationships with our customers. Our operational framework is augmented by an extensive sourcing network and units specialising in trend analysis, thereby providing a competitive market advantage. Our distribution strategy utilises a mix of owned and franchised outlets, and we employ master distributors to reinforce the distributor and retail segment of the business.

Mission

Become the largest fashion and lifestyle accessories Multi-brand Retail company in India and pioneer innovative concepts in Retail to benefit the end consumer.

Vision

Become one of the world's most regarded Fashion & Lifestyle Accessories retail entities, by consistently adding more valuable brands to our portfolio.

Our approach

Founded on the wisdom of our creators, Brand Concepts operates under the symbiotic relationship between licensors and licensees. We believe this reciprocity not only yields additional revenue but also augments brand visibility and market reach for all parties involved.

Management's speech

"We crossed the revenue threshold of ₹ 150 crore during the year, closing at ₹ 163 crore; and are aiming to grow Approx 30% CAGR for Next 3-4 Years

Mr Abhinav Kumar
Whole Time Director

Dear shareholder,

I am delighted to share with you our annual performance report for the financial year 2022-23 (FY23). The year marked a significant milestone in our growth journey as an organisation. We now see ourselves in a high-growth trajectory, which we are confident to sustain over the foreseeable future.

It is encouraging to note that we have confidently surmounted the pandemic-induced challenges in our operations, using that period to become leaner and financially more prudent. Even in our supply chain we reduced our dependence on China and went more local in terms of our sourcing strategy. The seeds of all of this were sown during the COVID period itself and, hence, following the COVID period, when the markets bounced back, we could capitalise on the opportunity.

We are witnessing strong growth in the travel and accessories categories after the waning of the pandemic and economic revival in India and other parts of the world. India's consumption engine remains robust, supported by Tier 2 and Tier 3 cities and smaller towns with a huge aspirational population. Data suggests that consumers across the social spectrum are shifting from unorganised to reliable and well-known brands. At Brand Concepts, we are working from conceptualising to finished products, providing innovation, the best international warranty and after-sales services to customers.

Our business model is powered by a dedicated team of in-house professionals that include merchandisers, account specialists and retail planners. We service our key retail relationships with best-in-class execution and programme management.

Looking back at an amazing year

FY23 was extraordinary for us, because every single channel of ours, whether it is online (e-commerce) or offline performed equally well for us. Our offline presence extends right from large format stores, department stores, and our own stores to the entire dealer distribution network. We have seen holistic and consistent growth in all the channels, which has enhanced our market penetration.

FY23 also saw us add an additional heavyweight brand (United Colours of Benetton) and a lightweight brand (Aeropostale) in our four categories. We breached the revenue threshold of ₹ 150 crore during the year, closing at ₹ 163 crore; and are aiming to grow at over 30% CAGR for the next 3 years, supported by growth in our existing as well as new brands.

Our revenue from operations grew from ₹861.7 million in FY22 to ₹1632.2 million in FY23, registering a growth of 89.4%. Our EBITDA increased from ₹77.5 million to ₹212.4 million, a 174% growth. On the other hand, our PAT surged by 1219.8% from ₹7.6 million in FY22 to ₹100.4 million in FY23.

Even on the margins front, we have accomplished remarkable growth. Our EBITDA margin grew from 9% in FY22 to 13% in FY23, and our PAT margin from 0.9% to 6.2% during the same period. Even as we pursue a high growth rate of 30% CAGR for the next 3 years, we are confident of sustaining such high levels on the margins front.

Way forward

To accelerate our growth trajectory, our strategy is to increase our geographical footprint for our own and licenced brands. For licensed brands, we want to expand our presence by scaling up existing MBOs and EBOs. Our in-house brands such as Sugarush and The Vertical focus on expanding our offerings and presence through MBOs, EBOs and Bagline stores. We are constantly seeking to add more international brands to our portfolio to truly establish ourselves as the house of brands in the bags & accessories segment. On the manufacturing front, we are evaluating organic or inorganic options for stronger supply chain controls. Our distribution network is also being bolstered, with many EBOs and big mall chains engaging with us in different ways.

We are also expanding our digital outreach — http://www.bagline.in is our e-commerce venture, gaining social media traction. The physical stores of BCL also go by the name of 'BAGLINE'. All BCL brands would be listed directly with all Bagline stores in an integrated manner.

The most significant catalyst of our success has always been our people. We are building a strong and motivated team; and there are various HR initiatives (quarterly outdoor activities, monthly programmes, ESOP plans, among others) that we have commenced to instil in our people a deep sense of belonging to our organisational purpose and values.

I must reiterate that the future potential of BCL is immense, and we are adopting several short, medium and long-term strategies to establish ourselves as a well-known fashion house for travel and accessories.

On behalf of the entire leadership team, I thank all our international brand owners, customers, business partners, employees and the entire stakeholder community for supporting us in our endeavours.

Warm Regards

Mr Abhinav Kumar
Whole Time Director

Robust business model to amplify stakeholder value

1. Licensed Partnerships

Establish exclusive licensing agreements with top international and domestic brands in key product categories.

2. Product Design (Integrated Step)

- The product team analyses brand positioning and competitive landscape, preparing a product brief for the design team.
- The design team develops the product design, which is then sent for sampling.

3. Supplier Coordination

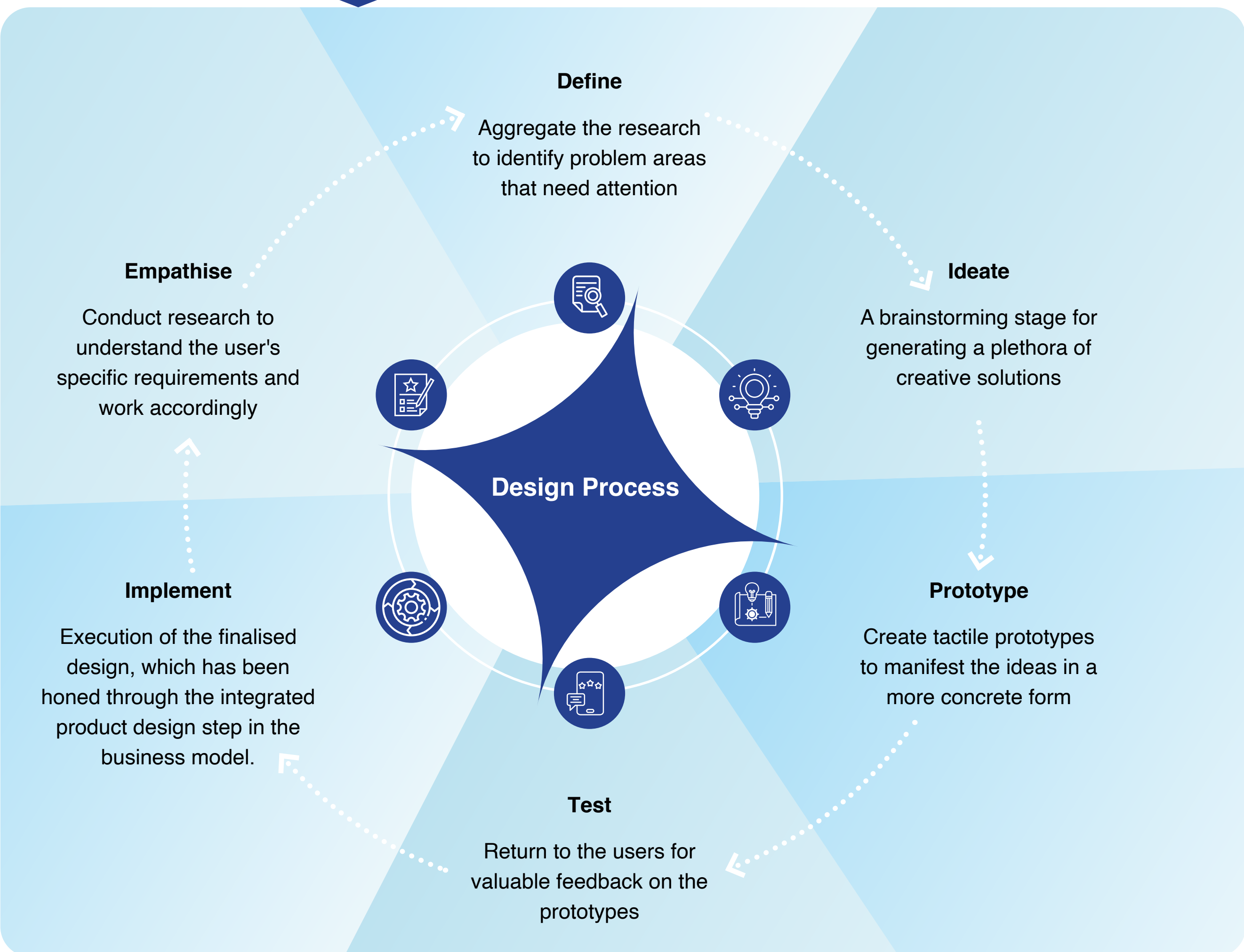
The buying team handles sample acquisition, inspection, and bulk order placement. Products are transferred from suppliers to the warehouse upon readiness.

4. Sales, Distribution, & Marketing

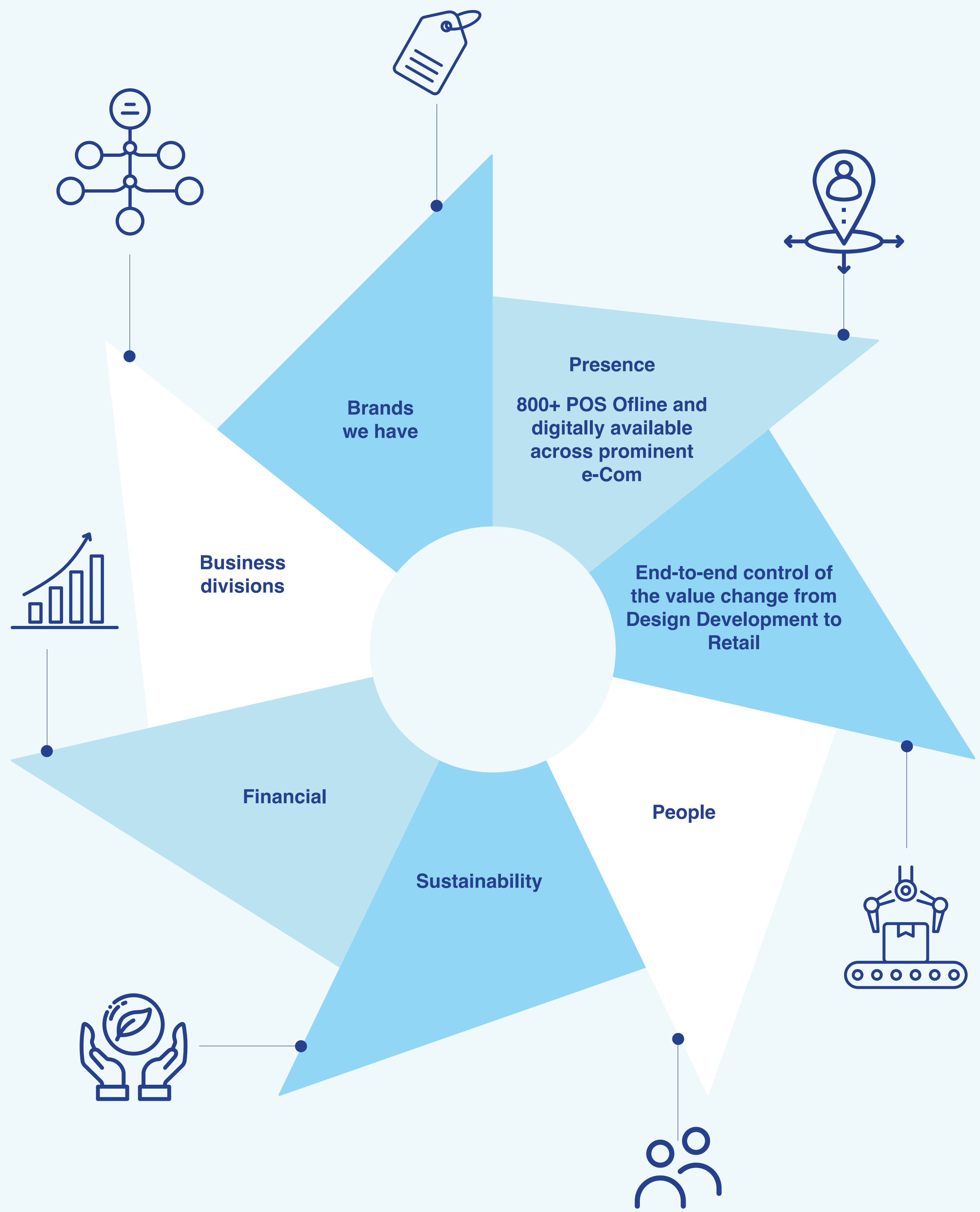
Merchandisers coordinate with the sales team for optimal product placement. The sales team collaborates with the marketing team for advertising support through OOH, Print, and other mediums.

5. Multi-Channel Sales

Implement an omnichannel strategy incorporating both online and offline avenues: EBOs (COCO/FOFO/FOCO), MBOs, LFS, Distributors, and Retail.



Our core competencies



Corporate Overview
Notice
Statutory Reports
Financial Statements

We aspire to become a

₹ 500 crore

revenue Company over the next 4 years.

We are CONCEPTUALISING and developing FINISHED PRODUCTS to be recognised as a renowned

fashion house

for travel bags and accessories.

We are determined to improve our

geographical footprint

with our own as well as licensee brands.

We look forward to diversifying

our brand

mix to be a sought-after retail destination.

We are poised to expand our

digital reach

through numerous platforms for delivering a holistic brand experience to customers.

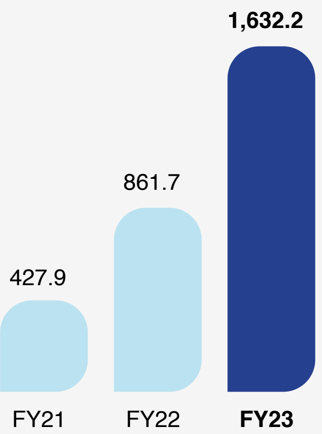
Remarkable financial performance

FY23 saw us register a remarkable financial performance, thanks to our robust fundamentals. We crossed the H 150-crore revenue milestone during the same period. Additionally, for the year under review, we declared our first interim annual dividend payout in recognition of the trust and capabilities that our investors have reposed in us.

Revenue from operations

(in ₹ Mn)

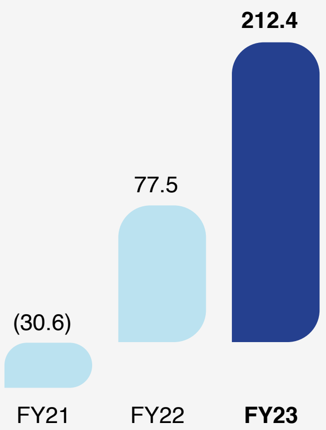
1,632.2



EBITDA

(in ₹ Mn)

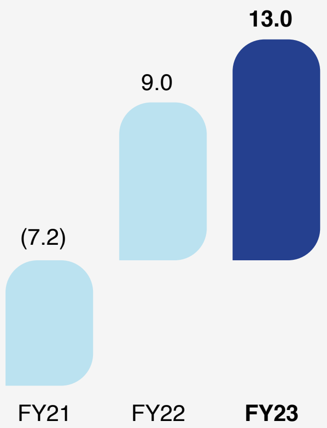
212.4



EBITDA Margin

(in %)

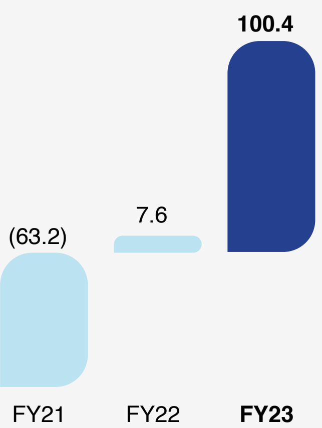
13.0



Profit After Tax (PAT)

(in ₹ Mn)

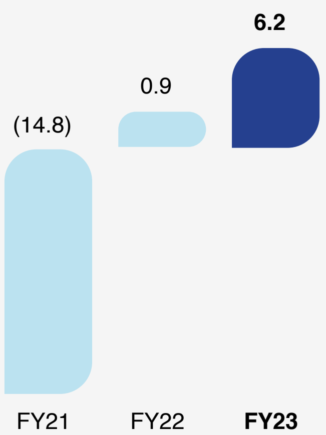
100.4



PAT Margin

(in %)

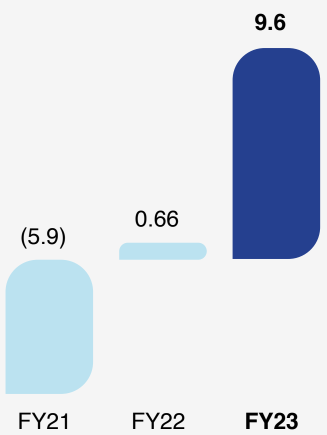
6.2



Earnings Per Share (EPS)

(in ₹)

9.6



Way forward

Our overarching objective for the next three to four years is to cross the revenue milestone of ₹ 500 crore and establish ourselves as a prominent fashion house in our chosen categories. We also aim to attain a steady 30% compounded annual growth rate (CAGR) over the upcoming four fiscal years, primarily driven by expanding our current brands and introducing new ones.

Our product offerings

Backpacks

We design and manufacture stylish and durable backpacks, including laptop bags, duffle gym bags, rucksacks and school backpacks.

Luggage

Our luggage collection seamlessly combines stylish aesthetics and practical features to cater to diverse personal preferences and ensure optimal functionality for all travel needs.

Handbags, clutches, wallets

Our collection includes a diverse range of handbags, clutches and wallets, featuring various styles from classic to contemporary, catering to every preference with elegance and flair.

Small leather goods

We have a versatile collection of men's belts and wallets, including trendy to formal styles, featuring slim, durable designs such as bifold and trifold options that easily fit into pockets or briefcases, crafted from leather and classic fabrics.

Our business growth is supported by existing as well as new brands. We will continue to strengthen our portfolio and be well-known as a fashion house in our focus areas.

Brands that we truly cherish

TOMMY HILFIGER

Tommy Hilfiger is one of the leading global premium lifestyle brands, renowned for its style, quality and value that resonates with a diverse consumer base worldwide. Embodying the spirit of Classic American cool, the brand integrates traditional American fashion with a modern twist. Inspired by an iconic blend of classic and contemporary elements, Tommy Hilfiger has presence across 90 countries. It is one of the beloved international brands in India, which ranks among the top-tier lifestyle offerings in India.

It offers a good value proposition as products are priced 10-25% discounted to some peers, despite carrying a more exclusive brand perception.

Product Categories

Travel Gear
- Luggage Trolley
- Business Cases
- Backpacks
- Rucksacks
- Duffles
- Messenger Bags
- Reporter Bags
- Gym Bags

Clutches, wallets – Women
- Clutches
- Wallets

Small leather goods - Men
- Belts
- Wallets

UNITED COLORS OF BENETTON.

United Colors of Benetton is a globally recognised brand known for its vibrant designs, diverse prints, and bold colours. 'Color' is the core USP of UCB, and it celebrates diversity. Hence comes the word 'United' in the brand name. Its dedication to inclusivity, creativity and innovation is reflected in each collection, consistently pushing the fashion boundaries. With a presence in over 120 countries and a network of 6,500 stores worldwide, Benetton celebrates individuality and encourages self-expression through its unique and inspiring designs.

Product Categories

Travel Gear
- Luggage Trolley
- Business Cases
- Backpacks
- Duffles
- Gym Bags

Handbags, clutches, wallets – Women
- Belts
- Hand Bags
- Clutches
- Wallets
- Totes
- Satchels

Small leather goods - Men
- Belts
- Wallets

AÉROPOSTALE

Aeropostale is a leading mall-based speciality retailer, with a global presence in 20 countries with 350+ stores, excluding USA. While its primary stronghold remains in USA, where it operates 1,000 stores, the brand has established itself as a go-to destination for casual apparel and accessories. With a focus on delivering quality and style, Aeropostale continues to be a dominant force in the fashion retail industry.

Product Categories

Travel Gear	Handbags, clutches, wallets – Women	Small leather goods - Men	Socks
Luggage Trolley, Business Cases, Backpacks, Rucksacks, Duffles, Messenger Bags, Reporter Bags, Gym Bags	Handbags	Small Leather Goods (SLG)	Socks

SUGARUSH

Sugarush, an in-house brand of BCL established in 2014, embodies accessible fashion. With a dynamic blend of fashion-forwardness and experimental designs, Sugarush captures a vibrant and youthful attitude, showcasing playful sophistication through ahead-of-time products, including captivating colours and prints. Tailored for socially active consumers with budget-conscious preferences, Sugarush delivers a fresh take on fashion that resonates with the modern trendsetter.

Product Categories

Handbags, clutches, wallets – Women
Handbags, Clutches, Wallets

THE VERTICAL

The Vertical brand caters to the dynamic and style-conscious youth who value both urban global fashion and practicality without compromising on affordability. Our Vertical backpacks are meticulously crafted with a perfect blend of fashion, functionality, quality, and competitive pricing. Unlike other manufacturers, we prioritise the genuine needs of millennials, offering them current and relevant fashion choices, alongside essential features.

Product Categories

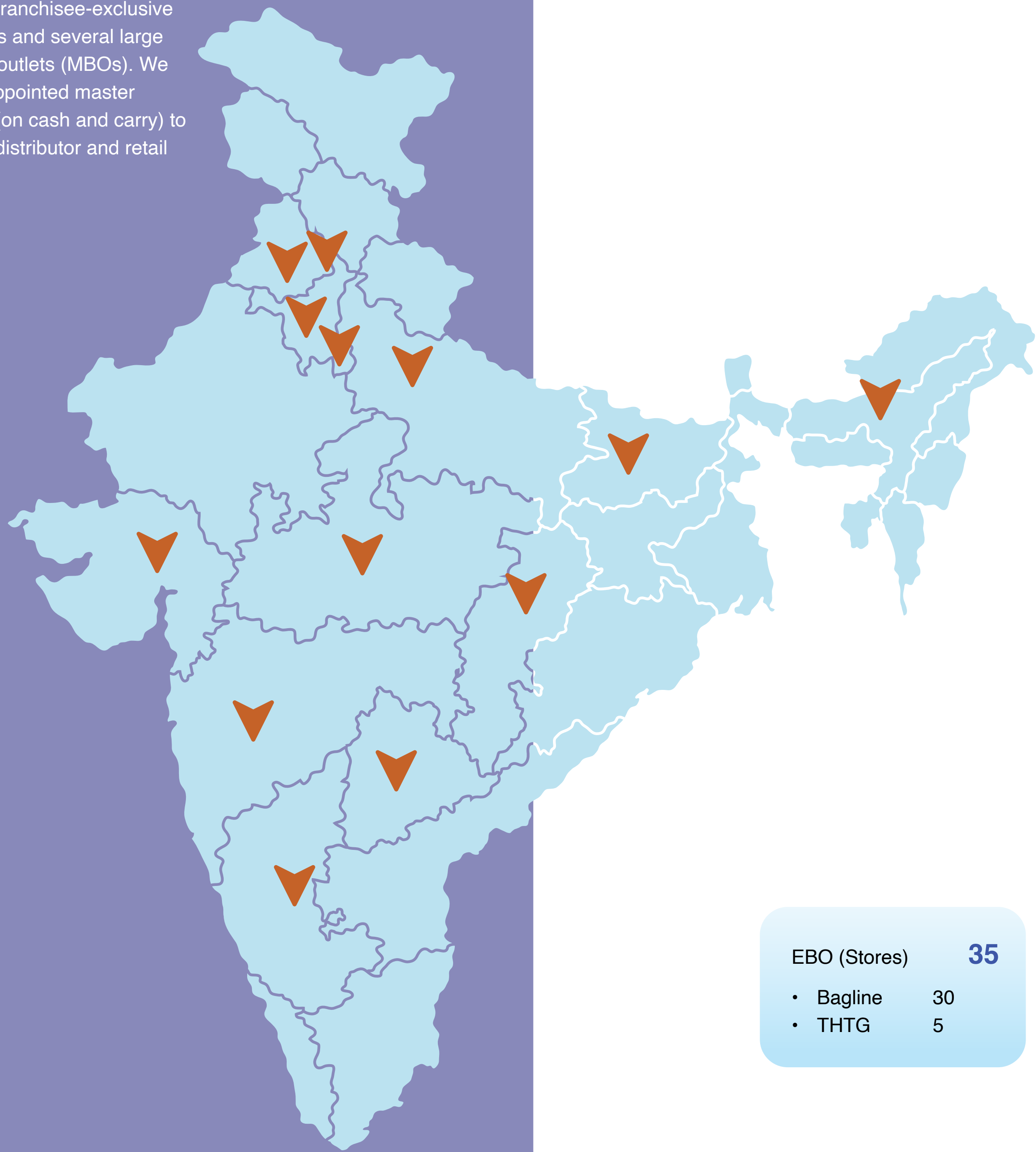
Travel Gear
Luggage Trolley, Gym Bags, Backpacks, Reporter Bags, Rucksacks, Duffles, Messenger Bags

Driving sales through our wide presence

We have an omni-channel presence. We sell our products online as well as in stores through EBOs (COCO / FOFO / FOCO), MBOs, LFS, Distributors and Retail.

Physical presence

We sell our products through our owned and franchisee-exclusive brand outlets and several large multi-brand outlets (MBOs). We have also appointed master distributors (on cash and carry) to service our distributor and retail business.



EBO (Stores) 35

- Bagline 30
- THTG 5

Strengthening our digital footprint

For expanding our digital footprint, we have a strategic approach that encompasses a multitude of channels ranging from third-party platforms to the impending launch of an in-house e-commerce platform. A balanced mix of digital initiatives, each of which complements the others in delivering a holistic brand experience for both individual consumers and corporate clients.

E-Commerce Ventures

Third-Party Partnerships

Brand Concepts has marked its territory across prominent e-commerce platforms such as Myntra and Amazon. This provides us wide exposure and offers consumers the convenience of shopping for Bagline India products, along with other preferred brands.

Proprietary Platform

The launch of our own e-commerce platform, www.baglineindia.com, is a pivotal step. By offering a curated shopping experience exclusively for Bagline India products, this platform will provide a comprehensive catalogue that enhances brand affinity.

User Experience (UX)

Cataloguing & Content

High-quality cataloguing enhanced with video content simplifies the decision-making process for consumers. The visual aids create an engaging user experience, thus encouraging higher interaction rates.

Ancillary Services

Adding value to our product offering, we provide a variety of ancillary services such as 'Ask Me' customer service features, video tutorials on travel packing, and tips for effective management while travelling.

Omni-Channel Retailing

Local Delivery

To elevate convenience, customers can place orders online and opt for delivery from the nearest physical store, and vice versa.

Gifting Options

The proximity-based gifting facility allows customers to shop online and pick up pre-packed gifts from the nearest store, or have them delivered to their homes.

Customer Loyalty & Referral Programme

A structured rewards programme not only incentivises individual purchases but also extends benefits when referrals from friends or family lead to a transaction.

B2B Portal

For corporate buyers, the Bagline India website offers a GST-compliant purchase facility. In addition, dedicated product managers are available for handling bulk inquiries.

Way forward

Build and grow own Bagline stores and online portal baglineindia.com for company online offerings. Grow our offerings and presence through MBOs, EBOs and Bagline stores.

End-to-end product development capabilities

Specialising in travel and accessories, we oversee the entire process from conceptual design to the finished product. Our focus is on crafting items that meet the functional and aesthetic needs of contemporary consumers. This end-to-end approach ensures the consistent quality that defines us as a well-recognised fashion house in the categories in which we are present.

Way forward

Our focus is on strengthening supply chain controls through both organic and inorganic means. Organic measures may involve internal optimisation, whereas inorganic options could include strategic partnerships. The goal is enhanced operational efficiency and consistent product quality.

journey of the product

Our people, our pride

We believe in the 'People-First' approach. We cultivate a distinctive and competitive environment that prioritises the well-being and overall growth of our people. Integrity and Trust are the core values that we nurture in our people, and empower them to thrive in a competitive environment.

Development & learnings

We believe in build than bring/ buy -Building Talent to Drive Performance Excellence

We are in the thrive of becoming a "future ready organisation", mapping each and every vertical of People & Processes. Brand Concepts are implementing & leveraging best fit technology to solve challenges in our People, Processes & business context and create a significant impact on multiple fronts .

We are continuously committed to empower our own people and build an organisation on strong cultural and Business values. The skills, experience, diversity and competencies of the employees enable the Company to operate safely, reliably and sustainably, and deliver on its growth objectives.

Culture - Diversity, equality, inclusion and belonging

Our vision towards Diversity, Equality, Inclusion and Belonging make us "People Centric Organisation "and which led to several policies for inclusive and positive environment such as career opportunities, remuneration, safer workplace, travel and other employee benefits which are enabling the Company to be an even better workplace and more importantly, to be a listening organisation. Our inherent strength to nurture innovation, creativity and diversity encourages high performance work culture, thereby providing opportunities for growth, enhancing engagement and experience for our stakeholders.

YOUTHFULNESS
Energy, fun and undying enthusiasm.

MERITOCRACY
A culture where performance matters.

ENTREPRENEURSHIP
Freedom to act and ownership of actions.

INNOVATION
Successful creation, development and execution of new ideas.

Key Initiatives

- Monthly "InTeallectual Hours"
- Quarterly "Town Hall"
- Quarterly "Sanyunkt"
- Yearly "Annual Meet"

Our approach to sustainability

At BCL, we have seamlessly integrated sustainability into our brand and business strategies. This ensures that while providing customers with coveted global fashion brands, we also fulfil our pledge to Environmental, Social, and Governance (ESG) principles.

Sustainable fashion is an approach to fashion that encourages the creation of accessories in a way that is both environmentally friendly and socially responsible. It focuses on using materials, processes, and production methods that are less harmful to the environment, while also taking into consideration the social implications of producing. Brand concepts Design Studio, dedicatedly working for all his mass premium brands and bringing new products every season for the society, keeping in mind all the principal sustainability.

Environmental Responsibility: we minimize environmental impact, by reducing water consumption in our materials processing, using eco-friendly materials such as recycled fabrics, Plastic & leather. Almost all our hardware used in our leather products are Lead & chromium compounds free, which not only help prevent contaminating soil & water but also protect human health from different hazardous diseases.

Ethical Manufacturing: Sustainable fashion promotes fair labour practices, ensuring safe working conditions, fair wages, and workers' rights throughout the supply chain, this is the foremost responsibility in Brand concepts towards procuring our products for the consumers.

Board of Directors

Mr Prateek Maheshwari

Chairperson and Managing Director, 40

He has completed his MBA from S. P. Jain Institute, Mumbai. He is primarily involved in overall strategy and brand strategy. Having worked in the US for over 6 years in the Travel Gear industry, he possesses vast experience in the field of Brand Licensing and Fashion Gear manufacturing. He is a new-age marketer, spearheading the Brand Licensing Business to become the pioneer in the bags/ travel gear market in India. He is looking after policy matters, organizational development.

Mr Abhinav Kumar

Whole Time Director 41

He is post postgraduate from Symbiosis, Pune. He started his career in Advertising. After that, he moved on to head the marketing activities of Tommy Hilfiger India during his tenure with the Murjani Group. He was not only instrumental in launching 10 different categories under the Tommy Hilfiger brand but was also part of the core team which brought in the other brands Calvin Klien, FCUK, Jimmy Choo, Gucci, Botega Venetta in India under the Murjani stable. He is taking care of the overall business and market development of our Company.

Mrs Annapurna Maheshwari

Non-Executive - Non-Independent Director, 67

She is a qualified Graduate (B. HSC.). She has vast experience of 31 years in IFF Group Companies. She is actively participating in the Board of IFF Group Companies. In the early 80s when working women were a rarity in India, she started a garment factory by the name of Sunny Selections for children's-wear. Joined the Board of Directors of IFF Group in 1994 with her core strengths being Designing and production.

Mr Govind Shridhar Shrikhade

Non-Executive - Non-Independent Director, 62

He is a Retail professional with a Degree in Textile Technology (B. Text) from VJTI, Mumbai and a Master's in Marketing (MBA) from Symbiosis Institute of Management, Pune. He has about 34 years of rich experience in the entire chain of Fabrics to Apparel across Marquee Companies like Mafatlal, Johnson, Arvind, Bombay Dyeing and Shoppers Stop. He is also working as an Independent Director on the board of V Mart Retail, IR & H Pvt Ltd and Donear Industries Ltd. Awarded with 'n' number of awards and single-handedly eclipsing the entire retail industry, his presence on the board would provide a breakthrough for the upcoming landmarks to unravelling.

Mr Narendra Tulsidas Kabra

Non-Executive - Non-Independent Director, 64

He is a bachelor in Technology (Textile) from The Technological Institute of Textile & Sciences. He has about 34 years of experience in Indian Banking with a specialized focus in the areas of Credit Business, Credit Risk Management, Information Technology and Human Resources. Besides serving as vertical head across banking portfolios, he has highly successful on-field experience. His broad experience in the field of Business will add to the strength of our company and under his guidance the company will achieve new milestones.

Mr Kushagra Praveen Toshniwal

Non-Executive - Non-Independent Director, 40

He holds a degree of B.E. in Instrumentation and Control. He has about 15 years of rich experience in Marketing and Sales. He has been actively involved in his own family business engaged in manufacturing and distributing measuring instruments. Besides this, he is also an active Director in Nivo Instruments Private Limited and Toshbro Controls Private Limited. He has been very instrumental in growing his family business by adding various new products and foreign partnerships under his leadership. His broad business experience will add to the strength and increase the current potential of our business.

Mr Manish Saksena

Non-Executive - Non-Independent Director, 52

A Lifestyle specialist with 21 years of experience in Design, Product, Management, Marketing, Store Design, Visual Merchandising and back in the Retail Industry. He has been instrumental in creating landmark changes in the Lifestyle Industry in India through his experience in new and different formats of retail. As varied as being a part of the entry of International Brands to creating successful homegrown brands, from Flagship Retailing in metros to Tier 2 emergence and expansion, Manish brings with him a wealth of core consumer experience. With Strong roots in St. Stephen College, New Delhi and the London School of Fashion, he has worked in different genres and scopes with Madura Garments as Creative Director, with Landmark Group as Head of Buying and successfully launched the first organized ethnic wear brand W. Teaching at NIFT and imparting knowledge gained from the Industry to the GenNext has been his passion and purpose alongside.

Notice of the Annual General Meeting

Notice is hereby given that the **16th Annual General Meeting** of the members of Brand Concepts Limited will be held on **Thursday, 26th day of October, 2023 at 11:00 A.M.** IST through Video Conferencing (VC)/Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt

a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon; and

b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and Report of Auditors thereon.

2. To confirm the payment of Interim Dividend on Equity Shares of Rs. 0.50 (5%) per Share of the face value of Rs. 10 each and to declare a Final Dividend on Equity Shares of Rs.0.50 (5%) per Share of the face value of Rs. 10 each for the financial Year 2022-23.

3. To appoint a director in place of Mrs. Annapurna Maheshwari (DIN-00038346), who retires by rotation, and being eligible, offers herself for reappointment.

4. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider and, if thought fit, to pass the following resolution 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 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Fadnis and Gupte LLP, chartered Accountants (Firm Registration No: 006600C/ C400324), be and is hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s Maheshwari and Gupta, Chartered Accountants (Firm Registration No: 006179C), to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the Twenty First AGM to be held in the year 2028 (subject to ratification of their appointment at every AGM if so required under the Act), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. Approval for Remuneration to Mr. Prateek Maheshwari under Regulation 17(6)(e)(i) of (Listing Obligations & Disclosure Requirement) Regulation 2015 of SEBI

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

The Company Secretary stated that the remuneration to Mr. Prateek Maheshwari (Managing Director) and promoter of the Company exceeds two-and-half (2.5) percent of the net profits of the Company as calculated under Section 198 of the Act in any financial year be and is hereby approved by the members of the Company for the existing tenure of his appointment i.e. w.e.f. 08-12-2022 to 08-12-2027. Such increment, as per section 198 of the companies Act, 2013, requires approval of the members through special resolution. She also stated that Mr. Prateek Maheshwari, being Managing Director of the Company is interested in the proposed resolution. In furtherance of the same it was resolved that:-

"RESOLVED THAT subject to the Regulation 17(6)(e)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the Companies Act, 2013 (the Act) read with applicable relevant Rules, if any, and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company, as the annual remuneration, upto Rs. 84 Lakhs per annum, payable to Mr. Prateek Maheshwari, promoter and Managing Director exceeds two-and-half (2.5) percent of the net profits of the Company as calculated under Section 198 of the Act in any financial year be and is hereby approved by the members of the Company for the existing tenure of his appointment i.e. upto 08-12-2027.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be required or considered necessary, appropriate, expedient or desirable in regard to the payment of remuneration, as it may in its sole and absolute discretion deem fit to give effect to the aforesaid resolutions."

Dated: 28th September, 2023
Place: Indore

By order of the Board of Directors
For Brand Concepts Limited

Swati Gupta
Company Secretary & Compliance Officer
(ACS: 33016)

Registered Office
140/2/2, Musakhedi Square,
Ring Road, Indore- 452001, (MP)
CIN: L51909MP2007PLC066484
Website: www.brandconcepts.in
Email: swati.gupta@brandconcepts.in

NOTES:

Important dates for members

ANNUAL GENERAL MEETING: Annual General Meeting will be held on **Thursday, 26th day of October, 2023** at 11:00 a.m. through Video Conferencing (VC)/Other Audio-Visual Means ('OAVM) to transact the following business.

CUT OFF DATE: Cut Off Date will be **Thursday,19th October, 2023** to determine the Members entitled to undertake voting electronically on the business and all resolutions set forth in this Notice by remote e-Voting and also by voting at the meeting venue.

REMOTE ELECTRONIC VOTING PERIOD will be from 9.00 a.m. on on Monday, 23rd October, 2023 to 5.00 p.m. on Wednesday, 25th October, 2023, both days inclusive. Remote e-Voting will be blocked after 5.00 p.m. on Wednesday, 25th October, 2023.

BOOK CLOSURE will be from Thursday, 19th October, 2023 to Thursday, 26th October, 2023 (both days inclusive).

1. The Ministry of Corporate Affairs (MCA) has vide its Circular No. 10/2022 dated 28th December, 2022 read with Circular Nos. 2/2022 dated 5th May, 2022, 21/2021 dated 14th December, 2021, 02/2021 dated 13th January, 2021, 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 20/2020 dated 5th May, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting of companies through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without physical presence of the members at a common venue. Further, the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5thJanuary, 2023 read with SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 ("SEBI Circulars") has provided relaxation from compliance with certain provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") regarding sending of hard copy of annual report and proxy form in line with aforesaid MCA Circulars.

2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") and Listing Regulations read with the MCA Circulars and SEBI Circulars, the 16th Annual General Meeting ("AGM"/"Meeting") of the Company is being conducted through Video Conferencing (VC)/Other Audio Visual Means (OAVM). In accordance with Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/ Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company, which shall be the deemed venue of the AGM.

3. Generally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. Since, this AGM is being held through VC/OAVM hence, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members is not available for the AGM and hence, the proxy form and attendance slip are not annexed hereto. However, the Institutional/ Corporate Shareholders are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Since, the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is also not annexed hereto.

4. Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility to attend the AGM through VC/OAVM will be made available for 1000 members on first-come-first-served basis. The 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. are allowed to attend the AGM without restriction on account of first-come-first-served basis.

5. 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.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Thursday, 19th October, 2023 to Thursday, 26th October, 2023, (both days inclusive) for the purpose of AGM and determining the name of members eligible for dividend on equity shares, if declared, at the Meeting.

7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM through VC/OAVM upon log-in to CDSL e-Voting system. All the above documents will also be available electronically for inspection upto the date of AGM. Members seeking to inspect such documents can send an e-mail to swati.gupta@brandconcepts.in.

8. The Company has fixed **19th October, 2023** as the record date for determining entitlement of members to final dividend for the financial year ended on 31st March, 2023, if approved at the AGM.

9. The company has considered payment of dividend 1st time for the financial year 2022-23 and already declared interim dividend @ Re. 0.50 (5%) per equity share on 20-03-2023. and already paid to all eligible shareholders as per the requirements of the law. The Board of Directors has already recommended final dividend @ Re. 0.50 (5%) per equity

share comprising total dividend @ Re. 1.00 (10%) per equity share for the financial year 2022-23.

10. The Dividend, if declared, will be payable to those Equity Shareholders whose names stand on the Register of members as at the close of business hours on 19th October, 2023 and in respect of shares held in the electronic form, the dividend will be payable to the beneficial owners as at the close of hour on 19th October, 2023 as per details furnished by the Depositories for this purpose. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Big Share Services Private Limited (in case of shares held in physical mode) and DPs (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to swati.gupta@brandconcepts.in latest by 19th October, 2023. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to swati.gupta@brandconcepts.in latest by 19th October, 2023.

11. Members holding shares in dematerialised form may please note that their bank account details as furnished by the respective depositories to the Company will be considered for payment/remittance of dividend. The Company or its Share Transfer Agent will neither entertain nor act on any direct request from such members for change/deletion in such bank account details. Further, instructions, if any, already given by them in respect of shares held in physical form, will not be automatically applicable to the dividend to be paid on shares held in dematerialised form. Members may therefore, give instructions regarding bank account details in which they wish to receive dividend to the Depository Participants. Members holding shares in physical form are requested to inform any change in their address or bank mandates to the Company/Share Transfer Agent. In the event the Company is unable to pay dividend to certain members directly in their bank account through Electronic Clearing Service (ECS) or any other means due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Dividend Warrant/Bankers Cheque/Demand Draft to such Members.

12. Members may kindly note that the Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 ("Circular") has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination. The Circular is effective from 1st April, 2023 in supersession of earlier SEBI Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021. As per the Circular, holders of physical securities to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers on or before 30th September, 2023 and advised to link PAN with Aadhar number before 30th June, 2023 or any other date as may be specified by the Central Board of Direct Taxes ("CBDT"). The folios wherein any one of the aforesaid document / details are not available on or after 1st October, 2023 or PAN is not linked with Aadhaar number before 30th June, 2023 or any other date as may be specified by the CBDT shall be frozen by the RTA. The securities in the frozen folio shall be eligible to receive payments (including dividend) and lodge grievances or avail any service request from the RTA only after furnishing the complete documents / details. If the securities continue to remain frozen as on 31st December, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or the Prevention of Money Laundering Act, 2002.

13. In compliance with the above Circular, the Company has already sent the necessary communication to a shareholder holding shares in physical form and the aforesaid Circular and following forms are available on the Company's website at www.brandconcepts.in and on Share Transfer Agent's website at https:// www.bigshareonline.com:

    (i) Form ISR-1 (Register/Change PAN & KYC Details);

    (ii) Form ISR-2 (Confirmation of Signature of securities holder by Bank);

    (iii) Form ISR-3 (Declaration to Opting out Nomination);

    (iv) Form SH-13 (Nomination Form);

    (v) Form SH-14 (Cancellation of Nomination).

    Shareholders holding shares in physical form are requested to use the aforesaid forms for updating their PAN, KYC, Nomination etc.

14. Member may note that as per Regulation 40 of the Listing Regulations, requests for effecting transfer of shares shall not be processed unless the shares are held in dematerialised form with a depository. Further, the shares shall be issued in dematerialised form only while processing the request for transmission, transposition, duplicate, renewal/exchange, sub-division/splitting, consolidation of shares certificate etc. as provided in Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 issued by the Securities and Exchange Board of India.

In this regard, in compliance with the above Circular, the Form ISR-4 (Request for issue of Duplicate Certificate and other Service Requests) is available on the Company's website at https://www.brandconcepts.in/ and on Share Transfer Agent's website at https://www.bigshareonline.com/. In regard to request for transmission of securities by Nominee or legal heir on death of the sole holder of securities, the Form ISR-5 (Request for transmission of securities by Nominee or legal heir) is available on the Company's website at https://www.brandconcepts.in/ and on Share Transfer Agent's website at https://bigshareonline.com/. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, shareholders are advised to dematerialise the shares held by them in physical form.

15. Non-resident Indian shareholders are requested to inform Share Transfer Agent, immediately of:

    (i) the change in the residential status on return to India for permanent settlement; and

    (ii) the particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

16. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company,are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in .

17. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only by e-mail to the members whose e-mail address are registered with the Company/Depositories. The Notice and Annual Report 2022-23 has been uploaded on the website of the Company at www.brandconcepts.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The same is also available on the website of CDSL at www.evotingindia.com. However, hard copy of the Annual Report will be sent to members on request. Members, who wish to update or register their e-mail address, in case of demat holding, may please contact their Depository Participant (DP) and register their e-mail address, as per the process advised by their DP and in case of physical holding, may send a request to Big Share Services Private Limited, the Share Transfer Agent of the Company at info@bigshareonline.com.

18. Members seeking any information or clarification regarding the financial statements or any matter to be placed at the AGM are requested to write to the Company, on or before 19th October, 2023 through e-mail on swati.gupta@brandconcepts.in .

19. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. The Company has connectivity from NSDL and CDSL and equity shares of the Company may be held in dematerialised form with any Depository Participant (DP) with whom the members/investors are having their demat account. The ISIN for the equity shares of the Company is INE977Y01011. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agent of the Company.

20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company or to the Share Transfer Agent at info@bigshareonline.com.

21. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and in compliance with MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. In addition, the facility of voting through e-voting system shall also be made available during the AGM for members of the Company participating in the AGM through VC/OAVM and who have not cast their vote by remote e-voting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM in case of a member participating in the AGM through VC/OAVM will be provided by CDSL.

22. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

23. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and will also be displayed on the Company's website, www.brandconcepts.in.

24. Information pursuant to Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM is furnished in Annexure 1, which is annexed to the Notice and forms part of the Notice. The Director has furnished the requisite consent/ declaration for his re-appointment.

EXPLANATORY STATEMENT (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013) –

In respect of item No.4

Though not statutorily required, the details to Ordinary Business Item Nos. 4 is being provided as additional information to the members. The existing Auditor M/s Maheshwari and Gupta, Chartered Accountants (Firm Registration No: 006179C) was appointed for a period of 5 years which is completing in the ensuing AGM. Therefore, for the rotation of auditors M/s Fadnis and Gupte LLP (Firm Registration No: 006600C/ C400324) are being proposed to be appointed as the statutory auditors of the company for the next 5 years.

In respect of item No.5

Mr. Prateek Maheshwari (DIN 00039340) Managing Director of the Company who also belongs to the promoter group is drawing the annual remuneration more than 2.5% of the net profit of the Company. So in pursuant to the provisions of Regulation 17(6)(e)(i) of (Listing Obligations & Disclosure Requirement) Regulation 2015 of SEBI and other applicable rules, regulations in this regard including any statutory amendments, modifications or re-enactment thereof and all other statutory approvals, the consent of the Members of the Company is required for the fees or compensation payable to executive directors who are promoters or members of the promoter group, if the annual remuneration payable to such executive director exceeds Rs. 5 Crore or 2.5% of the net profits of the Listed Entity, whichever is higher.

As the remuneration exceeds 2.5% of the net profit of the company calculated as per section 198 of the companies Act, 2013 for his existing term of office till 08-12-2027, approval of the members is required for the same. The Board recommends the resolution to be passed as special resolution.

Except Prateek Maheshwari, and Mrs. Annapurna Maheshwari being relative, no other director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 9.00 a.m. on 23rd October, 2023 on and ends on25th October, 2023, at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date19th October, 2023(record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, 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.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This 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.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **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 Depository**	1) Users who have opted for CDSL 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 users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 or joining virtual meeting & voting during the meeting. Additionally, there is 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 then 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 evoting 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 Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following 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 or joining virtual meeting & voting during the meeting. 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 following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	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 website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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 call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) 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.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) 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.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) 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.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) 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.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) 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 & 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 mandatory 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 and to the Company at the email address viz: swati.gupta@brandconcepts.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at swati.gupta@brandconcepts.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at swati.gupta@brandconcepts.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM 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 available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders

may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. 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) by email to swati.gupta@brandconcepts.in.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & 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 Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Annexure 1

Additional information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the brief profile of Directors eligible for re-appointment vide item no. 3 is as follows

Nature of information	Item No. 3 of notice
Name	Annapurna Maheshwari
Date of birth	31/10/1955
Date of Appointment	15/01/2015
Educational Qualification	Qualified Graduate in Bachelor of Home Science from DAVV University Indore.
Expertise in functional areas	She is having vast experience of 38 years in Group Companies. Joined on the Board of Directors of IFF Group in 1994 (Group companies) with her core strengths being Designing and Production.
Details of shares held in the Company	9.92%
List of Companies in which outside directorship held	1) Industrial Filters & Fabrics Pvt Ltd. 2) IFF Overseas Pvt Ltd.
Member/Chairman of Committees of other Companies on which he is a director*	No
Relationship with any Director(s) of the Company	Mother of Mr. Prateek Maheshwari (Managing Director)
Number of board meeting attended during the year	2
Terms and condition of appointment / re-appointment	Liable to retire by rotation
Remuneration to be paid	Directors sitting fees
Last drawn remuneration	NIL
Relationship	There are no inter-se relationship between other board members apart from mentioned above.

* Includes membership/ Chairmanship in Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.

Dated: : 28th September, 2023
Place: Indore

By order of the Board of Directors
For Brand Concepts Limited

Swati Gupta
Company Secretary & Compliance Officer
(ACS: 33016)

Registered Office
140/2/2, Musakhedi Square,
Ring Road, Indore- 452001, (MP)
CIN: L51909MP2007PLC066484
Website: www.brandconcepts.in
Email: swati.gupta@brandconcepts.in

Management Discussion and Analysis

Global economic review

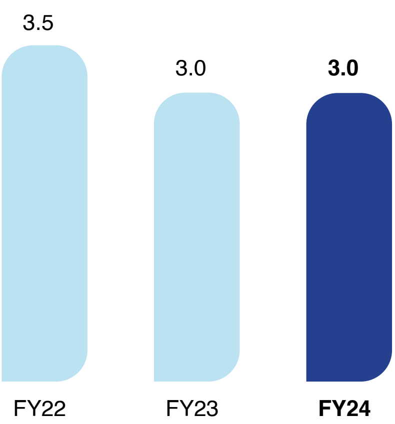
Global economies are largely on the road to gradual recovery although downside risks such as sticky inflation, continued geopolitical tension in Europe and firm interest rates remain. Muted consumer demand, coupled with high commodity prices continues to weigh on future growth prospects.

According to the IMF (July 2023 Outlook), the global economy is likely to register a growth rate of 3% in both FY23 and FY24. Emerging markets and developing economies, including India, are witnessing encouraging growth despite several headwinds emanating from the advanced economies of the world.

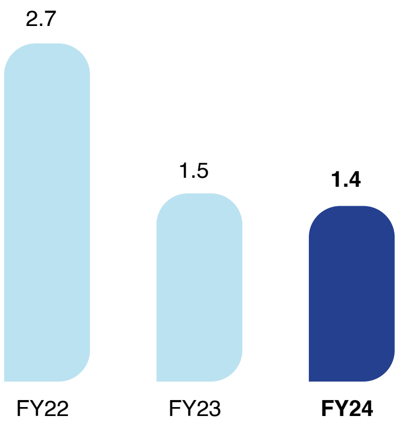
The Central Banks in both advanced and emerging economies are adopting prudent monetary policies to curb inflation and improve the confidence of consumers and investors. Firm inflation trajectory may see a declining trend in the near term across major economies of the world.

Global growth (%)

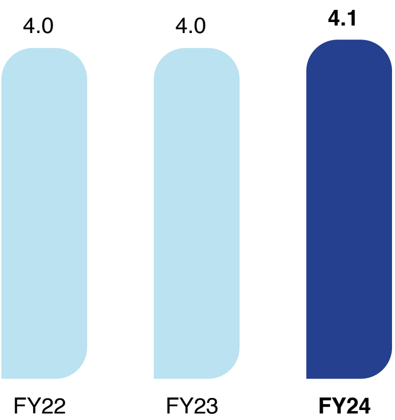
Global economy



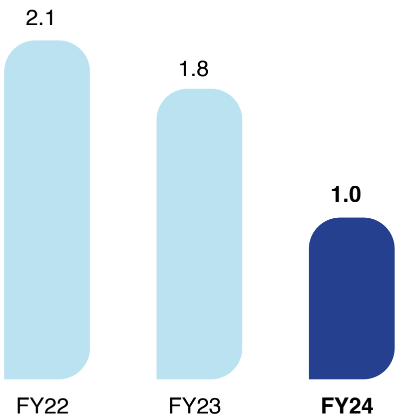
Advanced economies



Emerging Markets and Developing Economies



United States



(Source- IMF World Economic Outlook, July 2023)

Indian economic review

India's economy has maintained its status as one of the world's fastest-growing major economies, despite worries about a global recession. The economy is anticipated to have expanded by 7.2% during FY23 [Source: National Statistical Office] despite challenges such as high inflation, rising commodity prices, and disruptions in global trade due to the on-going geopolitical crises in Europe.[1] To address these issues, the Indian government and the Reserve Bank of India (RBI) have implemented a number of initiatives, and recent declines in the price of commodities suggest that these efforts are starting to pay off in terms of managing inflation.

[1] https://www.pib.gov.in/PressReleasePage.aspx?PRID=1889192

The Index of Industrial Production (IIP) and the Purchasing Manager's Index (PMI) for the manufacturing sector are two additional economic indicators that indicate prospective growth and increased activity in the industrial and manufacturing sectors.

Additionally, government programmes like the Production Linked Incentive (PLI) plan and the 'Atmanirbhar Bharat' (Self-Reliant India) initiative are anticipated to promote economic growth by increasing local output.

Looking ahead, India's real GDP growth is expected at 6.5% in the financial year 24, aided by the government's thrust on infrastructure spending, traction in domestic demand, revival in corporate investments, and a healthy bank credit.

According to the NSO's final estimates, India's GDP grew by 7.2% during FY23.

Industry overview

Global luggage industry

The global luggage market is expected to grow by USD 12,521.44 million from 2022 to 2027. The market is projected to increase at a CAGR of 7.5% from 2022 to 2027. During the estimated period, 39% of the market's growth is expected to originate from Asia-Pacific region (APAC).[2]

China, Japan and India constitute the top three market contributors in APAC. Due to China's increasing population and rising income levels, the Chinese market is projected to have tremendous development potential over the forecast period. The market is also driven by Japan's high per capita spending on luggage products. The global travel and tourism business is expanding, which is a major driver of the market, but there are still obstacles, such as the protracted product replacement cycle, that may limit this growth. The manufacturing of luggage that is both convertible and foldable is a recent trend in the sector. With the advancement of time and technology, the usage of multifunctional baggage has become more widespread.

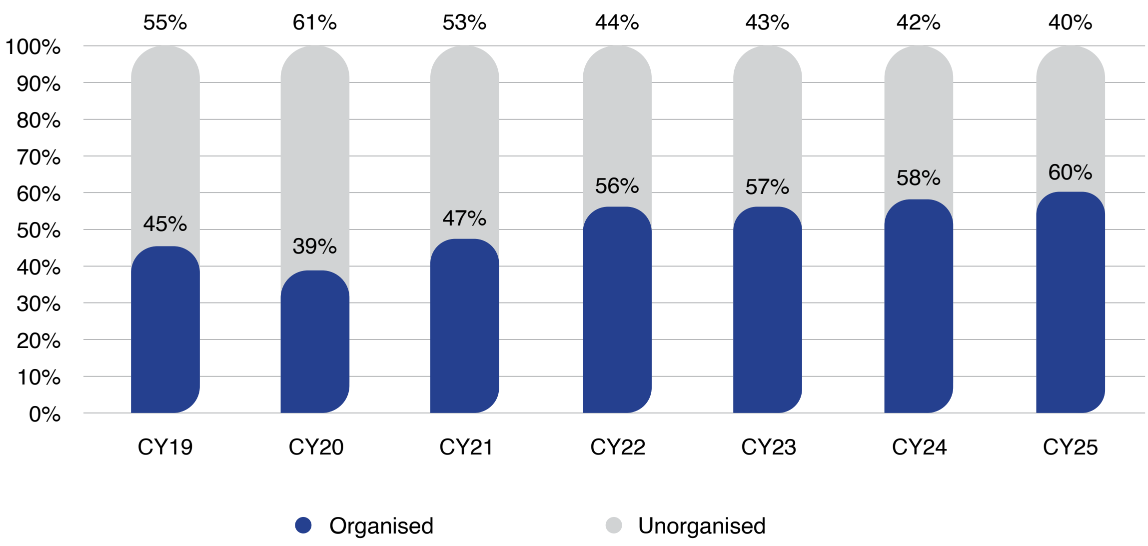
Indian luggage industry

Despite a high-base effect of 40% growth last fiscal year (FY23), India's luggage industry revenue is likely to increase by 15% this fiscal (FY24) due to an increasing penetration of hard luggage made by the organised sector as well as continuing growth in tourism and business travels.[3] Approximately INR 50,000 crore is estimated to be the size of India's luggage market, with branded luggage accounting for 25% of the total.[4] The nearly INR 100 billion Indian luggage and backpack market experienced a 14.2% CAGR from FY15 to FY19 (pre-pandemic), and it is expected to grow by 15% in the years to come.

With both leisure and business travel returning to normalcy significantly, schools and businesses opening up, and rise in weddings/events, the segment's long-term outlook is positive. Domestic air passenger traffic increased by 44% from FY22 to hit 122.7 million in FY23.[5]

Growing disposable income, rising consumer sentiment, competitive airfares, and a wide range of vacation packages contributed to huge growth in tourism. Additionally, with the resumption of scheduled international flights following the relaxation of COVID-induced restrictions in FY23, the tourism industry is expected to grow even faster in the coming years.[6]

Fig 5 - Luggage sector market split



[2]Luggage market 2023-2027: A descriptive analysis of five forces model, market dynamics, and segmentation - Technavio (prnewswire.com)

[3]luggage industry: India's luggage industry revenue set to rise 15 per cent: CRISIL ratings - The Economic Times (indiatimes.com)

[4]India's hard luggage industry headed for market dominance? - India Business and Trade (tpci.in)

[5]The Luggage Sector.pdf (dsij.in)

[6]The Luggage Sector.pdf (dsij.in)

Growth drivers

Consumer preference for hard luggage

One of the key drivers of development is the rising consumer demand for hard baggage. In comparison to soft baggage, hard luggage is seen as being more fashionable and aesthetically pleasing. Additionally, it is lighter, which is also important for travelers.

Growing tourism and corporate travel

Demand for luggage is also being fuelled by the expansion of the tourism and business travel industries. By 2025, 100 million foreign visitors are anticipated to visit India, while the domestic tourism market is anticipated to experience tremendous growth.

Improved operating efficiency and capacity utilisation

Improved operational effectiveness and capacity utilisation benefit the organised sector, which is fuelling margin expansion. The organised players provide competitive costs and superior quality since they have better sourcing networks and economies of scale.

Rise of omni-channel retailing

The current growth in omni-channel commerce bodes well for the Indian baggage sector. As a result, customers can buy baggage through a number of platforms such as traditional stores, internet merchants and social media.

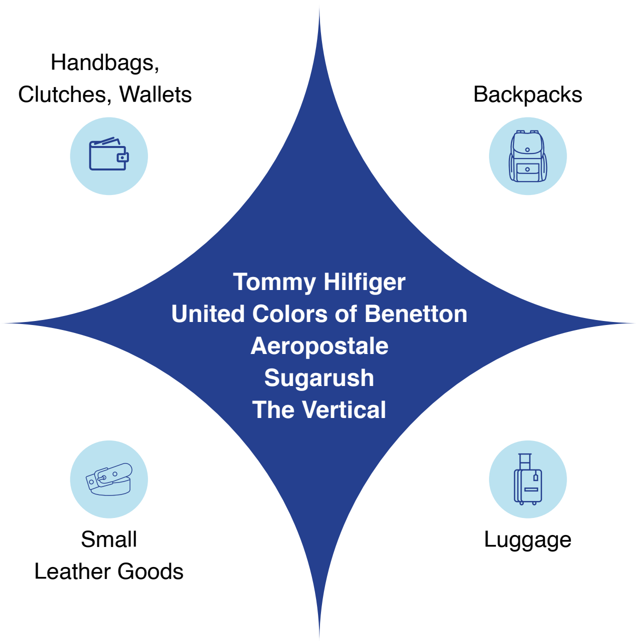
Company overview

Brand Concepts has emerged as a leading platform in licensed fashion and lifestyle products, with a focus on travel gear, bags, and accessories. The Company's portfolio is enriched by globally recognised brands such as Tommy Hilfiger, United Colors of Benetton, Aeropostale, and its own in-house labels, Sugarush and The Vertical. Over the years, the Company has expanded its offerings, displaying adaptability and a keen understanding of market trends.

A proficient internal team comprising merchandisers, account specialists and retail planners works in collaboration with an extensive sourcing network. This combination enables the Company to maintain stringent quality controls and to offer tailored market insights to its retail partners, thereby adding value to its overall services.

The Company employs a multi-channel distribution strategy that leverages both owned and franchised Exclusive Brand Outlets (EBOs) and Multi-Brand Outlets (MBOs). This is supplemented by a presence in large departmental stores and on e-commerce platforms. Through this approach, the Company achieves a wide domestic reach, bolstered by efficient inventory management and rapid speed-to-market capabilities.

Key categories



Financial performance

Particulars (INR Mn)	FY20	FY21	FY22	FY23
Net Sales	712.8	427.9	861.7	1,632.2
EBITDA	42.4	-30.6	77.5	212.4
EBITDA Margin (%)	6.0%	-7.2%	9.0%	13.0%
Profit Before Tax (PBT)	-13.9	-87.0	10.4	134.6
Profit After Tax (PAT)	-11.1	-63.2	7.6	100.4
PAT Margin (%)	-1.6%	-14.8%	0.9%	6.2%
Reported Earnings Per Share (in INR)	-1.05	-5.97	0.66	9.6

Following a financial recalibration during the pandemic, the Company prioritised operational efficiency and fiscal prudence. This emphasis resulted in a 10% dividend payout. Also, the incorporation of United Colors of Benetton and Aeropostale into its focused brand categories, played an instrumental role in strengthening the Company's market standing and revenue, enabling it to exceed the INR 150 crore revenue milestone, closing at INR 163 crore for the year.

- **Net Sales:** Grew from INR 427.9 Mn in FY21 to INR 1,632.2 Mn in FY23.
- **EBITDA:** Improved from INR -30.6 Mn in FY21 to INR 212.4 Mn in FY23.
- **EBITDA Margin:** Changed from -7.2% in FY21 to 13.0% in FY23.
- **PBT:** Rose from INR -87.0 Mn in FY21 to INR 134.6 Mn in FY23 .
- **PAT:** Increased from INR -63.2 Mn in FY21 to INR 100.4 Mn in FY23.
- **PAT Margin:** Shifted from -14.8% in FY21 to 6.2% in FY23.
- **Earnings Per Share:** Advanced from INR -5.9 in FY21 to INR 9.6 in FY23.

Sr. No	Particular	Ratio for FY	
		2022-23	2021-22
1	**Debtor Turnover Ratio** **Formula:** Debtor Turnover Ratio = Net Credit Sales/Average Account Receivable **Definition:** The Debtors Turnover Ratio also called as Receivable Turnover Ratio shows how quickly the credit sales are converted into the cash. This ratio measures the efficiency of a firm in managing and collecting the credit issued to the customers.	6.02 Times	2.68 Times
2	**Inventory Turnover Ratio** **Formula:** Inventory Turnover Ratio = Sales/Inventory **Definition:** The Inventory Turnover Ratio measures how many times a company has sold and replaced inventory during a given period. A company can then divide the days in the period by the inventory turnover formula to calculate the days it takes to sell the inventory on hand.	3.21 Times	2.10 Times
3	**Interest Coverage Ratio** **Formula:** Interest Coverage Ration = EBIT/ Interest Expense **Definition:** The Interest Coverage Ratio measures how many times a company can cover its current interest payment with its available earnings. The ratio is calculated by dividing a company's earnings before interest and taxes (EBIT) by the company's interest expenses for the same period.	3.67 Times	1.74 Times
4	**Current Ratio** **Formula:** Current Ratio = Current Assets/Current Liability **Definition:** The Current Ratio is a liquidity ratio that measures whether a firm has enough resources to meet its short- term obligations. It compares a firm's current assets to its current liabilities, and it expressed as follows. The current ratio is an indication of a firm's liquidity.	1.39 Times	1.33 Times
5	**Debt Equity Ratio** **Formula:** Debt Equity Ratio = Debt/Total Equity **Definition:** The Debt-to-equity Ratio is a financial ratio indicating the relative proportion of shareholder equity and debt used to finance the company's assets. Closely related to leveraging, the ratio is also know as risk, gearing or leverage.	0.90 Times	1.76 Times
6	**Operating Profit Margin Ratio** **Formula:** Operating Profit Margin Ratio = Operating Income/Total Revenue *Operating Income Excluding exceptional item. **Definition:** In business, Operating Margin - also known as operating income margin, operating profit margin, EBIT Margin and return on sales - is the ratio of Operating Income to net sales, usually presented in percent. Net profit measure the profitability of ventures after accounting for all costs.	11.10%	6.80%
7	**Net Profit Margin Ratio** **Formula:** Net Profit Margin Ratio = Net Profit/ Sales **Definition:** The Net Profit percentage is the ratio of after tax profit to net sales. It reveals the remaining profit after all cost of production, administration and financing have been deducted from sales and income tax recognised.	6.15%	0.1%

Segment-wise performance

The total revenue of the company for the financial year 2022-23 has posted gross income of Rs. 163.21 crores as compared to Rs. 86.16 crores in the corresponding previous year, registering a rise of approx. 90 % as compared to previous corresponding year. As a result, your company has posted net profit of Rs. 10.03 crores as compared to Rs 0.76 crores net profit in the corresponding previous year.

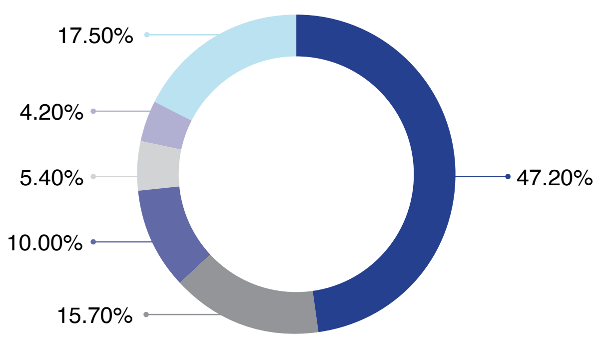
Sales channels

The Company utilises a well-structured omni-channel sales network, which is organised into five primary sales channels:

- **Company-owned outlets:** The Company operates eighteen (18) Company Owned Company Operated (COCO) outlets, each offering a varied range of products from luggage to small leather goods.
- **Franchisee stores:** There are Fourteen (14) Franchisee Owned Company Operated (FOCO) stores that supplement the Company's retail operations. These stores are solely dedicated to the Company's products.
- **MBOs / Retail:** As a strategy to enhance capital efficiency, the Company is in the process of transitioning to a master distributor model. This involves partnerships with various Multi-Brand Outlets (MBOs) across different cities and zones.
- **Third-Party online platforms:** The Company maintains a digital footprint on E-commerce platforms such as Myntra and Amazon, broadening its customer base.
- **Proprietary online platform:** The Company has initiated its own online selling platform, baglineindia.com, which aims to offer a seamless online-to-offline customer experience. This platform is fully integrated with the Company's physical outlets, which also go by the name 'BAGLINE'.

Channel-wise performance

Performance across channels



- Online
- LFS: Large Format Stores
- DND: Dealer and Distributor
- COCO: Company Owned Company Operated Outlets
- FOFO: Franchisee Owned Franchisee Operated Outlets
- LRFS: Licensor Flagship Stores (Tommy Hilfiger Stores)

Opportunities and threats

The Company's strategic focus on India as a high-growth market is informed by several factors including the healthy lead it maintains in terms of its licensed brand, Tommy Hilfiger. The market dynamics suggest an increasing consumer affinity towards e-commerce platforms.

The Company has aptly responded by expanding its online operations, incorporating features such as omni-channel services and a marketplace model. This aligns with consumer behaviour and enables the Company to tap into a wider consumer base. While current operations are focused on Tier 1 and Tier 2 cities, there is potential for penetration into lower-tier cities. Moreover, there are unexplored opportunities in the Southern and Eastern regions of India which could offer significant returns.

On the other hand, there are challenges to navigate. The current geopolitical situation with China stands as a threat to the sourcing cost structure. The Company is in the process of diversifying its sourcing strategy by reducing its dependency on international markets. The aim is to leverage domestic markets for sourcing and, in the near future, to shift towards in-house manufacturing. Additionally, the Company has to contend with the issue of counterfeit products, which poses a considerable challenge to maintaining brand integrity and could impact overall sales.

Additionally, the Company has had to adjust its pricing strategy to cope with the increasing costs of sourcing. While this has led to a moderate increase in product prices, the measure was deemed necessary for maintaining financial stability.

The Company's unique end-to-end involvement in the brand experience—from conceptualisation to distribution—holds it in good stead for ensuring quality and consumer satisfaction. This robust approach has made it an attractive partner for other international brands exploring market entry into India.

Risk management

The Company has a structured risk management framework for the timely and effective identification, assessment, and mitigation of key business and operational risks. The Company prioritises the key risks based on severity and probability. It formulates robust mitigation strategies through appropriate checks and balances to monitor and mitigate identified risks to minimise their impact on the Company's operational and financial performance. Key risks include demand risk, operational risk, personnel risk, and technology risk, among others. The Company is also exposed to various external risks and uncertainties such as economic slowdown, declining demand in key markets, unavailability and high cost of raw materials, and increasing sourcing costs due to the disruption in global supply chains.

Human resources

The Company attributes its success to a strong organisational culture that emphasises four key values: Meritocracy, Youthfulness, Entrepreneurship, and Innovation. This culture is engineered to serve the interests of diverse stakeholders including shareholders, employees, the community and the government. This is driven by a 'people-first' approach that puts honesty and trust first. These values are mirrored in the benefits provided to workers, which promotes an open and dynamic work environment.

Human resources serve as a critical asset in the Company's growth trajectory. Managing a diverse team of over 400 individuals, in addition to a core team of 10, demands considerable organisational effort. In order to reduce the customary high turnover found in the retail business, the Company's people strategy aims to strike a balance between experienced employees for stability and younger talent for development.

A focus on specific skill-sets aligned with business needs ensures that the team remains an asset rather than a liability. The overarching objective is to maintain a talent pipeline that is both robust and adaptable, ensuring a high-performance culture that prioritises accountability.

Outlook

Looking ahead, the Company aims for strong growth with a target CAGR of 30% for the next three to five years. This growth is planned to come from both its existing brands and new additions. The Company's financial objective is to reach a revenue of INR 500 crore in the next four years. The aim is to establish the Company as a key player in the fashion industry for our focus categories.

To achieve these targets, the Company will rely on its core values and the strength of its team. By balancing financial objectives with culture and values, the Company aims to create a sustainable path to significant growth.

Internal control system and their adequacy

The Company maintains a robust system of internal control to safeguard its assets against potential loss, unauthorised usage, or disposition. All financial transactions are duly authorised, meticulously recorded, and accurately reported to the managerial team. The Company adheres strictly to applicable Accounting Standards, ensuring that its financial records and statements are maintained with utmost precision. The internal control mechanisms are tailored to align with the Company's scale and operational scope. Clear delineations of roles and responsibilities are established, and standard operating procedures are enacted to offer a reasonable level of assurance. Periodic internal assessments validate the effective execution of these responsibilities. Suggestions and observations are rigorously evaluated by the Management, resulting in the continual fortification of controls across various business functions.

Disclaimer

Statements made in this report in describing the Company's objectives, projections, estimates, and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Many factors may affect the actual results, which could be different from what the directors envisage in terms of future performance and outlook. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations. The Company assumes no responsibility to publically amend, modify or revise any forward-looking statements, on the basis of subsequent developments, information or events.

Board's Report

To
The Members
Brand Concepts Limited
CIN-L51909MP2007PLC066484
Indore

The Directors hereby present their **16th Director's Report** on the business and operation of the Company together with the standalone & consolidated audited Financial Statements for the financial year ended **31st March 2023**

1. Financial Result:

The Financial Performance of the Company is summarized in the table below:

In Rs.Lacs

Particulars For the year ended	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Net Sales/Income from:-				
1. Business Operation	16,321.63	8,616.68	16,321.63	8,616.68
2. Other Income	38.36	60.64	38.36	60.63
Profit after Depreciation and Interest	1,321.69	104.77	1,321.69	104.77
Less: Current Income Tax	(237.52)	(17.19)	(237.52)	(17.19)
Less: Previous Year adjustment of Income Tax	55.72	17.19	55.72	17.19
Less: Deferred Tax	(159.58)	(28.69)	(159.58)	(28.69)
Net Profit After Tax	1,003.83	76.08	1,003.83	76.08
Dividend (Including Interim if any and Final)	-	-	-	-
Earnings Per Share (Basic)	9.60	0.66	9.36	0.54
Earnings Per Share (Diluted)	9.60	0.66	9.36	0.54

The total revenue of the company for the financial year 2022-23 has posted a gross income of Rs. 163.21 crores as compared to Rs. 86.16 crores in the corresponding previous year, registering a rise of approx. 89.43% as compared to the previous corresponding year. As a result, our company has posted a net profit of Rs. 10.03 crores as compared to Rs. 0.76 crores in the corresponding previous year. This is the very remarkable year for the future growth of the Company in overall capacity building.

2. State of Company's Affairs and Prospects:

In the fiscal year that concluded on 31 March, 2023 there was a notable rebound in the demand for our products across the country. The company observed a continued improvement in net sales trends, our business, financial condition, and operational outcomes considerably improved during the aforementioned period. The efforts of Company to expand its business network through the addition of new Stores and more online selling touchpoints, as well as the optimisation of its existing stores have contributed to the growth momentum. The improvement in overall activity levels supported by resilient consumption patterns has led to higher demand and increased revenue streams.

However, there is no material impact on the Company based on the preliminary estimates the Company does not anticipate any major challenge in meeting the financial obligations on a long-term basis. However, the company's preliminary efforts set back an example for achieving the highest turnover this financial year from the date of inception of the business. The Company has further planned several corrective measures viz. increasing volumes; improving productivity and ensuring overall operational efficiency.

3. Material Changes affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the company that occurred after the end of the financial year till the date of this report.

4. Changes in the Nature of Business

There are no material changes in the nature of business during the year.

5. Dividend:

After considering the Company's profitability, cash flow and overall financial performance, the Board of Directors of the Company had declared an interim dividend of Rs.0.50 per equity share (i.e. 5%) on 20-03-2023 which has already been paid. Now The Board of Directors of the company has already recommended final dividend of Rs. 0.50 per equity share of Rs. 10/- each (i.e. 5%) on 1,05,82,800 equity shares subject to shareholder's approval in the forthcoming Annual General Meeting for the financial year ended

31st March, 2023. Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy is framed by the Company.

6. Transfer to Reserves

For the financial year ended 31st March, 2023, no amount has been proposed to carry to General Reserve. However, Rs. 1,003.85 lakhs have been taken to surplus in the Statement of profit and loss.

7. Change in Share Capital of the Company

During the year under review, there is no change in the authorized, issued, subscribed, and paid-up equity share capital of the Company. As on 31st March 2023, the authorized share capital is Rs. 1500 lakhs, and the issued, subscribed, and paid-up equity share capital is Rs. 1058.28 lakhs.

Preferential offer- However after the close of the financial year the Company has taken approval of members for preferential offer of 500000 Equity Shares @ Rs. 309.21 per share aggregating to Rs. 15,46,05,000 on preferential allotment basis and opened the offer for that purpose as on the date of this report. This will result change in paid up capital after the allotment.

8. Change in the Registered Office of the Company

During the year under review the company had made application to Regional Director, Western Region for shifting of Registered Office of Company from the State of Maharashtra, within the jurisdiction of ROC Mumbai to the State of Madhya Pradesh. The Regional Director, Western Region being satisfied, vide its order dated 9th May 2023 bearing Ref no. **RD/section 13/SRN AA1293025/604** allowed the application for shifting of Registered Office of the Company from the State of Maharashtra, within the jurisdiction of ROC Mumbai to the State of Madhya Pradesh. Thereafter pursuant to filing of form INC-22 of MCA V3 portal the Registered Office of the Company is shifted from the State of Maharashtra at Lotus Star, Plot No. D-5, Road No. 20, Marol MIDC, Andheri East Mumbai, MH 400093 IN to the State of Madhya Pradesh at **140/2/2 Musakhedi Square Indore G.P.O. MP 452001** with effect from the ROC Certificate dated 30-6-2023.

9. Subsidiary, Associate, and joint Venture Companies:

The Company has one Associate Company named 7E Wellness India Private Limited which was incorporated on 26-03-2021 and became an associate company as there is more capital infusion from another investor named 7E Wellness INC USA with the stake of 51% & Brand Concepts Limited with 49% capital contribution. The Financial Statement of the Company is prepared along with the Financial Statement of 7E Wellness India Private Limited.

The turnover of associate company for the financial year 2022-23 is Rs. 19.96 Lakhs (Previous year 1.57 Lakhs) showing good increase and the loss before tax is Rs. 61.47 Lakhs (previous year loss Rs. 35.99 Lakhs). The Company is recovering well.

10. Consolidated Financial Statement

In accordance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with Indian Accounting Standards specified under the Companies (Indian Accounting Standards) Rules, 2015, the consolidated financial statements of the Company as at and for the year ended 31st March, 2023 forms part of the Annual Report.

11. Deposits:

The Company has not accepted any fixed deposit from the public during the financial year ended 31st March, 2023 within the meaning of sections 73 to 76 of the Companies Act, 2013. However, pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT -3 for outstanding receipt of money/loan by the Company, which is not considered as deposits. The Company is complying with the relevant provisions.

12. Loans, Guarantees, and Investment

The company has not extended inter-corporate loans and guarantees to any company. However, on October 20, 2022, a second infusion of Rs. 23,35,000 was made as the investment in 7E Wellness India Private Limited, associate company. The details of this transaction have been disclosed in the financial statement hence not repeated herein for the sake of brevity. The company has not forwarded any loan to its associate Company during the financial year under review.

13. Transactions with related parties

As specified under the provisions of section 188 of the Companies Act, 2013, the contracts and arrangements entered into with related parties were in the ordinary course of business and on an arm's length basis. Further, during the year under review, no material related party transactions were entered into by the Company. All related party transactions are placed before the Audit Committee and approved through the Omnibus mode in accordance with the provisions of the Companies Act, 2013, and Listing Regulations for its approval. The Board has taken on record all transactions with related parties. Suitable disclosures as required are provided as per accounting standards which forms part of the notes to the financial statement. The policy on Related Party Transactions is uploaded on the Company's website www.brandconcepts.in. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "**Annexure-I**" in Form **AOC-2** and the same forms part of this report.

14. Employee Stock Option Plan ESOP-2020

The Company has framed Brand Concepts Employee Stock Option, 2020 ("ESOP'20") pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder and the SEBI (Share Based Employee Benefits) Regulations, 2014 as approved by the members, which helps the Company to retain and attract the right talent. The Nomination and Remuneration Committee monitors the Company's ESOP Scheme.

After the closing of the financial year, the company has granted 240000 options on 19-04-2023 to the eligible employee, who is whole-Time Director & CFO of the company and 25000 Options were excercised on 26-07-2023 by senior management person. The disclosure pursuant to the provisions of Regulation 14 of the SEBI (Share Based Employee Benefits& Sweat Equity) Regulations, 2021 read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated 16th June 2015 and Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is given in **Annexure II** and also disclosed on the website of the Company and can be accessed at http://www.brandconcepts.in. The ESOP 2020 is in compliance with applicable provisions of the Companies Act, 2013, and SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

15. Conservation of Energy, Technology, and Foreign Exchange Earnings and outgo

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014 are set out below.

(A) Conservation of Energy:

The Company is engaged in trading activities so conservation of energy is not applicable to it.

(B) Technology absorption, Adaption, and Innovation

The Company has not imported any technology from Abroad. Innovation is a constant process and the Company has been engaged in improving product design, material cost, productivity, etc. as part of this process.

(C) Foreign exchange Earnings and Outgo:

The details of total foreign earnings and outgo are as follows.

Earnings in Foreign Currency	: Nil
Expenses in Foreign Currency	: Nil
Value of Imports on C.I.F Value	: Rs. 14,01,55,402
Travelling Expenses	: Nil
Royalty in foreign Currency	: Nil

16. Directors' responsibility statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures.

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c) 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 assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) proper internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and were operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

17. Directors and key managerial personnel

The Board of Directors of the Company is a balanced one with an optimum mix of Executive and Non-Executive Directors. They show active participation at the board and committee meetings, which enhances transparency and adds value to their decision-making. The Board takes the strategic decisions, frames the policy guidelines, and extends wholehearted support to business heads and associates.

As of 31st March 2023, the Board of the Company consists of Seven (7) Directors. Mr. Govind Shrikhande (DIN: 00029419) and Mr. Narendra Kabra (DIN: 06851212) have joined as Non-Executive Independent Directors of the Company during the year. Mr. Manish Saksena (DIN: 08014657) and Mr. Kushagra P Toshniwal (DIN: 07117429) were reappointed as Independent Directors for the second term of 5 consecutive years during the year. Mr. Prateek Maheshwari (DIN: 00039340) was reappointed as Managing

Director and Mr. Abhinav Kumar (DIN: 06687880) was reappointed as, Executive Director and Chief Financial Officer respectively during the year.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Annapurna Maheshwari (DIN-00038346) is liable to retire by rotation and being eligible offers herself for reappointment as director of the company. The composition and category of Directors as well as of KMPs are as follow:

Sr. no.	Name of Director	Designation	DIN
1	Mr. Prateek Maheshwari	Managing Director	00039340
2	Mr. Abhinav Kumar	Executive Director & CFO	06687880
3	Mrs. Annapurna Maheshwari	Non-Executive Director	00038346
4	Mr. Narender Tulsidas Kabra	Independent Director	06851212
5	Mr. Kushagra P Toshniwal	Independent Director	07117429
6	Mr. Manish Saksena	Independent director	08014657
7	Mr. Govind Shrikhande	Independent Director	00029419
8	Ms. Swati Gupta	Legal Head & Company Secretary	-

The Directors on the Board have submitted a notice of interest under section 184(1) i.e. in MBP 1, intimation u/s 164(2) i.e. in Form DIR 8, and declaration as to compliance with the code of conduct of the Company. The brief resume and other information of Mrs. Annapurna Maheshwari, as required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2), are given in the Notice of the ensuing Annual General Meeting, which forms part of the Annual Report.

Mr. Prateek Maheshwari, Managing Director, Mr. Abhinav Kumar, Executive Director and Chief Financial Officer and Ms. Swati Gupta, Company Secretary and Compliance Officer are the key managerial personnel of the Company. During the year under review, there was no change in the key managerial personnel of the Company.

18. Appointment of Directors and their Remuneration

The Board of Directors in consonance with the recommendation of Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy, which, inter alia, deals with the criteria for identification of members of the Board of Directors and selection/appointment of the Key Managerial Personnel/Senior Management Personnel of the Company and their remuneration. The Nomination and Remuneration Committee recommends appointment of Directors based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Companies Act, 2013 and Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Nomination and Remuneration Committee, in addition to ensure diversity, also considers the impact the appointee would have on Board's balance of professional experience, background, view-points, skills and areas of expertise.

The Nomination and Remuneration Policy is uploaded on the website of the Company and the web link of the same is https://www.brandconcepts.in/wp-content/uploads/2022/07/Nomination-and-Remuneration-Policy.pdf

19. Annual Performance Evaluation of Board, Committees and Directors

In compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Independent Directors was carried out during the year.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information, and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, the performance of non-independent directors, and the performance of the Board as a whole was evaluated.

20. Familiarization Program for Independent Directors

Your Company has in place a Familiarization Program for Independent Directors to provide insights into the Company's Business to enable them to contribute significantly to its success. The Senior Management made presentations to familiarize the Independent Directors with the strategic operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company www.brandconcepts.in .

21. Declaration from Independent Directors

All the Independent Directors have given their declarations pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 read with rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in the opinion of the Board, the Independent Directors meet the said criteria. All independent Directors registered themselves in the Data Bank of Independent Directors maintained by IICA and have qualified for the proficiency test within the stipulated period.

During the year under review, the Independent Directors duly met the terms and conditions pursuant to the provisions as specified in Schedule IV of the Companies Act, 2013 and the quorum was present throughout the meeting.

22. Meetings of the board and Composition of committees

The Directors of the Company met at regular intervals with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters. During the year under review, the Board of Directors met **9 (Nine)** times on the following dates-

Sr. no.	Date of meeting	Board Strength	No. of directors present
1	04/04/2022	7	4
2	25/05/2022	7	5
3	29/07/2022	7	5
4	03/09/2022	7	4
5	10/11/2022	7	5
6	25/11/2022	7	4
7	09/01/2023	7	5
8	03/02/2023	7	5
9	20/03/2023	7	4

As required under Section 177(8) read with Section 134(3) of the Companies Act, 2013 and the Rules made thereunder, the composition and meetings of the Audit Committee are in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of which alongwith composition, number of meetings of all other Board Committees held during the year under review and attendance at the meetings are provided in the Report on Corporate Governance, which forms part of the Annual Report. During the year under review, all the recommendations of the Audit Committee were accepted by the Board of Directors.

23. Extract of annual return

Ministry of Corporate Affairs (MCA) vide notification dated 28/08/2020 has notified that the Extract of Annual Return (in Form MGT 9) is not required to be enclosed with the Board Report, the Company is only required to disclose the web link in the Board Report where the annual return referred to in subsection (3) of section 92 is placed for the Financial Year ended 31stMarch 2023 & onwards. Accordingly, the web link for the company is www.brandconcepts.in for the annual return form MGT 7 for 2022-23.

24. Disclosure of Ratio of remuneration of Directors and Key Managerial Personnel etc.

As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement of disclosure of remuneration and such other details as prescribed therein is given in **Annexure-III**.

25. Particulars of employees

The Company has no employees, who are in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000/- per annum, and hence the Company is not required to give any information under Sub-rule 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 statement containing the names and other particulars of the top ten employees in terms of remuneration drawn by them is available on the website of the company www.brandconcepts.in". In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members excluding the aforesaid **Annexure-IV**. This Annexure will be available on the website of the Company 21 days prior to the date of the AGM. The information is also available for inspection by the Members at the Registered office of the company during business hours on all working days except Saturday, Sunday & Public Holidays up to the date of the

AGM. Any member desirous of obtaining a copy of the said Annexure may write to the Company Secretary by email at swati.gupta@brandconcepts.in.

26. Management Discussion and Analysis Report

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V (B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) forms part of this Annual Report.

27. Corporate Governance

Pursuant to Regulation 34 read with para C and E of Schedule V of SEBI (LODR) Regulations, 2015, Report on Corporate Governance and a certificate obtained from the Practising Company Secretary (Secretarial Auditor) regarding the compliance of conditions of Corporate Governance forms part of this Annual Report.

Pursuant to Regulation 34 read with para C Clause 10(i) of Schedule V of SEBI(LODR) Regulations, 2015 a certificate obtained from the Practising Company Secretary (Secretarial Auditor) related non- dis-qualification of Directors form part of this Annual Report.

28. Compliance with Secretarial Standards

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2).

29. Auditors and their Report

i. Statutory Auditors

M/s Maheshwari & Gupta, Chartered Accountants, Indore (ICAI Firm Registration No. 006179C) are the statutory auditors of the Company for the year ended 31st March 2023, who were appointed in the Annual General Meeting held in the year 2018 for a term of 5 years that is upto Annual General Meeting to be held in the year 2023. Accordingly the board has recommended M/s Fadnis & Gupte LLP, Chartered Accountants, Indore (ICAI Firm Registration No. 006600C/ C400324) as statutory auditors of the Company for the consecutive period of five years until the conclusion of Annual General Meeting of the Company to be held in the year 2028, therefore a resolution for appointment of auditor is being proposed in the Annual General Meeting. The appointment of a statutory auditor is as per the provisions of Section 139 of the Companies Act, 2013.

ii. Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed Ms. Manju Mundra, Practising Company Secretary of Manju Mundra & Co., as Secretarial Auditors of the Company for the Financial Year 2022-23. The Secretarial Audit Report for FY 2022-23 is annexed herewith as **Annexure "V"**.

iii. Cost Auditors

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit or maintenance of cost records are not applicable to the Company.

iv. Internal Auditors

The Company has M/s B Mantri & Co, a Chartered Accountant Firm (Registration No: 013559C) as Internal Auditors to conduct an internal audit of the function and activities of the Company for the year 2022-23. The Audit Committee of the Board of Directors in consultation with the Internal Auditors, formulates the scope, functioning, periodicity, and methodology for conducting the internal audit.

30. Statutory Auditor's report and secretarial audit report

The Statutory Auditors report for the financial year ended 31st March 2023 is self-explanatory and does not contain any qualification, reservation, or adverse remark. No fraud u/s 143(12) was reported by the auditor.

The Secretarial Auditors report for the financial year ended 31st March 2023 does not contain any qualification, reservation, or adverse remark. The observations made by secretarial auditors are being taken care of by the management.

31. Internal Control System and their Adequacy

As per Section 134(5)(e) of the Companies Act 2013, the Company has an adequate system of internal control to safeguard and protect from loss, unauthorized use, or disposition of its assets. All the transactions are properly authorized, recorded, and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal control system is commensurate with its size and scale of operations. Roles and responsibilities are clearly defined and assigned. These controls ensure the safeguarding of assets, reduction, and detection of fraud and error, adequacy and completeness of the accounting records, and timely preparation of reliable financial information. Internal checks from time to time ensure that responsibilities are executed effectively. The observations and good practices suggested are thoroughly reviewed by the Management and appropriately implemented for strengthening the controls of various business processes.

32. Risk management and analysis

The Company has in place a mechanism to identify, assess, monitor, and mitigate various risks to Key business objectives. The Company's internal control system has reviewed its expense and overall working capital cycle of the company to overcome the complexity and the challenges that the company mayf ace due to any situation. Major risks identified by the Board and systematic steps taken to mitigate on a continuous basis.

33. Vigil Mechanism/Whistle Blower Policy

In terms of the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism which includes formulation of the Whistle Blower Policy to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud, instances of leak of unpublished price sensitive information that could adversely impact the Company's operations, business performance and/or reputation. No employee is denied access to the Vigilance Officer as well as Chairman of the Audit Committee. The Policy provides that the Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that requisite standards of professional and ethical conduct are always upheld. The policy is available on the website of the Company and the web link of the same is http://www.brandconcepts.in.

34. Material Orders of Court, Tribunal, etc.

As required under section 134(q) of the Companies Act, 2013 there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operations in the future.

35. Provisions of Sexual Harassment of Women

The provisions/requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and the Rules made thereunder are being followed by the Company and the company is providing the proper environment for working to all employees and has proper internal control Mechanism for prevention, prohibition and redressal of sexual harassment at workplace. The Company has complied with the provisions of the constitution of the Internal Complaints Committee under the Act. There were no cases/complaints filed under this Act during the year.

36. Corporate Social Responsibility

As per the provisions of section 135 of the Companies Act, 2013 Corporate Social Responsibility **(CSR)** is not applicable to the Company for the year 2022-23. However it became applicable for the financial year 2023-24 due to increase in net profit in excess of limits prescribed for the year ended 31st March 2023 i.e. immediately preceding financial year. However, the requirement of constitution of Corporate Social Responsibility Committee is not applicable to the company during this year. The company is in process of complying with the provisions related to CSR.

37. Other Disclosures

a) The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day-to-day business operations of the company and is available on the website of the Company at www.brandconcepts.in.

b) The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI(Prohibition of Insider Trading) Regulation, 2015 as revised, with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price-sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for the implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price-sensitive information and the code of conduct for the prevention of insider trading is available on the website of the Company at www.brandconcepts.in.

c) Policy on determining material subsidiary of the Company is available on the website of the Company at www.brandconcepts.in.

d) The Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

e) The company has not made any settlement and no loan has been taken from any bank or financial institution.

38. Cautionary Note:

Certain statements in the "Management Discussion and Analysis" section may be forward-looking and are stated as required by the applicable laws and regulations. Many factors may affect the actual results, which could be different from what the directors envisage in terms of future performance and outlook.Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting the selling prices of finished goods, availability of inputs and their prices, changes in the

Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in the future on the basis of subsequent developments, information, or events.

Annexures forming part of the Board's report

a part of this Report:

Annexure	Particulars
I	Related Party Transactions in AOC 2
II	Disclosure under regulation 14 of SEBI ESOP Regulations
III	Disclosure of Ratio of remuneration of Directors and Key Managerial Personnel etc.
IV	Particulars of Top Ten Employees
V	Secretarial Audit Report

39. Human Resources and Industrial Relations:

Your Company has been able to operate efficiently because of the developing culture of professionalism, integrity, dedication, commitment, and continuous improvement shown by its employees in all functions and areas of business. Our basic objective is to ensure that a robust talent pipeline and a high-performance culture, centered on accountability are in place. We feel this is critical to enable us to retain our competitive edge.

40. Appreciation:

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, suppliers, consultants, Auditors, bankers and other authorities.

The Directors also thank the Central Government of India and concerned Government Departments/Agencies for their cooperation. The directors appreciate and value the contributions made by every member of the company.

For and on behalf of the Board of
Brand Concepts Limited

	Prateek Maheshwari	**Abhinav Kumar**
Place: Indore	Managing Director	Whole-Time Director
Dated: 28th September, 2023	DIN- 00039340	DIN-06687880

Annexure I to Board's Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under the third proviso thereto.

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   Brand Concepts Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2022-23.

2. **Details of material contracts or arrangements or transactions at arm's length basis:**

   a) Name(s) of the related party and nature of the relationship:

      1. IFF Overseas Private Limited- Related Group Company
      2. 7E Wellness India Pvt Ltd- Associate Company
      3. Ara Designs, Proprietor Purva Kumar, wife of Director Mr. Abhinav Kumar
      4. Govind S Shrikhande, NED & Independent Director

   b) Nature of contracts/ arrangements/ transactions:

      1) Purchase of Goods and rent
      2) Purchases and Service provided
      3) Design fees paid
      4) Consultancy fees paid

   c) Duration of the contracts/ arrangements/ transactions:

      Ongoing

   d) Salient terms of the contracts or arrangements or transactions including the value, if any:

      The order contains the basic details like delivery terms, payment terms, pricing, and other terms.

      1) The value of purchase transactions is Rs. 856.10 Lacs from IFF Overseas Pvt Ltd & Rs. 17.7 Lakhs as Rent amount.
      2) The value of purchase transactions is Rs. 6.96 Lacs from 7E Wellness India Pvt Ltd and services provided of Rs. 14.09 Lacs from during the year.
      3) The design fees paid to Ara Designs is Rs. 11.8 Lakhs during the year.
      4) Consultancy fees of Rs. 1,00,000 per month totaling Rs. 12 Lakhs.

   e) Date(s) of approval by the Board, if any: in previous years and noted regularly in Audit Committee meeting and Board meetings as per law.

   f) Amount paid as an advance, if any: NIL

For and on behalf of the Board of
Brand Concepts Limited

	Prateek Maheshwari	**Abhinav Kumar**
Place: Indore	Managing Director	Whole-Time Director
Dated: 28.09.2023	DIN- 00039340	DIN-06687880

ANNEXURE- II

Disclosure under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI Regulations') and Section 62 (1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

A. RELEVANT DISCLOSURES IN TERMS OF THE ACCOUNTING STANDARDS PRESCRIBED BY THE CENTRAL GOVERNMENT IN TERMS OF SECTION 133 OF THE COMPANIES ACT, 2013 INCLUDING THE 'GUIDANCE NOTE ON ACCOUNTING FOR EMPLOYEE SHARE-BASED PAYMENTS' ISSUED IN THAT REGARD FROM TIME TO TIME:

B. DILUTED EARNINGS PER SHARE (EPS) ON ISSUE OF EQUITY SHARES ON EXERCISE OF EESOPS PURSUANT TO EESOPP 2018 IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD (IND AS) 33 'EARNINGS PER SHARE':

C. DETAILS RELATED TO ESOP 2020

Sr. no.	Particulars	Brand Concepts Limited Employee Stock Option 2020
(i)	A description of each ESOS scheme that existed at any time during the year, including the general terms and conditions of each ESOP scheme, including:	
a)	Date of shareholders' approval	29-09-2020 and 07-05-2022
b)	Total number of shares approved under the ESOP scheme	**529140** (Five Lacs Twenty-Nine Thousand One Hundred and Forty) shares of the face value of Rs. 10/- each
c)	Vesting requirements	ESOPs granted under ESOP 2020 will vest after a minimum period of one year but not later than a maximum period as may be decided by Compensation Committee from the grant date as per vesting schedule mentioned in the grant letter on meeting the vesting conditions as specified in ESOP 20
d)	ESOP Price or Pricing Formula	ESOP Granted on 23-03-2021 at Rs. 25/- per share
e)	Maximum term of ESOP granted	Discretionary as decided by Compensation Committee.
f)	Source of Shares (Primary, secondary or combination)	Primary
g)	Variation in terms of option	Variation was done as per shareholders' approval on 7-5-2022 and accordingly period of Exercise was increased.
(ii)	Method used to account for ESOP – Intrinsic or fair value	Fair value
(iii)	Where the company opts for expensing of options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable
(iv)	option movement during the year (For each ESOP)	NA
a)	Number of Options outstanding at the beginning of the year	75000
b)	Number of Options granted during the year	NIL
c)	Number of Options forfeited/lapsed during the year	NIL
d)	Number of Options vested during the year	25000

Sr. no.	Particulars	Brand Concepts Limited Employee Stock Option 2020		
e)	Number of Optionsexercised during the year	NIL		
f)	Number of shares arising as a result of exercise of options	NIL		
g)	Money realized by exercise of options (INR), if Scheme is implemented directly by the Company	NA		
h)	Loan repaid by the Trust during the year from exercise price received	NA		
i)	Number of Options outstanding at the end of the year	75000		
j)	Number of ESOPs exercisable at the end of the year	25000		
v)	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Market price-		
vi)	Employee wise details (name of employee, designation, number of ESOP granted during the year, exercise price) of ESOP granted to:			
	a) Senior managerial personnel (including key managerial personnel);	**Name & Designation**	**No. of ESOPs exercised during the FY22-23**	**Exercise Price**
		Mr. Nabendu Chakraborty Chief Operating Officer	25000	Rs. 25 per share
	b) Any other employee who receives a grant in any one year of amounting to 5% or more of option granted during the year	NIL		
	c) Identified employees who were granted options during any one year, equal to or exceeding 1% of the issued capital of the company at the time of grant.	NA		

vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:-

Sr. no.	Particulars	Brand Concepts Limited Employee Stock Option 2020
	a. the weighted average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; b. the method used and the assumptions made to incorporate the effects of expected early exercise: c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and d. Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	
	Disclosure in respect of grants made in three years prior to IPO under each ESOS	Not Applicable

For and on behalf of the Board of Directors of
Brand Concepts Limited

Abhinav Kumar
Whole time Director and
CFO DIN: 06687880

Prateek Maheshwari
Managing Director
DIN: 00039340

Place: Indore
Date: 28th September, 2023

ANNEXURE III

Statement pursuant to section 197(12) of the Companies Act 2013 and rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rule 2014.

Requirements of Rule 5 (1)	Details
i. The ration of the remuneration of each director to the median remuneration of the employee of the company for the financial year;	Mr. Prateek Maheshwari – 48.00 Lacs Per Annum Mr. Abhinav Kumar – 84.00 Lacs Per Annum The median remuneration of the employee of the company was Rs. 1.59 Lacs Per Annum
ii. The percentage increase in remuneration of each director, chief financial officer chief executive officer, company secretary or manager if any in the year;	Directors and KMP Mr. Prateek Maheshwari- (15.41%) Mr. Abhinav Kumar- 55.56% Ms. Swati Gupta (CS)- 42%
iii. The percentage increase in the median remuneration of employees in the financial year	During this financial year, the percentage increase in the median remuneration of employee is 8.16%
iv. The number of permanent employees on the rolls of company	There were 451 employees as on 31st March, 2023
v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification there of and point out if there are any exceptional circumstances for increase in the managerial remuneration:	The average annual increase in salary/wages of the employees was approx. 13% (other than managerial personnel)
vi. Affirmation that the remuneration is as per the remuneration policy of the company remuneration policy of the company	Yes

ANNEXURE-V

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

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

To,
The Members,
Brand Concepts Limited
CIN-L51909MP2007PLC066484
140/2/2 Musakhedi Square
Indore- 452001 MP

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Brand Concepts 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 my opinion thereon.

Based on our verification of the company'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 authorized 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 commencing from 1st April, 2022 and ended on 31st March, 2023 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 maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

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

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

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

(iv) 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; to the extent applicable.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable during the audit period)**;

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable during the audit period);**

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the audit period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable during the audit period)**.

(vi) The management of the Company has informed that there is no Industry specific law applicable to the Company as the Company is a trading entity.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India as amended from time to time.

(ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company.

We further report that the compliance by the Company of applicable financial laws has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. The Company has a proper system of compliance of these laws. The Company had installed software for maintaining structured digital database and other records as required under Insider Trading Regulations during the year.

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

OBSERVATIONS:

As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I report that-

a) Under the provisions of the Companies Act and the rules and regulations made thereunder the Company has filed eforms with the Registrar of Companies within time except few forms which were delayed due to procedural delay or few forms not filed as required. Further few changes were suggested in the reporting system of annual documents and accepted by the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, having more than 50% of the total number of directors as Independent Directors. There was reappointment of Independent Directors, Managing Director and Whole-Time Director etc. during the year under review.

The company has one associate company during the year 2022-23.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent, 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.

All decisions were carried through unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be. There is no dissenting view of members to capture and record as part of the minutes.

We further report that based on the review of compliance mechanism established by the Company and on the basis of the Compliance Certificates issued and taken on record by the Board of Directors at their meetings, and explanation and representation made by the Company and its Officers, we are of the opinion that the management has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances having a bearing on the company's affairs and have no other Major issues like

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc. However, the Board has proposed preferential issue of shares after the close of the financial year.

(ii) The Company has passed resolution and filed application for shifting of its registered office from the state of Maharashtra to the state of Madhya Pradesh and got the certificate of concerned Registrar of Companies on 30-06-2023 i.e. after the closure of the financial year.

(iii) Redemption / buy-back of securities.

(iv) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.

(v) Merger / amalgamation / reconstruction etc.,

(vi) Foreign technical collaborations.

For Manju Mundra & Co.

CS Manju Mundra
Proprietor
FCS No.- 4431, CP No.- 3454
PR No. 1667/2022
UDIN- F004431E001107588

Place : Indore
Date : 28th September,2023

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE “A”

To,
The Members,
Brand Concepts Limited
CIN-L51909MP2007PLC066484
140/2/2 Musakhedi Square
Indore- 452001 MP

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

1. 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.

2. 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 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.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

For Manju Mundra & Co.

CS Manju Mundra
Proprietor
FCS No.- 4431
C P No.- 3454

Place : Indore
Date : 28th September, 2023

Corporate Governance Report

(Forming Part of the 16th Board's Report, for the year ended 31st March 2023)

Corporate Governance is about commitment to maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, and emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of the Board of Directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation, and independence, and so on. The new Act emphasizes self-regulation, greater disclosure, and strict measures for investor protection. Your company is committed to adopting the best practices in corporate governance and disclosure. It is our constant endeavor to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance strives for attaining the optimum level of transparency and accountability in all facets of its operation and dealing with its shareholders, employees, lenders, creditors, customers, and the government. The Company is in compliance with the requirements stipulated under SEBI (LODR) Regulation, 2015 with regard to Corporate Governance and also has taken certain steps to ensure transparency and accountability. Your company shall continue to follow the same with a desire for further development on a continuous basis. The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity.

The Company has always worked towards building trust with shareholders, employees, customers, suppliers, and other stakeholders based on the principles of good corporate practices. The Board of Directors, by considering itself as a trustee of its shareholders, aims at maximizing shareholder value and protecting the interest of all stakeholders.

BOARD OF DIRECTORS:

Composition:

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with One Woman Director and more than fifty percent of the Board of Directors comprising of Non-Executive Directors. During the year, the Board comprised of 7 (seven) Directors of whom 2 (two) are Executive Directors, 1(one) is Non-executive Director, and 4 (four) are Independent Directors.

The composition of the Board of Directors of the Company is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulation, 2015.

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

Directors' Profile:

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors is as under:

Name of Directors	Prateek Maheshwari (Executive Director)	Abhinav Kumar (Executive Director)	Annapurna Maheshwari (Non-Executive Director)	Govind Shridhar Shrikhande (Non-Executive Independent Director)	Narender Tulsidas Kabra (Non-Executive Independent Director)	Kushagra Praveen Toshniwal (Non-Executive Independent Director)	Manish Saksena (Non-Executive Independent Director)
DIN:	00039340	06687880	00038346	00029419	06851212	07117429	08014657
Date of Birth	12/11/1981	15/01/1981	31/10/1955	07/09/1960	29/09/1957	20/10/1981	02/10/1971
Date of Appointment in the current term	09/12/2022	09/12/2022	21/12/2022	23/03/2022	01/11/2021	15/12/2022	09/12/2022

Name of Directors	Prateek Maheshwari (Executive Director)	Abhinav Kumar (Executive Director)	Annapurna Maheshwari (Non-Executive Director)	Govind Shridhar Shrikhande (Non-Executive Independent Director)	Narender Tulsidas Kabra (Non-Executive Independent Director)	Kushagra Praveen Toshniwal (Non-Executive Independent Director)	Manish Saksena (Non-Executive Independent Director)
Expertise / Experience in specific functional areas	Having worked in the US for over 6 years in the Travel Gear Industry, he possesses vast experience in the field of Brand Licensing and Fashion Gear manufacturing. He is looking after policy matters, organizational development and overall administration of our company. His role in the company as Managing Director is most suitable considering his present role in the Company's day to day management.	He started his career with Advertising after that he moved on to head the marketing activities of Tommy Hilfiger with Murjani Group. He was not only instrumental in launching 10 different categories under Tommy Hilfiger Brand but also a part of the core team which brought in the other brands. He is taking care of overall business and market development of the Company.	She is having vast experience of 33 years in Group Companies. Joined the Board of Directors of IFF Group in 1994 (Group companies) with her core strengths being Designing and Production.	Mr. Shrikhande is rich in experience of over 34 years in the entire chain of fabrics to apparel to multi-format retailing. He is an advisor to various companies and startups. He has also served as Managing Director of Shopper stop and the Company tripled their stores during his tenure.	He is having experience of about 34 years in Indian banking with a specialized focus in the credit areas of the business, Credit risk management, Information Technology, and Human Resources.	He is having about 15 years of rich experience in Marketing and Sales. He has been actively involved in his own family business engaged in manufacturing and distributing measuring instruments. Besides this, he is also an active Director in Nivo Instruments Private Limited and Toshbro Controls Private Limited.	A Lifestyle Specialist with 22 years of experience in Design, Product Management, Marketing, Store Design, Visual Merchandising, and back in the Retail Industry. He has been instrumental in creating landmark changes in the Lifestyle Industry in India through his experience in new and different formats of retail.

Qualification	He has completed his MBA from S.P. Jain Institute, Mumbai	He has done his MBA from Symbiosis, Pune.	She is a qualified Graduate (B. HSC.).	Mr. Shrikhande holds a degree in Textile Technology (B. Text) from VJTI, Mumbai, and Master in Marketing (MBA) from Symbiosis Institute of Management, Pune.	Mr. Kabra is a bachelor in Technology (Textile) from The Technological Institute of Textile & Sciences.	He holds a degree of B.E. in Instrumentation and Control.	Course in St. Stephen College New Delhi and London School of Fashion.
No. & % of Equity Shares held	11,01,000 (10.40%)	7,63,000 (7.21%)	10,50,000 (9.92%)	-	-	-	-
List of outside Company's directorship held including Listed Companies if any.	1) Industrial Filters & Fabrics Private Limited 2) IFF Overseas Private Limited 3) 7E Wellness India Private Limited	1) SAM Industries Limited 2) 7E Wellness India Private Limited	1) Industrial Filters & Fabrics Private Limited 2) IFF Overseas Private Limited	1) V-Mart Retail Limited 2) Donear Industries Limited 3) India Retails & Hospitality Private Limited 4) S D Retail Private Limited 5) Radiance Areo Hospitality Services Private Limited	1) Systango Technologies Limited	1) Toshbro Controls Private Limited 2) Nivo Holdings Private Limited	-

Qualification	**He has completed his MBA from S.P. Jain Institute, Mumbai**	**He has done his MBA from Symbiosis, Pune.**	**She is a qualified Graduate (B. HSC.).**	**Mr. Shrikhande holds a degree in Textile Technology (B. Text) from VJTI, Mumbai, and Master in Marketing (MBA) from Symbiosis Institute of Management, Pune.**	**Mr. Kabra is a bachelor in Technology (Textile) from The Technological Institute of Textile & Sciences.**	**He holds a degree of B.E. in Instrumentation and Control.**	**Course in St. Stephen College New Delhi and London School of Fashion.**
Chairman / Member of the Committees of the Board of Directors of the Company	-	1) Audit Committee -Member 2) Stakeholders Relationship Committee - Member	1) Stakeholders Relationship Committee – Chairperson 2) Nomination and Remuneration Committee - Member	-	1) Audit Committee – Chairperson 2) Nomination and Remuneration Committee – Chairperson	1) Nomination and Remuneration Committee – Member 2) Stakeholders Relationship Committee – Member	1) Audit Committee Member
Chairman / Member of the Committees of the Board, of other Companies in which he is director	NIL	1) Chairman - Audit Committee of Sam Industries Ltd 2) Member of Nomination and Remuneration Committee. 3) Member of Stakeholders Relationship Committee	NIL	1) Member of the Audit committee- V Mart Retail 2) Member of CSR Committee: V Mart Retail 3) Member of NRC: V Mart Retail 4) Chairman of NRC: Donear Industries.	NIL		NIL
Directors Interest	Belongs to the Promoter Group of the Company	4) Member of the Company	Belongs to the Promoter Group of the Company.	-	-	-	-

During the financial year 2022-23, the board of Directors met **9 (Nine) times on 04th April 2022, 25th May 2022, 29th July 2022, 03rd September 2022, 10th November 2022, 25th November 2022, 09th January 2023, 03rd February 2023, and 20th March 2023.** The time gap between any two meetings did not exceed 120 (One Hundred Twenty) days.

Relationship between Director inter-se

Mr. Prateek Maheshwari and Mrs. Annapurna Maheshwari are relatives (Son-Mother). No other Director is related to any other Director on the Board of the Company.

A. The composition of the Board of Directors and their attendance at the meeting during the year were as follow:

Name of the Directors	Category	Designation	No. of Board meetings held during the F.Y.	No. of Board meetings attended during the F.Y.	Whether attended the last AGM held on December 21st 2022
Prateek Maheshwari	Promoter & Executive Director	Managing Director & Chairman	9	9	Yes
Abhinav Kumar	Executive Director	CFO & Whole Time Director	9	9	Yes
Annapurna Maheshwari	Non-Executive Director	-	9	2	Yes
Govind Shridhar Shrikhande	Non-Executive Independent Director	-	9	7	Yes

Name of the Directors	Category	Designation	No. of Board meetings held during the F.Y.	No. of Board meetings attended during the F.Y.	Whether attended the last AGM held on December 21st 2022
Narender Tulsidas Kabra	Non-Executive Independent Director	-	9	7	Yes
Kushagra Praveen Toshniwal	Non-Executive Independent Director	-	9	4	-
Manish Saksena	Non-Executive Independent Director	-	9	3	-

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

The Board of Directors collectively possesses a diverse set of skills and expertise that contribute to the effective governance of the company. The combined skills of the directors include:

1. Brand Management and Licensing
2. Marketing and Business Development
3. Design and Production
4. Retail and Multi-Format Operations
5. Financial Management
6. Corporate Governance and Strategic Planning
7. Organizational Development
8. Customer Focus
9. Technology and Innovation
10. Risk Management and Compliance

By combining these collective skills and expertise, the Board of Directors ensures a well-rounded and comprehensive approach to corporate governance, driving the company's growth, profitability, and sustainability.

C. Matrix Setting out Skills / Expertise / Competencies:

<table>
<tr><th>Skills / Expertise / Competencies</th><th>Mr. Prateek Maheshwari (Managing Director)</th><th>Mr. Abhinav Kumar (WTD & CFO)</th><th>Mrs. Annapurna Maheshwari (NED)</th><th>Govind Shridhar Shrikhande</th><th>Narender Tulsidas Kabra</th><th>Manish Saksena</th><th>Kushagra Praveen Toshniwal</th></tr>
<tr><td>Knowledge about Company’s product</td><td colspan="7">Excellent</td></tr>
<tr><td>Behavioural skills</td><td colspan="7" rowspan="6">Effectively using in the Company</td></tr>
<tr><td>Business Strategy</td></tr>
<tr><td>Sales & Marketing</td></tr>
<tr><td>Corporate Governance</td></tr>
<tr><td>Administration</td></tr>
<tr><td>Decision Making</td></tr>
<tr><td>Financial Skills</td><td colspan="2">Excellent</td><td colspan="2">Having a limited level</td><td>Excellent</td><td colspan="2">Having a limited level</td></tr>
<tr><td>Management skills</td><td colspan="7">Excellent</td></tr>
<tr><td>Technical skills</td><td colspan="3">Excellent</td><td colspan="3">Excellent</td><td>Having a limited level</td></tr>
<tr><td>Professional skills</td><td colspan="7">Excellent</td></tr>
<tr><td>Specialized knowledge in relation to Company’s business</td><td colspan="7">Excellent</td></tr>
</table>

D. Independent Directors' Meeting:

During the year a separate meeting of the Independent Directors was held on 29/07/2022 inter-alia to review the performance of Non-Independent Directors and the Board as a whole. All the Independent Directors were present at the meeting.

E. Familiarization programs for the Independent Directors:

Familiarization programs for the Independent Directors were conducted to familiarize them with the company, their roles, rights, and responsibilities in the company, the nature of the industry in which the company operates, the business model of the company, etc. Besides the above Independent Directors attended regularly various seminars organized by the ICSI, ICAI, and other statuary Bodies.

The same may also be accessed through the link https://www.brandconcepts.in

F. Declarations:

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013, and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, has verified the veracity of such disclosures and confirms that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

G. Detailed Reason for the resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reasons other than those provided:

There is no resignation of any independent Director during the Financial Year.

COMMITTEES OF THE BOARD

(A) AUDIT COMMITTEE:

Composition, Meetings, and Attendance:

The Committee presently comprises three members, comprising executive and non-executive Independent directors. The chairman of the committee is Mr. Narendra Kabra

The Committee met five (5) times during the financial year 2022-23 on **25th May 2022, 29th July 2022, 10th November 2022, 3rd February 2023, and 20th March 2023.** Details of the meeting attended by the members are as follows:

Particulars/ Status	Nature of dues	Period
Mr. Narendra Kabra (Chairperson)	Non-Executive Independent Director	5 of 5
Mr. Kushagra P Toshniwal (Resigned on 10.11.2022)	Non-Executive Independent Director	2 of 3
Mr. Abhinav Kumar (Member)	Whole-time Director	5 of 5
Mr. Manish Saksena (Appointed 10.11.2022)	Non-Executive Independent Director	1 of 2

The Company Secretary of the Company is a permanent invitee and attended all the meetings of the committee. Also, Vice President (Finance) attended one of the committee meetings as an invitee.

The constitution of the Committee meets the requirement of section 177 of the Companies Act, 2013, and Listing Regulations.

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. 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;
2. Recommendation for appointment, remuneration, and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    b. Changes, if any, in accounting policies and practices and reasons for the same.

c. Major accounting entries involving estimates based on the exercise of judgment by management.

d. Significant adjustments made in the financial statements arising out of audit findings.

e. Compliance with listing and other legal requirements relating to financial statements.

f. Disclosure of any related party transactions.

g. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;

8. Approval or any subsequent modification of transactions of the Company with related parties;

9. Scrutiny of inter-corporate loans and investments

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors;

18. To review the functioning of the Whistle Blower Mechanism;

19. Approval of appointment of CFO after assessing the qualifications, experience, background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. Review of information by Audit Committee.

21. Consider and comment on the rationale, cost-benefits, and impact of schemes involving mergers, demergers, amalgamation, etc., on the company and its shareholders.

The Audit Committee reviews the following information:

1. Management discussion and analysis of the financial condition and results of operations;

2. Statement of significantly related party transactions (as defined by the Audit Committee) submitted by management;

3. Management letters/letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal, and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.

(B) NOMINATION AND REMUNERATION COMMITTEE:

Composition, Meetings, and Attendance:

The Committee comprises the Members as stated below. The Committee during the financial year 2022-23 had 1(One) meeting on 20th March 2023. The attendance of the members was as under.

Name of the Director	Category	Number of meetings attend
Mr. Narender Kabra (Chairman w.e.f. 10-11-22)	Non-Executive & Independent Director	1 of 1
Mrs. Annapurna Maheshwari (Member) (chairperson till 10-11-22)	Non-Executive Director	1 of 1
Mr. Kushagra Toshniwal (Member)	Non-Executive & Independent Director	0 of 1

Terms of Reference of Nomination and Remuneration Committee:

The Remuneration Committee is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 and Section 178 and other provisions of the Companies Act, 2013 and is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes, and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, Key Managerial Personnel, and other senior employees;

2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors, and the Committees thereof;

3. To devise a policy on Board Diversity;

4. To identify persons, qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and where necessary, their removal.

5. To formulate policy ensuring the following:

    a. The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,

    b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and

    c. Remuneration to Directors, Key Managerial Personnel, and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

    d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.

6. To design Company's policy on specific remuneration packages for Executive/ Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;

7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ Whole-time Directors and Key Managerial Personnel of the Company from time to time;

8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/ Whole Time Directors, Senior Management Personnel, and Key Managerial Personnel of the Company;

9. Any other matter as may be assigned by the Board of Directors.

Remuneration Policy:

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director, and other matters provided under section 178(3) is uploaded on Company's website. (www.brandconcepts.in).

Performance evaluation criteria for Independent Directors:

Pursuant to the governing provisions of the Companies Act, 2013, the Listing Regulations and Guidance Note on Board evaluation issued by SEBI, a formal annual evaluation was carried out by the Board of its own performance, its Committees and individual Directors including Independent Directors. During the year under review, a meeting of the Independent Directors was held without presence of non-independent directors and members of the management, wherein the performances of non-independent directors, Chairman and the Board of Directors, as a whole were evaluated. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of Committees and Independent Directors was carried out by the Board, excluding the Director being evaluated, inter alia, taking into account the criteria for evaluation formulated by the Nomination and Remuneration Committee and as envisaged in the Guidance Note on Board evaluation issued by SEBI. The Directors were evaluated to ascertain feedback on parameters, which, inter alia, comprised of level of engagement and their contribution to strategic planning and other criteria based on performance and personal attributes. The performance of the Independent Directors was also evaluated based on additional criteria viz. independence and independent views and judgment.

The structured evaluation process was focused on identifying areas of improvement, if any, such as creating balance of power between the Board and management, long term strategy, more effectively fulfilling the Board's oversight responsibilities, contribution, commitments, Brand image etc. The Directors expressed their satisfaction with the evaluation process

(C) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

During the period under reporting 1 (One) meeting of the Stakeholders Relationship Committee was held on **09th January 2023** which was attended by all the members.

The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. To resolve the grievances of the security holders of the company including complaints related to the transfer/ transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.

2. To review measures taken for the effective exercise of voting rights by shareholders.

3. To review adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. To review the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The composition, names of the members, chairperson, and particulars of the Meetings and attendance of the members during the year are as follows:

Name of the Director	Category	Number of meetings attend
Ms. Annapurna Maheshwari (Chairperson)	Non-Executive Director	0 of 1
Mr. Abhinav Kumar (Member)	Whole Time Director	1 of 1
Mr. Kushagra Toshniwal (Member)	Non-Executive & Independent Director	1 of 1

Name, designation and address of the Compliance Officer

Ms. Swati Gupta
Company Secretary and Compliance Officer
Brand Concepts Limited
140/2/2 Musakhedi Square G.P.O.
Indore - 452001, Madhya Pradesh, India
E-mail: swati.gupta@brandconcepts.in

Details of shareholders/investors complaints

The Company and the Share Transfer Agent attend the grievances of the shareholders received directly or through SEBI, Stock Exchanges and other statutory regulatory authorities.

The details of shareholders/investors complaint are as under:

Complaint outstanding as on 1st April, 2022	0
Compliant received during the financial year ended 31st March, 2023	0
Compliant resolved during the financial year ended 31st March, 2023	0
Complaint outstanding as on 31st March, 2023	0

(D) RISK MANAGEMENT COMMITTEE:

The constitution of Risk Management Committee is not mandatory for company as specified in regulation 21(5) of Listing Regulations.

TERMS OF APPOINTMENT & REMUNERATION: MD / WTD

Particulars	Prateek Maheshwari (MD)	Mr. Abhinav Kumar (WTD)
Period of Appointment/Reappointed	09.12.2022	09.12.2022
A. Salary Grade (w.e.f.: 01.10.2021) Salary w.e.f. 09-12-22	not exceeding Rs 6,50,000- / per month inclusive of all allowances and perquisites Rs. 691666 p.m. and other allowances	not exceeding Rs 4,50,000/- per month inclusive of all allowances and perquisites Rs. 7,00,000 p.m. and other allowances
B. Exempted Category	Contribution to PF, Gratuity, Leave Encashment as per Rules, Directors Obligation Insurance Premium	Contribution to PF, Gratuity, Leave Encashment as per Rules, Directors Obligation Insurance Premium
C. Facilities to perform the Companies work (Perquisites)	Car, Telephone, Internet &Cell and Electricity & water etc.	Car, Telephone, Internet & Cell etc.
Minimum Remuneration	As per provisions of the Companies Act, 2013read with Schedule V of the Act	As per provisions of the Companies Act, 2013 read with Schedule V of the Act
Notice Period	6 months from either side	6 months from either side.

REMUNERATION – NON-EXECUTIVE DIRECTORS/INDEPENDENT DIRECTORS

Particulars	Mrs. Annapurna Maheshwari	Mr. Govind Shrikhande*	Mr. Kushagra Toshniwal	Mr. Manish Saksena	Mr. Narendra Kabra
Sitting Fees for the period 2022-23 (Rs)	-	1,75,000	1,50,000	1,00,000	3,00.000

* The company is paying consultancy fees of Rs. 100000/- per month to Mr. Govind Shrikhande, Non- Executive Independent Director.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS -- NA

GENERAL BODY MEETINGS:

A. Annual General Meetings:

Financial Year	Date of AGM	Venue	Time	No. of special resolutions passed other than Ordinary Business
2021-22	21/12/2022	Video Conferencing (VC)/Other Audio-Visual Means (‘OAVM)	10:30 a.m.	6
2020-21	30/09/2021	Video Conferencing (VC)/Other Audio-Visual Means (‘OAVM)	10:30 a.m.	1
2019-20	29/09/2020	Video Conferencing (VC)/Other Audio-Visual Means (‘OAVM)	10:30 a.m.	3

B. POSTAL BALLOT

Two postal ballots were done during the financial year 2022-23 on 7th May, 2022 and 11th February 2023. The aforesaid postal ballot was conducted through remote voting by electronic means (“remote e-voting”) held between 8th April 2022 to 7th May 2022 and 12th January 2023 to 11th February 2023, assisted by Central Depository Services Limited (CDSL). The details pertaining to this Postal Ballot were published in one English National Daily Newspaper circulating widely (in the English Language) and one Regional Daily Newspaper circulating in Mumbai (in Vernacular language, i.e. Marathi). For the same, the Company has appointed Ms. Manju Mundra (COP-3454), Proprietor of Manju Mundra & Co., Practicing Company Secretary, Indore to act as Scrutinizer who submitted the report on 08.05.2022 and 11.02.2023. The details of Special Resolutions passed through postal ballot during the year are as follows:

1. Appointment of Mr. Narendra Kabra (DIN: 06851212) as an Independent Director in terms of Section 149 of the Companies Act, 2013.
2. Appointment of Mr. Govind S Shrikhande (DIN: 00029419) as an Independent Director in terms of Section 149 of the Companies Act, 2013.
3. Approve payment of Remuneration to Mr. Govind S Shrikhande (DIN: 00029419) as Non-Executive Independent Director.
4. Approval of the amendment of ESOP (Employee Stock Option Plan), 2020.
5. Approval for Grant of Stock options 1% or more of the issued share capital of the Company.
6. Re-appointment of Mr. Prateek Maheshwari (DIN: 00039340) as a Managing Directors of the Company.
7. Re-appointment of Mr. Abhinav Kumar (DIN: 06687880) as the Chief Financial Officer and the Executive Director of the Company.

MEANS OF COMMUNICATION:

The company regularly intimates it’s Un-Audited Quarterly, half-yearly as well as Audited yearly Financial Results to the Stock Exchange immediately after these are taken on record/ approved by the Board. These financial results are published in the Free Press Journal (English) and in Nav Shakti (Marathi), the vernacular newspaper. The results of the company are also available on the website of the company, at https://www.brandconcepts.in/financial-results/, the website of NSE at https://www.nseindia.com,and on the website of BSE at https://www.bseindia.com. The presentations made to institutional investors/ analysts may be accessed at https://www.brandconcepts.in/investor-presentation/.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Date, Time, and Venue	On Thursday, 26th October, 2023, at 11:00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purposes 140/2/2 Ring road square, Musakhedi, Indore-452001, M.P. India shall be deemed as the venue for the Meeting.
E-voting period	From 09.00 am (IST) on Monday, 23rd October, 2023 to 05.00 pm (IST) on Wednesday, 25th October, 2023
Financial Year	April 1, 2022, to March 31, 2023
Dividend Payment Date	The company declared interim dividend of Rs. 0.5 (5%) per equity share on 20/03/2023 and paid on 10/04/2023 Record date is 22 September, 2023 for recommended final dividend of Rs. 0.5 (5%) per equity share
Listing on Stock Exchanges	The equity shares of the company are listed at a. National Stock Exchange of India Limited (NSE) b. BSE Limited (BSE) The Company has timely paid the Annual listing fees for the financial year 2022-2023 to BSE and NSE.
Stock Codes	543442 (BSE) BCONCEPTS (NSE)
ISIN NO	INE977Y01011
Financial Calendar Results for the quarter ending : 30th June 2022 30th Sept 2022 31st Dec., 2022 31st Mar, 2023	On or Before 14th August 2022 On or Before 14th November 2022 On or Before 14th February, 2023 On or Before 30th May, 2023
Registrars and Share Transfer Agents	Big Share Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park Next to Ahura Centre, Mahakali Caves Road, Andheri East Mumbai – 400093 (MH)
Share Transfer System	Due to an amendment in SEBI (LODR) Regulation, 2015 from 1st April 2019 no physical transfer of shares is allowed except in case of transmission, if any. All matters pertaining to share transfer and related activities are handled by the Share Transfer Agent of the Company who are fully equipped to carry out the transfers of shares. In case of shares in electronic form, the transfer are processed by NSDL/CDSL through respective depository participants. The request for dematerialisation of equity shares is confirmed/ rejected within an average period of fifteen days. Transmission requests were processed for shares held in dematerialised form and physical form within seven days and twenty one days respectively, after receipt of specified documents, complete in all respect. The Company follows the Regulation 40 of the Listing Regulations, 2015. The Company obtains from Company Secretary in practice a yearly certificate of compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations and file the same with stock exchanges.
Commodity price risk or foreign exchange risk and hedging activity	The usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements.
Plant Location	N.A
Address of Correspondence	140/2/2 Ring road square, Musakhedi, Indore-452001, M.P. India

MARKET INFORMATION:

Stock Market Price Data:

Monthly high/low during the year 2022-23 at NSE & BSE Limited, Mumbai:

Share price performance in comparison to broad based indices

Distribution of Shareholding as of March 31, 2023

	NSE			BSE		
Month	**High Price**	**Low Price**	**No. of Shares Traded (In Lacs)**	**High Price**	**Low Price**	**No. of Shares Traded (In Lacs)**
Apr-22	119.35	63.60	6.14	117.45	65.45	0.74
May22	131.50	89.00	2.25	131.85	92.50	0.84
Jun-22	117.45	86.90	1.68	117.60	91.40	0.55
Jul-22	147.15	113.30	3.10	143.45	111.75	0.72
Aug-22	151.90	119.95	2.11	150.60	120.05	0.47
Sep-22	213.15	133.10	9.80	212.80	133.60	2.50
Oct-22	208.90	173.10	1.43	210.95	171.55	0.46
Nov-22	272.10	165.75	7.12	274.30	166.15	3.10
Dec-22	290.40	227.00	2.84	295.00	222.95	1.05
Jan-23	304.80	255.00	2.10	307.85	255.00	0.61
Feb-23	277.00	205.95	3.43	278.40	208.20	0.65
Mar-23	237.90	204.10	3.27	237.90	205.55	0.51

Months	**Shareholder Numbers**	**% of Shareholder**	**Share Amount in Rs.**	**% Total**
Upto -1000	2832	90.53	271014	2.56
1001-2000	90	2.87	137949	1.30
2001-3000	56	1.79	150199	1.41
3001-4000	29	0.92	103577	0.97
4001-5000	18	0.57	86119	0.81
5001-10000	37	1.18	273892	2.58
10001-20000	29	0.92	415384	3.92
20001-30000	9	0.28	222383	2.10
30001-40000	3	0.09	109707	1.03
40001-50000	5	0.15	227036	2.14
50001-100000	8	0.25	512634	4.84
100001-Above	12	0.38	8072906	76.28
	3128	**100**	**10582800**	**100**

+*(Source website of NSE & BSE Limited)

Dematerialization of Shares as of 31/03/2023:

CATEGORY	**NO. OF SHARES**	**%**
Total number of De-mat shares with NSDL	24,92,854	23.55
Total number of De-mat shares with CDSL	77,98,286	73.69
Total number of Physical shares	2,91,660	2.76
TOTAL	**10582800**	**100.00**

Outstanding GDR/ADR/Warrants or any Convertible instruments, conversion date and likely impact on equity:

There are no GDRs/ADRs/Warrants outstanding as on 31st March, 2023. The company has 75000 outstanding Employees Stock Options (ESOP) issued to Vice President of the Company.

OTHER DISCLOSURES:

A. Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There is also no material significant transaction with related parties.

B. Strictures and Penalties

The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authority on matter relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by these authorities on matter relating to capital markets.

C. Vigil Mechanism/Whistle Blower Policy

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open-door policy where employees have access to the Head of the business/ function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

As part of our corporate governance practices, the company has adopted the Whistle blower policy that covers our directors and employees. The policy is provided pursuant to SEBI (LODR) Regulation, 2015 on our website, www.brandconcepts.com. and also annexed with the Board Report.

D. The Company has complied with the mandatory requirements of Regulation 17 to 27 and Regulation 46 and other applicable regulations of the Listing Regulations, to the extent applicable to the Company.

E. Subsidiary Companies

The Company does not have any subsidiaries, but it has an associate named 7E Wellness India Private Limited since 26th December 2021. The details of the associate and its performance are included in the Board Report. The company's policy on Material Subsidiaries can be viewed at www.brandconcepts.com.

F. The Audit Committee and the Board have approved a policy for related party transactions which has been uploaded on the Company's website at www.brandconcepts.com.

G. Details of Commodity price risks and commodity hedging activities

There is no Commodity Price Risk and Commodity Hedging activity during the year ended on 31st March, 2023.

H. Proceeds from public issues, rights issues, preferential issues, etc. - NA

The Company has not raised money through an issue (public issues, rights issues, preferential issues, etc.) during the year under review.

I. Certificate from Practicing Company Secretary:

Certificate for disqualification of directors as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS Manju Mundra (CP No. 3454), that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

A compliance certificate from CS Manju Mundra (CP No. 3454), pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance with conditions is attached.

J. Where the Board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year.

Your Board affirms that there are no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.

K. Total fees for all services paid by the company and its subsidiary on a consolidated basis, to the statutory auditors and all entities in the network of which the statutory auditor is a part.

The company has paid the auditors Rs. 2.20 Lakhs for the year 2022-23 as audit fees. The company has no subsidiary.

L. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment in the workplace. The details relating to the number of complaints received and disposed of during the financial year 2022-23 are as under:

a. Number of complaints filed during the financial year: NIL

b. A number of complaints disposed of during the financial year: NIL

c. Number of complaints pending as of the end of the financial year: NIL

M. The Company has no subsidiary company so no point of loans and advances in the nature of loans to any firm/ company.

N. The Company has no material Subsidiary.

NON – COMPLIANCE OF ANY REQUIREMENTS OF CORPORATE GOVERNANCE REPORT- The Company has complied with all the requirements of corporate Governance.

COMPLIANCE UNDER NON-MANDATORY/ DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS REQUIREMENTS OF LISTING REGULATIONS:

The Company complied with all mandatory requirements and has adopted non-mandatory requirements as per the details given below:

a) The Board:

The Company does not have Non-Executive Chairman.

b) Shareholder's Rights:

The quarterly and half-yearly results are published in the newspaper, displayed on the website of the Company, and sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

c) Audit Qualification:

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

The company has not appointed any Chairman. Normally meetings are being chaired by Mr. Prateek Maheshwari or as decided in the meetings. Only Managing Director is appointed.

e) Reporting of Internal Auditor:

The Internal Auditors of the Company report to the Audit Committee.

DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The disclosure of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations are given below:

Regulation	Particulars of Regulation	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT:

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has adopted the code of conduct for all its Directors and Senior Management which has been displayed on the Company's website www.brandconcepts.in. All Board members and senior management personnel have affirmed compliance with the code on an annual basis. A declaration to this effect by the MD of the Company forms part of this Annual Report.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulating trading in securities by the Directors and designated employees of the Company which is available on the company's website www.brandconcepts.in. The Company Secretary & Compliance Officer is responsible for the implementation of the Code.

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY

Ms. Manju Mundra (CP No. 3454), Proprietor of M/s Manju Mundra & Co., Company Secretaries has certified that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

MD/CFO CERTIFICATION:

The MD and the CFO have issued a certificate pursuant to the provisions of Regulation 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of this Annual Report.

RECONCILIATION OF SHARE CAPITAL AUDIT:

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by Practicing Company Secretary

For and on behalf of the Board

(Prateek Maheshwari)
Chairman & Managing Director
DIN: 00039340

Place: Indore (M.P.)
Date: 28th September, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTOR

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations)

To,
The Members,
Brand Concepts Limited
CIN-L51909MP2007PLC066484
140/2/2 Musakhedi Square, Indore
Madhya Pradesh-452001 IN

I have examined the relevant registers, records, forms, returns and disclosures of the **Brand Concepts Limited** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V. Para-C Subclause 10(I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March, 2023 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 other Statutory Authority.

Sr. no.	Date of meeting	Designation	DIN	Date of Appointment
1.	PRATEEK MAHESHWARI	Managing Director	00039340	01/04/2010
2.	ABHINAV KUMAR	Executive Director & CFO	06687880	12/09/2013
3.	ANNAPURNA MAHESHWARI	Non Executive Director	00038346	15/01/2015
4.	NARENDER TULSIDAS KABRA	Independent Director	06851212	01/11/2021 (2nd Term)
5.	KUSHAGRA PRAVEEN TOSHNIWAL	Independent Director	07117429	15/12/2022 (2nd Term)
6.	MANISH SAKSENA	Independent Director	08014657	09/12/2022 (2nd Term)
7.	GOVIND SHRIDHAR SHRIKHANDE	Independent Director	00029419	23/03/2022 (1st Term)

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to issue certificate based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manju Mundra & Co.

CS Manju Mundra
Proprietor
FCS No.- 4431, CP No.- 3454
PR No. 1667/2022
UDIN: F004431E001107676

Place : Indore
Date : 28th September, 2023

ANNEXURE VI

COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,
The Board of Directors
Brand Concepts Limited

A. We have reviewed the Standalone & Consolidated Financial Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2022-23 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the Financial Year 2022-23.

   2. significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and

   3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, Brand Concepts Limited

Prateek Maheshwari
Managing Director
DIN: 00039340
Place: Indore (MP)
Date: 28th September, 2023

For, Brand Concepts Limited

Abhinav Kumar
Chief Financial Officer
AOXPK1790C

Declaration by the Managing Director under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct

In accordance with SEBI (LODR) Regulation, 2015 with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2023.

For, Brand Concepts Limited

(Prateek Maheshwari)
Managing Director
DIN: 00039340

Place: Indore
Date: 28th September, 2023

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) and Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Brand Concepts Limited
CIN-L51909MP2007PLC066484
140/2/2 Musakhedi Square, Indore
Madhya Pradesh-452001 IN

I have examined the compliance of conditions of Corporate Governance by **Brand Concepts Limited** (hereinafter referred as “Company”) for the financial year ended 31st March, 2023 as prescribed under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to review of procedures and implementation thereof 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.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the management, I certify that the Company has complied with the applicable conditions of Corporate Governance as stipulated in the Listing Regulations for the financial year 2022-23.

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 Manju Mundra & Co.

CS Manju Mundra
Proprietor
FCS No.- 4431, CP No.- 3454
PR No. 1667/2022
UDIN-F004431E001107621

Place : Indore
Date : 28th September, 2023

Secretarial Auditor's Certificate in respect of the implementation of Employee Stock Option Scheme of the Company

[Pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Brand Concepts Limited,
Indore

We, Manju Mundra & Co., Practising Company Secretaries, the Secretarial Auditors of Brand Concepts Limited (hereinafter referred to as 'the Company'), having CIN **L51909MP2007PLC066484** and having its registered office at 140/2/2 Musakhedi Square, Indore Madhya Pradesh-452001 IN are required to certify for the Financial Year ended **31st March, 2023** that the Company has implemented the ESOP-2020 in accordance with the prescribed regulations and according to the resolutions passed at the general meetings. This certificate is issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations'), for the year ended March 31, 2023.

Management Responsibility:

It is the responsibility of the Management of the Company to implement the Scheme including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification

For the purpose of verifying the compliance of the Regulations, we conducted our examination and obtained the explanations in accordance with present provisions and verified the following documents-

1. Scheme(s) received from/furnished by the Company;
2. Resolutions passed at the meeting of the Board of Directors;
3. Resolution passed by shareholders at general meeting/postal Ballot;
4. Minutes of the meetings of the Board of Directors and Nomination and Remuneration Committee (compensation Committee for this purpose)
5. Detailed terms and conditions of the scheme as approved;
6. Valuation Report;
7. Exercise Price/Pricing formula as per Scheme;
8. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10(c) of these Regulations;
9. Disclosure by the Board of Directors;
10. Relevant provisions of the Regulations, the Companies Act, 2013 and Rules made thereunder.
11. Letters of grants issued by the company

Certification:

Based on our examination of the records and documents maintained by the Company as aforesaid and according to the information and explanations provided to us, we certify that the Company has complied with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and shareholders' Resolutions for the Company's EMPLOYEES STOCK OPTIONS PLAN, 2020 (ESOP-2020) during the year ended 31st March 2023. During the year 22-23 there were no further grants of options, only outstanding options. There was some modification in the ESOP 20 Policy during the year approved by the members and the Board of Directors amended the terms and conditions of the vesting period, exercise period etc.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations. This certificate can be shared with statutory/regulatory authorities, if required.
5. This certificate is issued in accordance with the terms of letter of engagement received from the company dated 29th August, 2023.

For Manju Mundra & Co.

CS Manju Mundra
Proprietor
FCS No.- 4431, CP No.- 3454
PR No. 1667/2022
UDIN-F004431E001107720

Place: Indore
Date: 28th September, 2023

Independent Auditor's Report

To,
The Members of
BRAND CONCEPTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of BRAND CONCEPTS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit & Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the standalone Ind AS financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matters
Rebates, discounts and schemes The Company sells its products through various channels like modern trade, distributors, retailers, institutions etc., and it entered into different types of agreements with them. Policies related to rebates, discounts and sales returns are different in case of every entity as per agreement entered into with them individually. The rebates/discounts are linked to sales, which are given to the customers pursuant to schemes offered by the Company. There are large variety and complexity of terms with different customers, and with regard to various products and schemes offered by the Company. Company's customers offer discounts, schemes and rebates to the end customers from time to time at the behest of the Company as per understanding and approval by the Company.	Our procedures included the following Points: • Obtained an understanding from the management with regard to controls relating to recording of rebates, discounts, sales returns and tested the operating effectiveness of such controls. • Tested the approvals in context of rebates, discounts and schemes to source data • Tested credit notes issued to customers and payments / credit made to them during the year and subsequent to the year-end along with the terms of the related schemes.

Key Audit Matters	How our audit addressed the Key Audit Matters
Our audit focused on this area because verification of claims by the customers pursuant to such schemes, rebates and discounts in terms of contracts / agreements or approvals given by the Company have a bearing on correct recognition of revenue. The matter has been determined to be a key audit matter in view of the involvement of significant complexity of the transactions.	• Based on the above procedures, we did not identify any significant variation in respect of rebates, discounts and schemes.

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2022-23, but does not include the standalone financial statements and our auditor's 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the 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 Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(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 does not have any pending litigations which would impact its financial position in its standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material forceable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, 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 entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The interim dividend declared by the company during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

(b) As stated in note no. 51 to the stand alone financial statements, the Board of Director of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The amount of the propose dividend is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using software which has a feature of audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rule, 2014 is not applicable for the financial year ended March 31, 2023.

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFQ1072

Annexure “A” to the Auditors' Report

Referred to in paragraph 1 of our report of even date

1. (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (B) The company is maintaining proper records showing full particulars of intangible assets.

   (b) We are informed that the management has physically verified the Property, Plant and Equipment of the company during the year and no material discrepancies were noticed on such physical verification. The management has adopted physical verification in a phased manner so that all the Property, Plant & Equipment are covered within a period of three years.

   (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) As informed and explained to us, the management has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

   (e) According to the information and explanations given to us company does not hold any Benami Property under the Benami Property Transactions Act, 1988 (previously known as Benami Transactions (Prohibition) Act, 1988) and rules made thereunder.

2. (a) Physical verification of inventory has been conducted at reasonable intervals by the management. 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 have been noticed during such physical verification by the management.

   (b) As informed and explained to us by the management, the company has been sanctioned working capital limits in excess of 5 crore rupees in aggregate from banks. On the basis of our verification of relevant records we found that the statements filed by the company with the banks are in agreement with the books of account of the Company.

3. As per information provided to us, the company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act 2013 hence provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.

4. There is no loan, investment, guarantee and security given by the company, hence provisions of section 185 & 186 of the Companies Act, 2013 are not applicable.

5. The Company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

6. As informed to us, the company is not required to maintain cost records as specified by the Central Government U/s 148(1) of the Act.

7. (a) According to the books of accounts and records examined by us as per the generally accepted auditing practices in India, in our opinion, the company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employee’s state insurance, Income Tax, Duty of Customs, Cess and other Statutory dues to the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.

   (b) According to the information given, there are no disputed dues on account of statutory dues referred to in sub clause (a) that have not been deposited on account of any disputes except the following :

Particulars/ Status	Nature of dues	Period	Amount (in Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Tax demanded in intimation	AY 2018-19	33.39	Commissioner (Appeals)-NFAC
Income Tax Act, 1961	Tax demanded in intimation	AY 2019-20	39.22	Commissioner (Appeals)-NFAC

8. According to the explanations and information given to us by the management, there has been no amount surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to lenders.

   (b) According to the information provided to us by the management, the company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiary.

10. The Company did not raise any money by way of initial public offer/ further public offer (including debt instruments) during the year.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the period under audit.

11. (a) According to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year under audit.

(b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year;

(c) As per our information and according to the explanations given to us, no whistle blower complaints were received by the company during the year.

12. In our opinion, the company is not a Nidhi Company and therefore, the provisions of clause (xii)(a), (xii)(b) and (xii)(c) of para 3 of the said order are not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

14. (a) In our opinion and according to the information and explanations given by management, 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 obtained and considered by us.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

16. (a) According to the information and explanations given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

(b) According to the information and explanations given to us by the management, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) According to the information and explanations given to us by the management, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations given to us by the management, the Group does not have any CIC as part of the Group, hence clause (xvi)(d) of paragraph 3 of the said order is not applicable to the company.

17. The company has not incurred any cash losses in the current financial year and the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and in our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

20. According to the information and explanations given to us by the management, and on the basis of our examination of the records of the company, the company does not have any CSR Policies, and therefore clause (xx) of para 3 is not applicable.

21. Since this report is being issued in respect of standalone financial statements of the company, hence clause (xxi) of paragraph 3 of the said Order is not applicable to the company.

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFQ1072

Annexure B - Referred to in paragraph (f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of BRAND CONCEPTS LIMITED for the year ended March 31, 2023

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

We have audited the internal financial controls with reference to the standalone financial statements of Brand Concepts Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone Ind AS financial statements 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 the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone Ind AS financial statements 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 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 with reference to the standalone Ind AS financial statements.

Meaning of Internal Financial Controls with reference to these standalone Ind AS financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these standalone Ind AS financial statements

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

Opinion

In our opinion, 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 over financial reporting with reference to these Standalone Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting 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 ICAI.

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFQ1072

Standalone Balance Sheet

as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	3.1 & 3.2	1,529.97	983.94
(b) Other Intangible Assets	4	3.09	5.44
(c) Financial Assets			
(i) Investments	5	47.36	24.01
(ii) Other Financial Assets	6	139.48	91.46
(d) Deferred tax assets (net)	7	272.56	376.42
(e) Other non-current assets	8	16.86	-
Total non-current assets		**2,009.32**	**1,481.27**
(2) Current assets			
(a) Inventories	9	3,076.33	2,230.84
(b) Financial Assets			
(i) Trade receivables	10	3,200.42	3,011.24
(ii) Cash & cash equivalents	11	61.29	41.57
(iii) Bank Balances other than (ii) above	12	535.50	306.00
(iv) Other financial assets	13	27.60	24.29
(c) Current tax assets	14	0.45	5.70
(d) Other current assets	15	618.42	486.87
Total current assets		**7,520.01**	**6,106.51**
Total Assets		**9,529.33**	**7,587.78**
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	16	1,058.28	1,058.28
(b) Other equity	17	1,743.67	779.16
Total equity		**2,801.95**	**1,837.44**
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	287.48	339.47
(ii) Lease liabilities	19	776.74	628.98
(iii) Other financial liabilities	20	139.66	119.66
(b) Provisions	21	99.85	80.04
Total non-current liabilities		**1,303.73**	**1,168.15**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,245.75	2,124.31
(ii) Lease liabilities	23	203.81	141.81
(iii) Trade payables	24		
(a) Total Outstanding Dues of micro enterprises and small enterprises		687.40	954.59
(b) Total Outstanding Dues of creditors other than micro and small enterprises		1,995.21	1,090.67
(iv) Other financial liabilities	25	191.33	155.12
(b) Other current liabilities	26	20.75	75.12
(c) Provisions	27	79.40	40.57
Total current liabilities		**5,423.65**	**4,582.19**
Total liabilities		**6,727.38**	**5,750.34**
TOTAL		**9,529.33**	**7,587.78**

The accompanying Notes are an integral part of the standalone financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

For and on behalf of the Board of Directors of
Brand Concepts Limited

CA. Sunil Maheshwari
Partner (M.No. 403346)

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Place: Indore
Date: May 25, 2023

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
(I) Revenue from operations	28	16,321.63	8,616.68
(II) Other income	29	38.36	60.63
(III) Total Income (I+II)		**16,359.99**	**8,677.31**
(IV) Expenses			
Purchases of stock-in-trade	30	9,367.40	4,680.22
Changes in inventories of stock-in-trade	31	(845.49)	(47.80)
Employee benefits expense	32	1,616.38	1,083.75
Finance costs	33	494.17	481.28
Depreciation and amortization expense	34	345.99	249.58
Other expenses	35	4,059.85	2,125.51
Total Expenses (IV)		**15,038.30**	**8,572.54**
(V) Profit before exceptional item and tax (III-IV)		1,321.69	104.77
(VI) Exceptional item (Refer Note 36)		23.52	-
(VII) Profit before tax (V+VI)		**1,345.21**	**104.77**
(VIII) Tax (expense)/ credit:			
- Current Tax		(237.52)	(17.19)
- Mat Credit Entitlement		55.72	17.19
- Deferred Tax		(159.58)	(28.69)
Total tax (expense) / credit (VIII)		**(341.38)**	**(28.69)**
(IX) Profit for the year (VII - VIII)		1,003.83	76.08
(X) Other Comprehensive Income			
A) Items that will not be reclassified to the statement of profit or loss			
a. Gain / (loss) on remeasurement of the defined benefit plans		12.51	(6.35)
Income tax on above			
Total - (A)		12.51	(6.35)
B) Items that may be reclassified to the statement of profit or loss			
Income tax on above			
Total - (B)			-
Total other comprehensive income (A+B) (X)		**12.51**	**(6.35)**
(XI) Total Comprehensive Income for the year (IX+X)		**1,016.34**	**69.73**
Earnings per equity share (face value per equity share ₹ 10)			
Basic	36	9.60	0.66
Diluted		9.60	0.66

The accompanying Notes are an integral part of the standalone financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity			Total
		Reserve & Surplus		On Employee Stock Options	
		Securities Premium	Retained Earning		
Balance as at March 31, 2021	**1,058.28**	**1,542.75**	**(838.07)**	**2.15**	**1,765.11**
Profit for the year	-	-	76.06	-	76.06
Other comprehensive income for the year	-	-	(6.35)	-	(6.35)
Interim Dividends	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Recognition of share-based payment to employees	-	-	-	2.62	2.62
Changes in share capital during the year	-	-	-	-	-
Balance as at March 31, 2022	**1,058.28**	**1,542.75**	**(768.36)**	**4.77**	**1,837.44**
Profit for the year	-	-	1,003.85	-	1,003.85
Other comprehensive income for the year	-	-	12.51	-	12.51
Interim Dividends			(52.91)		(52.91)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Recognition of share-based payment to employees	-	-	-	1.06	1.06
Changes in share capital during the year	-	-	-	-	-
Balance as at March 31, 2023	**1,058.28**	**1,542.75**	**195.09**	**5.83**	**2,801.95**

The accompanying Notes are an integral part of the standalone financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Statement of Cash Flow

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	1345.23	104.75
Adjustments for:		
Depreciation and amortisation expense	345.99	249.59
Loss on sale/write off of property plant and equipment and intangible assets	3.90	0.00
Finance costs	494.18	481.28
Interest income	(20.79)	(15.37)
Remeasurement of lease liabilities	(8.31)	38.52
Share based payment to employees	1.06	1.76
Operating profit before working capital changes	**2161.26**	**860.53**
Movements in working capital:		
(Increase)/ decrease in inventories	(845.49)	(47.80)
(Increase)/ decrease in trade receivables	(189.19)	416.43
(Increase)/ decrease in other financial assets	(232.81)	(136.79)
(Increase)/ decrease in tax assets (current)	5.25	(1.79)
(Increase)/ decrease in other current assets	(131.55)	(43.50)
(Increase)/ decrease in other financial assets (non-current)	(48.02)	28.60
(Increase)/ decrease in other current assets (non-current)	(16.86)	6.57
Increase / (decrease) in trade payables	637.39	231.24
Increase / (decrease) in other financial liabilities	36.20	(10.14)
Increase / (decrease) in other current liabilities	(54.37)	8.96
Increase / (decrease) in other financial liabilities (non-current)	20.00	(41.00)
Increase / (decrease) in provisions	71.16	21.72
Cash generated from operations	1412.97	1293.03
Income tax paid	(237.52)	(17.19)
Net cash generated from operating activities (A)	**1175.45**	**1275.84**
B. Cash flow from investing activities		
Payments for purchase of property plant and equipment including capital work-in-progress, intangible assets and intangible assets under development	(472.80)	(86.89)
Recognition of Right-of-use asset	(420.79)	(422.11)
Purchase of investments	(23.35)	(21.09)
Interest received	20.79	15.37
Net cash (used in) / from investing activities (B)	**(896.15)**	**(514.72)**
C. Cash flow from financing activities		
Repayment of borrowings	69.46	(482.04)
Finance costs	(494.18)	(481.28)
Lease liabilities	218.07	211.09
Dividend	(52.91)	0.00
Net cash used in financing activities (C)	**(259.56)**	**(752.23)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**19.74**	**8.89**
Cash and cash equivalents at the beginning of the year	41.56	32.68
Cash and cash equivalents at the end of the year	**61.30**	**41.57**

Statement of Cash Flow

for the year ended March 31, 2023

1 Cash and cash equivalents comprises of

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balances with banks		
In current accounts	48.10	23.80
In deposits accounts with original maturity less than three months	5.00	5.00
Cash on Hand	8.19	12.77
Balances with banks to the extent held as margin money against the Letter of Credit		
Cash and cash equivalents in cash flow statement (Refer Note 12)	**61.29**	**41.57**

2 Change in financial liability / asset arising from financing activities

(₹ in Lakhs)

Particulars	Year ended March 31, 2022			
	Borrowings	Lease Liabilities	Trade Payables	Other Financial Liability
Opening balance	2,945.82	521.18	1,964.98	174.94
Changes from financing cash flows	(482.04)	249.61	231.24	(51.14)
Effect of changes in foreign exchange rates	-	-	-	-
Changes in fair value	-	-	-	-
Other changes	-	-	-	-
Closing balance	**2,463.78**	**770.79**	**2,196.22**	**123.80**

(₹ in Lakhs)

Particulars	Year ended March 31, 2023			
	Borrowings	Lease Liabilities	Trade Payables	Other Financial Liability
Opening balance	2,463.78	770.79	2,045.24	155.12
Changes from financing cash flows	69.46	209.76	637.39	36.20
Effect of changes in foreign exchange rates	-	-	-	-
Changes in fair value	-	-	-	-
Other changes	-	-	-	-
Closing balance	**2,533.24**	**980.55**	**2,682.63**	**191.32**

3 The gross increase in Right of Use Assets, during the year, is Rs.420.79 Lakhs (P.Y. 422.11 Lakhs) and the net increase in lease liabilities is Rs.209.76 Lakhs (P.Y. 249.59 Lakhs) resulting in net cash outflow on account of lease liabilities of Rs.211.03 Lakhs (P.Y. 172.52 Lakhs) and Rs.113.82 Lakhs (P.Y. 77.63 Laksh) as finance charges on leases.

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

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note: - 1. General Information

a) Brand Concepts Limited ("BCL or the Company") is a Public Limited Company incorporated and domiciled in India having its registered office at Indore, Madhya Prahesh, India. The Company is listed on the National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange (BSE). The Company is engaged in the trading business of Travel Gear (Luggage, Bag packs, Gym bag and accessories) and Small Leather Goods (Belts, Wallets and accessories)

Note: - 2. Significant Accounting Policy

a) Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared and presented the financial statements for the year ended March 31, 2023, together with the comparative period information as at and for the year ended March 31, 2022, and further, the Company has prepared the standalone financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) Basis of preparation and presentation

These financial statements for the year ended March 31, 2023 have prepared in accordance with the Indian Accounting Standard (Ind AS).

The standalone financial statements have been prepared on a historical cost basis, except for (i) defined benefit plans - plan assets which have been measured at fair value, (ii) Equity settled share-based payments.

The standalone financial statements are presented in INR and all values are rounded to the nearest Lakhs (00,000) up to two decimals, except when otherwise indicated.

The company has consistently applied the accounting policies to all periods presented in these financial statements.

The Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of provision for employee benefits, useful life of property, plant and equipment.

2) Summary of Significant Accounting Policies

a) Property, Plant and Equipment (PPE)

i) The cost of an item of property, plant and equipment is recognised as an asset if, and only if:

(a) It is probable that the future economic benefits associated with the item will flow to the company; and

(b) The cost of the item can be measured reliably.

ii) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

iii) Assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

iv) Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

v) 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 entity and the cost can be measured reliably.

vi) In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognised when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition principles as stated in Ind AS 16.

vii) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

viii) Any gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognised in the Statement of Profit and Loss when the asset is derecognised.

ix) Depreciation is provided based on useful life of the assets. The management has evaluated that the useful life is in conformity with the useful life as prescribed in Schedule II of the Companies Act, 2013, and therefore such prescribed useful life has been considered by applying the written-down value method. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately based on its' useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate accounted for on a prospective basis.

x) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.

b) Leases

i) The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

ii) Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

iii) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of the right-of-use asset shall comprise: the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

iv) Lease Liabilities

At the commencement date of the lease, the lease payments included in the measurement of the lease

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date: fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that depend 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 lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

After the commencement date the carrying amount of lease liabilities is remeasured to reflect changes in the lease payments. The amount of remeasurement of the lease liability is recognised as an adjustment to the carrying amount of the right-of-use of the asset and any remaining amount of remeasurement in profit or loss.

v) Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

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

The Company has elected to apply the exemption from lease recognition to short term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases for which the underlying assets is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

vii) The Company has applied the practical expedient as per Para C5 (a) of Appendix C, Effective Date and transition of Ind AS 116, Leases. Accordingly, the Company has applied Ind AS 116 on and from April 01, 2020 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings at the date of transition.

c) Intangible assets

i) Intangible Assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, and adjustments arising from exchange rate variations attributable to the intangible assets.

ii) 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 entity and the cost can be measured reliably.

iii) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

iv) Intangible assets which are finite are amortized on a straight-line method over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing its recoverable amount with its' carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

v) The management has assessed the useful life of software's classified as other intangible assets as three years.

vi) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.

d) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development expenditure which does not satisfy the criteria for recognition as an intangible asset, are charged to the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

e) Inventories

i) Inventory consists of stock-in-trade and is measured at the lower of cost and net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by using specific identification of their individual costs. The cost of other inventories is based on the first-in-first out method.

ii) Cost of stock-in-trade includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition.

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

f) Provisions, Contingent Liabilities & Contingent Assets and Commitments

i) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset only when the reimbursement is certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement, if any.

ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

iii) Contingent liabilities are disclosed on the basis of judgment of management. Contingent liability is disclosed for, (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

iv) Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

g) Income Taxes

The tax expense for the period comprises current and deferred tax. Income Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity in which case, the tax is also recognised in other comprehensive income or equity respectively.

i) Current tax

Current tax is the amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period.

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

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period, in which, the liability is settled, or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

The Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

iii) Uncertain Tax Position

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the company expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management review each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

h) Share Based Payments

i) Employees of the Company's receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That fair value determined at the grant date is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/ or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

ii) When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

iii) Where an award is cancelled by the Company's or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

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

i) Foreign Currency Transactions

i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

j) Employee Benefit Expense

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

i) Short-Term Employee Benefits

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

ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions. The Company makes specified monthly contributions towards Provident Fund and Employee State Insurance Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations 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, mortality rates and future pension increases. 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 Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @fifteen days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is recorded as a provision exclusively for gratuity payment to the employees.

Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

k) Revenue from contracts with customers

i) Sales of goods

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The control of the products is said to have been transferred to the customer when the products are delivered to the customer, the customer has significant risks and rewards of the ownership of the product or when the customer has accepted the product.

The Company has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates, estimated additional discounts and expected sales returns and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts. Revenue is only recognised to the extent that is highly probable that significant reversal will not accrue.

The related liabilities at the reporting period are disclosed in 'Other Liabilities'. The assumptions and estimated amounts of rebates/ discounts and returns are reassessed at each reporting period. The Company's obligation to repair or replace faulty products under the standard warranty term is recognised as a provision.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales returns

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns.

With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

before payment is due, a contract asset is recognised for the earned consideration that is conditional.

ii) Interest Income

Interest income from a financial asset is recognised using effective interest method.

iii) Dividends

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

iv) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

v) Contract Liabilities

A contract liability is the obligation to render services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers renders services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

l) Borrowing costs

Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

m) Financial Instruments

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

i) Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

For the purpose of subsequent measurement financial assets are classified into three categories:

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals in the profit or loss. On derecognition of the financial asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI instruments is reported as interest income using the EIR method.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Financial assets included within the FVTPL category are measured at fair value with all the changes in the profit or loss.

ii) Investment in Associate

The Company has elected to measure investment in associate at cost. On the date of transition, the carrying amount has been considered as deemed cost.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses twelve-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

iv) Financial Liabilities

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Compound financial instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, inter corporate deposits, loans and borrowings including bank overdrafts and lease liabilities.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the profit or loss. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

vi) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. If not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

vii) Dividend distribution to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

n) Impairment of non-financial assets

i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. The goodwill on business combinations is tested for impairment annually.

ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount.

iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

o) Operating Cycle

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has identified twelve months as its operating cycle.

i) An asset is treated as current when it is:

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

All other assets are classified as non-current.

ii) A liability is current when:

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

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

p) Earnings Per Share

i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equities shares outstanding during the period. The weighted

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

average number of equities shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, which includes all stock options granted to employees.

iii) The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

q) Statement of Cash Flows

i) Cash and Cash equivalents - for the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 'Statement of Cash Flows'.

r) Operating Segments

The operating segments are identified on the basis of business activities whose operating results are regularly reviewed by the Chief Operating Decision Maker of the Company and for which the discrete financial information is available. The Company has only one reportable operating segment i.e “Manufacturing and marketing of luggage, bags and accessories”.

s) Business Combination

i) The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is generally the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree and the fair value of the acquirer’s previously held equity interest in the acquiree (if any), less the net recognised amount of the identifiable assets acquired and liabilities assumed.

ii) When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised immediately in the OCI and accumulates the same in equity as Capital Reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognised in equity as Capital Reserve. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

iii) A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as finder’s fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

iv) If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

v) If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

vi) Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method.

t) Exceptional Items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

u) Accounting pronouncements

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

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after Apri1 1, 2022, The Company has evaluated the amendment and the impact is not expected to be material.

3) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the accompanying disclosures as at date of the standalone financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded at each year end.

The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Estimation of rebates, discounts and sales returns

The Company's revenue recognition policy requires estimation of rebates, discounts and sales returns. The company has a varied number of rebates/discount schemes offered which are primarily driven by the terms and conditions for each scheme including the working methodology to be followed and the eligibility criteria for each of the scheme. The estimates for rebates/discounts need to be based on evaluation of eligibility criteria and the past trend analysis. The company estimates expected sales returns based on a detailed historical study of past trends.

c) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

d) Net realisable value of inventories

The selling prices of inventory are estimated to determine the net realisable value of inventory. Historical sales patterns and post year end trading performance are used to determine these.

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realise. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

e) Leases

Management exercises judgement in determining the lease term of its lease contracts. Within its lease contracts, in respect of its Retail business.

f) Provisions

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

g) Estimation of defined benefit obligation

The Company provides defined benefit employee retirement plans. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate, salary escalation rate, attrition rate and mortality rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate, salary escalation rate and attrition rate at the end of each year. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability and attrition rate and salary escalation rate is determined based on the company's past trends adjusted for expected changes in rate in the future.

h) Impairment of non-financial assets

The Company assesses the chances of an asset getting impaired on each reporting date. If any indication exists, the Company estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an assets or Cash Generating Units (CGU’s) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

i) Impairment of financial assets

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 3.1 Property, Plant & Equipment

FY 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2022	Additions	Disposals	As At March 31, 2023	As At April 01, 2022	For the year	Deductions/ Adjustments	As At March 31, 2023	As At March 31, 2023	As At March 31, 2022
Tangible Assets:										
Own Assets:										
Office Equipments	34.83	15.58	-	50.41	17.01	9.50	-	26.51	23.90	17.82
Computers	16.43	28.63	-	45.06	5.67	11.46	-	17.13	27.93	10.76
Furniture & Fixtures	397.97	241.58	(3.93)	635.61	152.92	84.07	-	236.99	398.62	245.05
Vehicle	25.84	187.01	-	212.85	13.95	33.67	-	47.61	165.24	11.90
Sub-Total	**475.07**	**472.80**	**(3.93)**	**943.93**	**189.55**	**138.69**	**-**	**328.24**	**615.69**	**285.53**
Right-of-use Assets:										
Building	1,028.92	420.83	-	1,449.75	330.51	204.95	-	535.46	914.28	698.41
Sub-Total	**1,028.92**	**420.83**	**-**	**1,449.75**	**330.51**	**204.95**	**-**	**535.46**	**914.28**	**698.41**
Total	**1,503.99**	**893.63**	**(3.93)**	**2,393.68**	**520.06**	**343.64**	**-**	**863.70**	**1,529.97**	**983.94**

FY 2021-22

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2021	Additions	Disposals	As At March 31, 2022	As At April 01, 2021	For the year	Deductions/ Adjustments	As At March 31, 2022	As At March 31, 2022	As At March 31, 2021
Tangible Assets:										
Own Assets:										
Office Equipments	23.56	11.27	-	34.83	10.24	6.77	-	17.01	17.82	13.32
Computers	7.41	9.02	-	16.43	2.86	2.81	-	5.67	10.76	4.55
Furniture & Fixtures	334.43	63.54	-	397.97	84.09	68.83	-	152.92	245.05	250.34
Vehicle	25.84	-	-	25.84	8.78	5.17	-	13.95	11.90	17.07
Sub-Total	**391.24**	**83.83**	**-**	**475.07**	**105.96**	**83.58**	**-**	**189.54**	**285.52**	**285.28**
Right-of-use Assets:										
Building	**606.81**	**422.11**	**-**	**1,028.92**	**166.93**	**163.58**	**-**	**330.51**	**698.41**	**439.88**
Sub-Total	**606.81**	**422.11**	**-**	**1,028.92**	**166.93**	**163.58**	**-**	**330.51**	**698.41**	**439.88**
Total	**998.05**	**505.94**	**-**	**1,503.99**	**272.89**	**247.16**	**-**	**520.05**	**983.93**	**725.16**

a. The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

b. The Company determines that a contract is or contains a lease, if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration. At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period is discounted using the Company's incremental borrowing rate. Lease payments include fixed payments. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability. Right of use assets is amortized over the period of lease.

c The Company has not revalued any of its Property, plant and equipments during the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 4 Intangible Assets

FY 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2022	Additions	Disposals	As At March 31, 2023	As At April 01, 2022	For the year	Deductions/ Adjustments	As At March 31, 2023	As At March 31, 2023	As At March 31, 2022
Intangible Assets:										
Software	14.82	-	-	14.82	9.39	2.35	-	11.73	3.09	5.44
	14.82	**-**	**-**	**14.82**	**9.39**	**2.35**	**-**	**11.73**	**3.09**	**5.44**

FY 2021-22

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2021	Additions	Disposals	As At March 31, 2022	As At April 01, 2021	For the year	Deductions/ Adjustments	As At March 31, 2022	As At March 31, 2022	As At April 01, 2021
Intangible Assets:										
Software	11.76	3.07	-	14.82	6.96	2.42	-	9.39	5.44	4.79
	11.76	**3.07**	**-**	**14.82**	**6.96**	**2.42**	**-**	**9.39**	**5.44**	**4.79**

a. The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

Note 5 Investments in the nature of Equity in associate (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity Shares		
(i) Associate (7E Wellness India Private Limited) Aggregate Amount of Unquoted Shares (At cost less impairment in value of investments, if any) 4,73,590 (2,40,090 in Previous Year) shares held and face value of ₹ 10/- each share (49% holding)	47.36	24.01
Total	**47.36**	**24.01**

Note 6 Other Financial Assets (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit (Rent & Other Deposits)	139.48	91.46
Total	**139.48**	**91.46**

Note 7 Deferred Tax Assets / (Liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset on account Taxable Temporary differences		
At the start of the year	376.42	387.06
Sub Total (A)	**376.42**	**387.06**
(Charge) / Credit to Statement of Profit & Loss	(159.58)	(28.69)
On account of transition to Ind AS		-
Equity	-	0.86
MAT Credit Entitlement *	55.72	17.19
Sub Total (B)	**272.56**	**376.42**
Deferred Tax Assets/(Liability)	**272.56**	**376.42**

* MAT Credit Entitlement included in Deferred Tax is related to Excess tax payable u/s 115JB of the Income Tax Act, 1961.

Notes to the Standalone Financial Statements
for the year ended March 31, 2023

Note 7 Deferred Tax Assets / (Liabilities) (Contd..)

7.1 Component of deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets/(liabilities) in relation to:		
Property, plant and equipment (Difference between written down value of property, plant and equipment, intangible assets and capital work-in-progress as per books of accounts and income tax)	96.45	88.31
Right-of-use asset	(254.43)	(194.30)
Lease liability	300.42	214.43
Defined benefit obligation	39.80	31.90
Allowance for doubtful debts and advances (Expected credit loss)	5.04	4.96
Share based payment reserve	1.61	1.35
Unabsorbed depreciation and losses	-	210.31
Borrowings	(0.14)	0.66
Expenses that are allowed on payment basis	10.91	1.61
MAT Credit Entitlement	72.91	17.19
Total	**272.57**	**376.42**

7.2 The movement on the deferred tax account is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At the start of the year	376.42	387.06
Credited / (charge) to Statement of Profit & Loss	(103.86)	(11.50)
Charge to Retained Earnings		
Charge to Share based payment reserve	-	0.86
At the end of the year	**272.56**	**376.42**

Note 8 Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances	16.86	-
Total	**16.86**	**-**

Note 9 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lower of cost and net realisable value		
Stock-in-trade	3,076.33	2,230.84
Total	**3,076.33**	**2,230.84**

9.1 Inventory consists of stock-in-trade and is measured at the lower of cost and net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by using specific identification of their individual costs. The cost of other inventories is based on the first-in-first out method.

Cost of stock-in-trade includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

9.2 The carrying amount of inventory is hypothecated to secure working capital facilities of ₹ 2500 Lakhs (previous year 2100 Lakhs).

9.3 The details of charge created on stocks, book debts and other current assets are as per Note 19.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 10 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good – Unsecured	3,200.42	3,011.24
Trade Receivables which have significant increase in credit risk	18.12	17.83
Trade Receivables – credit impaired	-	-
Less : Credit Impaired and Written off	-	-
Less : Allowance for doubtful debts (expected credit loss allowance)	(18.12)	(17.83)
Total	**3,200.42**	**3,011.24**

10.1 *The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) method based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good.

10.2 No trade or other receivables are due from directors or other office of the Company either severally or jointly with any other persons.

10.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

10.4 Trade Receivable ageing

(₹ in Lakhs)

Particulars	March 31, 2023 (Amount in ₹)					
	Year ended March 31, 2023					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	2,997.59	114.42	39.56	1.25	47.60	3,200.42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	18.12	18.12
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(18.12)	(18.12)

(₹ in Lakhs)

Particulars	March 31, 2022 (Amount in ₹)					
	Year ended March 31, 2022					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	2,448.24	289.46	166.94	63.81	4.06	2,972.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	16.58	22.14	38.72
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	17.83	17.83
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(17.83)	(17.83)

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 11 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
In current accounts	48.10	23.80
In deposits accounts with original maturity less than three months	5.00	5.00
Cash on Hand	8.19	12.77
Total	**61.29**	**41.57**

Note 12 Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks		
Balances with banks to the extent held as margin money against the Letter of Credit	535.50	306.00
Total	**535.50**	**306.00**

Note 13 Other Financial Assets (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued, considered good	27.60	24.29
Total	**27.60**	**24.29**

Note 14 Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax / Tax Dedcuted at Source (Net of provisions)	0.45	5.70
Total	**0.45**	**5.70**

Note 15 Other Assets (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1. Advance for supply of goods/ services		
Considered good	474.22	246.92
Total	**474.22**	**246.92**
2. Advance to employee		
Considered good	21.63	13.62
Total	**21.63**	**13.62**
Balance with government authorities	78.81	183.47
Prepaid expenses	37.81	15.71
Other assets	5.95	27.15
Total	**618.42**	**486.87**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 16 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share Capital		
Equity Share Capital		
150,00,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00
Issued, Subscribed and Paid Up		
Equity Share Capital		
105,82,800, Equity Shares of ₹ 10/- each (Fully paid Up)	1,058.28	1,058.28

16.1 Reconciliation of number of shares :

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	105.83	105.83
Add:- Shares Issued during the Year	-	-
Balance as at the end of the year	105.83	105.83

16.2 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

During the year, the company declared an interim dividend of ₹ 0.50 per equity share (5%). The Board of Directors of the company has recommended a final dividend of ₹ 0.50 (5%) per equity share on 1,05,82,800 equity shares of ₹ 10/- each subject to share holder's approval in the forthcoming Annual General Meeting.

16.3 Shareholders holding more than 5% paid up Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2023	
	No. of Shares	Share Holding %
Annapurna Maheshwari	1050000	9.92%
Prateek Maheshwari	1101000	10.40%
Pradeep Maheshwari	2525000	23.86%
IFF Overseas Pvt. Ltd.	Nil	Nil
Pradeep Maheshwari HUF	900000	8.50%
Abhinav Kumar	763000	7.21%

(₹ in Lakhs)

Particulars	As at March 31, 2022	
	No. of Shares	Share Holding %
Annapurna Maheshwari	1050000	9.92%
Prateek Maheshwari	1101000	10.40%
Pradeep Maheshwari	2525000	23.86%
IFF Overseas Pvt. Ltd.	588000	5.56%
Pradeep Maheshwari HUF	900000	8.50%
Abhinav Kumar	763000	7.21%

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 16 Equity Share Capital (Contd..)

16.4 Shareholding of Promoter (Promoter as defined in the Companies Act, 2013)

March 31, 2023

	Shares held by promoters at the end of the year			
S. No	Promoter name	No. of Shares	%of total shares	% Change during the year
1	Annapurna Maheshwari	10,50,000	9.92%	0.00%
2	Prateek Maheshwari	11,01,000	10.40%	0.00%
3	Pradeep Maheshwari	25,25,000	23.86%	0.00%
4	IFF Overseas Pvt. Ltd.	Nil	0.00%	-5.56%
5	Pradeep Maheshwari HUF	9,00,000	8.50%	0.00%
6	Sakshi Rathi Maheshwari	1,52,000	1.44%	0.00%
Total		**57,28,000**	**54.1%**	**-5.56%**

March 31, 2022

	Shares held by promoters at the end of the year			
S. No	Promoter name	No. of Shares	%of total shares	% Change during the year
1	Annapurna Maheshwari	10,50,000	9.92%	0.00%
2	Prateek Maheshwari	11,01,000	10.40%	0.00%
3	Pradeep Maheshwari	25,25,000	23.86%	0.00%
4	IFF Overseas Pvt. Ltd.	5,88,000	5.56%	0.00%
5	Pradeep Maheshwari HUF	9,00,000	8.50%	0.00%
6	Sakshi Rathi Maheshwari	1,52,000	1.44%	0.00%
Total		**63,16,000**	**59.7%**	**0.00%**

Note 17 Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
A) Surplus		
Securities Premium		
Balance at the beginning of the year	1,542.75	1,542.75
Balance at the end of the year	**1,542.75**	**1,542.75**
General Reserve		
Balance at the beginning of the year	(781.05)	(857.12)
Add:- Profit/ (Loss) for the Year	1,003.85	76.06
Movement in balance	-	-
Dividend	(52.91)	-
Balance at the end of the year	**169.89**	**(781.05)**
Share based payment reserve	-	-
Balance at the beginning of the year	4.77	2.15
Addition	1.06	2.62
Balance at the end of the year	**5.83**	**4.77**
	-	-
B) Items of other comprehensive income (OCI)	-	-
Balance at the beginning of the year	12.69	19.05
Addition	12.51	(6.35)
Balance at the end of the year	25.20	12.69
Total	**1,743.67**	**779.16**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 17 Other Equity (Contd..)

Nature and purpose of each reserve

17.1 Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

17.2 General reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. The retained earnings represent the net surplus of income over expenses. It is part of free reserves of the Company.

17.3 Dividend: The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders of the company in the ensuing Annual General Meeting. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors have proposed Final Dividend of ₹ 1.00 per share for the Financial Year 2022-23 (Previous Year Nil).

17.4 Retained Earnings: The balance in the Retained Earnings represents the accumulated profit after payment of dividends, transfer to General Reserve and adjustments of actuarial gains/(losses) on Defined Benefit Plans.

17.5 Share Based Payment Reserve: The reserve is created on account of equity share settled options granted to the employees of the Company.

Note 18 Borrowings (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term Loans		
From banks	281.51	283.88
Unsecured Loans		
Loan		
From banks	5.97	13.76
From Financial Institutions	-	41.83
Total	**287.48**	**339.47**

18.1 Security:

A. Term loan from Axis Bank Ltd. Indore under Emergency Credit Line Guarantee Scheme is secured by way of Extension of Charge on Primary as well as Collateral Security availble with the bank for Working Capital Limits.

B. Term loan from HDFC Bank, Indore under Union Guaranteed Emergency Line Scheme is secured by way of Extension of Charge on Primary as well as Collateral Security availble with the bank for Working Capital Limits.

C. Personal & Corporate Gurantee given on Working Capital Limits also got extended on both term loans.

18.2 Terms of Repayment of Borrowings (Non-Current)

Particulars	Total Tenure of Loan	Frequency of Installment	No. of Installments Due as at March 31, 2023
Axis Bank (ECLGS)	4 Years	Monthly	15
HDFC Bank (UGECL)	3 Years, 11 Months	Monthly	45
Kotak Mahindra Bank (ECLGS)	4 Years	Monthly	22
Kotak Mahindra Bank (Vehicle Loan)	3 Years	Monthly	25
ICICI Bank (Vehicle Loan)	3 Years, 3 Months	Monthly	31
Kotak Mahindra Bank (Vehicle Loan)	3 Years	Monthly	30
Bank of Baroda (Vehicle Loan)	7 Years	Monthly	79

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 18 Borrowings (Non-current) (Contd..)

(Emergency Credit Line Guarantee Scheme (ECLGS) secured by hypothecation of all current assets with equitble mortgage on existing collatoral with bank & one vehicle loan secured by hypothecation of sepcified vehicle)

The Company has used the borrowings from the banks for the specific purpose for which it was taken at the balance sheet date. All the quarterly returns filed by the Company with the banks in which total current assets and current liabilities are in agreement with the books of account for financial year 22-23 and 21-22.

Note 19 Lease Liabilities (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	776.74	628.98
Total	**776.74**	**628.98**

19.1 Particulars (Non-current and Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	770.79	521.18
Addition on account of new leases	438.64	403.88
Interest on lease liabilities	115.03	77.63
Payments towards lease liabilities	(274.51)	(193.38)
Remeasurement of lease liabilities	15.50	(38.52)
Early termination of lease liabilties	(82.63)	-
Closing Balance	**982.82**	**770.79**

19.2 The following are the amounts recognized in profit or loss:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses:		
Depreciation expense of right-of-use assets	207.05	163.58
Interest expense on lease liabilities	115.03	77.63
Remeasurement of lease liabilities	2.38	38.52
Expense realated to Short term leases	-	101.00
Income:	-	-
Interest income on security deposit	7.31	6.74
Realisation of Security Deposit	0.13	-
Early termination of lease liabilties (exceptional item)	23.39	-
Cash flows:	-	-
Cash outflow for leases (Short term and Long term)	274.51	294.38
Total amount recognized in profit or loss	**331.77**	**387.47**

19.3 The undiscounted potential future rental payments:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	303.02	232.96
1-3 years	590.99	433.44
More than three years	353.68	179.72
Total	**1,247.69**	**846.12**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 20 Other Financial Liabilites (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposit From Franchisee	139.66	119.66
Total	**139.66**	**119.66**

Note 21 Provisions (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits	99.85	80.04
Total	**99.85**	**80.04**

Note 22 Borrowings (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Loans repayable on demand		
From Banks	2,099.77	1,978.69
Unsecured		
Deposits		
Intercorporate Deposits	-	-
Current maturities of long term borrowings*		
Secured		
Term Loan from banks	139.19	106.28
Unsecured		
From banks	6.79	6.24
From Financial Institutions	-	33.10
Total	**2,245.75**	**2,124.31**

23.1 Security Details

A. Loans repayable on demand from Axis Bank Ltd. , Indore are Secured by pari-passu charge by way of hypothecation on Company's entire stocks at the Company's Wareshoues , stores or at any other places, book debts, receivables and other current assets (both present and future) along with Union Bank of India.

Exclusive charge on the Industrial property situated at Survey No. 140/2/2, Patwari Halka No. 26, Village Musakhedi Tehsil and Dist. Indore- 452001 owned by M/s IFF Overseas Pvt. Ltd.

Exclusive charge on insurance policy of Mr. Pradeep Maheshwari.

Upfront Cash margin: In Name of Brand Concept Ltd. in form FD of Rs 4.05 Crs

Personal Guarantee of Prateek Maheshwari, Annapurna Maheshwari, Pradeep Maheshwari , Sakshi Rathi Mheshwari & Abhinav Kumar.

Corporate Guarantee of IFF Overseas Pvt. Ltd.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 22 Borrowings (Current) (Contd..)

B. Loans repayable on demand from HDFC Bank , Indore are Secured by pari-passu charge by way of hypothecation on Company's entire stocks at the Company's Wareshoues , stores or at any other places, book debts, receivables and other current assets (both present and future) along with Axis Bank Ltd.

Exclusive charge on the Industrial Plot situated at Survey No. 140/2, Peki, Patwari Halka No. 26, Village Musakhedi Tehsil and Dist. Indore- 452001 owned by M/s IFF Overseas Pvt. Ltd.

Exclusive charge on Residential Flat No. G1 Ground Floor , Gurukripa Apartment , Plot No. 14 , RK Puram Colony Owned by Mr. Pradeep Maheshwari.

Exclusive charge on Residential Flat No. G2 Ground Floor , Gurukripa Apartment , Plot No. 14 , RK Puram Colony Owned by Mrs. Annapurna Maheshwari.

Exclusive charge on Residential Flat No. 202 Arms Majestic Plot no. 34-C, Sector F, Slice-3, Shahid Bhagat Singh Ward, Indore Owned by Mr. Prateek Maheshwari & Mrs. Sakshi Rathi Maheshwari.

Exclusive charge on Residential Flat No. 301 Arms Majestic Plot no. 34-C, Sector F, Slice-3, Shahid Bhagat Singh Ward, Indore Owned by Mr. Prateek Maheshwari & Mrs. Sakshi Rathi Maheshwari.

Exclusive charge on insurance policy of Mr. Prateek Maheshwari.

Personal Guarantee of Prateek Maheshwari, Annapurna Maheshwari, Pradeep Maheshwari , Sakshi Rathi Mheshwari & Abhinav Kumar.

Corporate Guarantee of IFF Overseas Pvt. Ltd.

Note 23 Lease Liabilities (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	203.81	141.81
Total	**203.81**	**141.81**

Note 24 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables		
total outstanding dues of micro and small enterprises	687.40	954.59
total outstanding dues of creditors other than micro and small enterprises	1,995.21	1,090.67
Total	**2,682.61**	**2,045.26**

24.1 Note:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("the Act") is based on the information available with the company regarding the status of registration of such vendors under the Act, as per the intimation received from them on request made by the company		
1) The principal amount remaining unpaid to supplier as at the end of the accounting year.	687.42	954.57
2) The interest due thereon remaining unpaid to supplier as at the end of the accounting year.	-	-
3) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
4) The amount of interest due and payable for the year.	-	15.34

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 24 Trade Payables (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
5) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	15.34
6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006	-	-

24.2 Trade Payable ageing

(₹ in Lakhs)

Particulars	March 31, 2023 (Amount in ₹)				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	687.42	-	-	-	687.42
(ii) Others	1,995.21	-	-	-	1,995.21
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

(₹ in Lakhs)

Particulars	March 31, 2022 (Amount in ₹)				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	954.57	-	-	-	954.57
(ii) Others	1,232.53	9.12	-	-	1,241.65
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note 25 Other Financial Liability (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued		
Payables on purchase of property, plant and equipment	22.29	4.14
Employee Payables	121.19	150.98
Dividend Payable	47.85	-
Total	**191.33**	**155.12**

Note 26 Other Liabilities (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory remittances	16.24	49.50
Advance from customers	-	10.28
Other Current Liabilities	4.51	15.34
Total	**20.75**	**75.12**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 27 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits	44.52	36.68
Provision For Income Tax	34.88	3.89
Total	**79.40**	**40.57**

Note 28 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	16,321.63	8,616.68
Total	**16,321.63**	**8,616.68**

Ind AS 115 "Revenue from Contracts with Customers" applies, with limited exceptions, to all revenue arising from contracts with its customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2020 which does not require restatement of comparative period. The Company elected to apply the standard to all contracts as at April 01, 2020. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 29 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on :		
Bank deposits	20.79	15.37
Other financial assets	7.31	6.74
Remeasurement of lease liabilities	8.31	38.52
Realisation of security deposit (rent)	-	-
Miscellaneous income	1.95	-
Total	**38.36**	**60.63**

Note 30 Purchases of Stock-in-trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchases	9,367.40	4,680.22
Total	**9,367.40**	**4,680.22**

Note 31 Changes in Inventories of Stock-in-trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year	2,230.84	2,183.04
Inventories at the end of the year	(3,076.33)	(2,230.84)
Changes in inventories of Stock-in-trade	**(845.49)**	**(47.80)**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 32 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	1,511.26	1,014.76
Contribution to provident & other funds	79.87	51.79
Share based payment to employees	1.06	1.76
Staff Welfare Expenses	24.19	15.44
Total	**1,616.38**	**1,083.75**

Note 33 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest	311.56	371.74
Finance charges on finance leases	113.82	77.63
Other borrowing costs	61.55	31.91
Stamp Duty	7.24	-
Total	**494.17**	**481.28**

Note 34 Depreciation and amortization expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation		
Property, plant and equipment	138.69	83.58
Right-of-use asset	204.95	163.58
Intangible asset	2.35	2.42
Total	**345.99**	**249.58**

Note 35 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Brand License Fees	1,693.47	908.78
Freight & Cartage	307.76	223.36
Business Development Expenses	312.56	190.02
Legal & Professional Fees	184.30	137.33
Commission & Other Exp. On Sales	566.46	188.37
Packing & Forwarding	362.76	104.12
Travelling Expenses	195.21	52.25
Electricity Expenses	31.46	18.08
Shortage & Pilferage	-	26.35
Repairs & Maintenance	46.95	38.36
Rates & Taxes	38.09	46.88
Audit Fees	2.20	2.00
Conveyance Expenses	24.59	16.59
Insurance	24.79	21.93
Rent	148.76	101.00
Bad debts	32.47	7.21
Loss on Disposal of Asset	3.90	-
Commission & Brokerage	8.63	4.17
Other Expenses	75.49	38.71
Total	**4,059.85**	**2,125.51**

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 35 Other Expenses (Contd..)

35.1 Audit fees - payments to the auditor

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
for Statutory Audit	2.20	2.00
for Tax Audit		
for Other Services		

Note 36 Exceptional Item

The company closed some stores out of business compulsions prematurely. The lease liability and corresponsing right-of-use asset, initially recognised at the commencement day and measured at an amount equal to the present value of lease payments during the lease term are written back and written off respectively on such termination. The resultant gain/loss is shown as exceptional item in the financial results.

Note 37 Earning per share (EPS)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Profit after Tax as per Statement of Profit and Loss	1,016.36	69.71
i) Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	1,016.36	69.71
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	105.83	105.83
iii) Weighted Average Potential Equity Shares	0.67	0.46
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	106.49	106.29
v) Basic Earnings Per Share (₹)	9.60	0.66
vi) Diluted Earning Per Share (₹)	9.54	0.66
vii) Face Value per Equity Share (₹)	10.00	10.00

Note 38 Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) Names of related parties where there are transactions and description of relationships:

Name of Related Party	Relationship
Key Managerial Personnel (KMP)	
Prateek Maheshwari	Managing Director
Abhinav Kumar	Director & CFO
Swati Gupta	Company Secretary
Relatives of Key Managerial Personnel	
Mrs. Purva Kumar Proprietor Ara Designs	Relative of KMP
Other (Entities in which the KMP and relatives of KMP have control or significant influence)	
IFF Overseas Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence
7E Wellness Pvt. Ltd.	Associate Company
Govind Shridhar Shrikhande	Independent Director

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 38 Related Parties Disclosures (Contd..)

(ii) Details of transaction during the year with related parties:

(₹ in Lakhs)

Particulars	Nature of Transactions	FY 2022-23	FY 2021-22
Prateek Maheshwari	Director Remuneration	48.00	56.75
	Interest Paid	-	1.89
	Loan Received	-	112.50
Abhinav Kumar	Director Remuneration	84.00	54.00
Mrs. Purva Kumar Prop. Ara Designs	Design Fees (Inc GST)	11.80	-
7e Wellness Pvt. Ltd.	Service Provided (Inc GST)	7.13	-
	Sales (Inc GST)	-	1.29
	Purchase (Inc GST)	6.96	-
IFF Overseas Private Limited	Purchase (Inc GST)	856.10	137.70
	Electricity Reimbursement	-	1.44
	Rent (Inc GST)	17.70	17.70
Govind Shridhar Shrikhande	Professional fee (Including Taxes)	14.16	-

Receivable (Payable) as at end of the year

(₹ in Lakhs)

Particulars	Nature of Transactions	FY 2022-23	FY 2021-22
Prateek Maheshwari	Director Remuneration	-	-
	Interest Paid	-	-
	Loan Received	-	-
Annapurna Maheshwari	Interest Paid	-	-
	Loan Received	-	-
Abhinav Kumar	Director Remuneration	-	(2.42)
Ara Designs (Proprietor Purva Kumar)	Design Fees (Inc GST)	-	-
7E Wellness Pvt. Ltd.	Service Provided (Inc GST)	3.74	-
	Sales (Inc GST)	-	1.29
	Purchase (Inc GST)	1.02	-
IFF Overseas Private Limited	Purchase (Inc GST)	(207.88)	11.09
	Electricity Reimbursement	-	-
	Rent (Inc GST)	-	-

The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

(iii) Compensation of Key Management Personnel

The remuneration of directors during the year was as follows:-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prateek Maheshwari	48.00	56.75
Abhinav Kumar	84.00	54.00
Termination benefits	40.00	39.42
Total	**172.00**	**150.17**

Certain KMP's also participate in post employment benefits plans prepared by the Company.

The amount in respect of these towards the KMP's cannot be segregated as these are based on actuarial valuation for all employees of the Company.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 39 Ratios

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	Reasons
Current Ratio	1.39	1.33	NA
Debt-Equity Ratio	0.90	1.34	Debts were in line with previous year, whereas Equity increased on account of profit of current year.
Debt Service Coverage Ratio	2.20	1.09	Debts and corresponding finance costs were in line with previous year, whereas increased profit of current year resulted in improved debt service coverage ratio.
Return on Equity Ratio	0.44	0.04	Increase in profitability with consitent equity base.
Inventory turnover ratio	3.21	2.10	Increase in revenue from operations and inventory levels in line with market demand. Improved inventory management and benefits of economies of scale.
Trade Receivables turnover ratio	5.26	2.68	Increase in revenue from operations and no change in credit period of Trade Receivables. Revenue from operations increased in areas where credit period is lower than other areas.
Trade payables turnover ratio	3.96	2.25	Improved liquidity resulted in making payment before credit period which resulted in improved purchase rates.
Net capital turnover ratio	7.79	5.65	Increase in revenue from operations.
Net profit ratio	6.23%	0.9%	Increase in revenue from operations and benefits of economies of scale.
Return on Capital employed	36.3%	14.9%	Increase in revenue from operations and resultant impact on profitability.
Return on investment	-	-	NA

Current Ratio	Current Asset Current Liabilities
Debt-Equity Ratio	Total Debt Shareholders' Equity
Debt Service Coverage Ratio	Earnings available for debt services Interest & Lease Payments + Principal Repayments Earnings available for debt services = Net profit (Earning after taxes) + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed Asset Debt service = Interest & Lease Payments + Principal Repayments “Net Profit after tax” means reported amount of “Profit / (loss) for the period” and it does not include items of other comprehensive income.
Return on Equity Ratio	Net Profit after taxes - Preference dividend (if any) Average Shareholder’s Equity
Inventory turnover ratio	Cost of goods sold or Sales Average Inventory Average Inventory = (Opening and Closing Inventory)/2
Trade Receivables turnover ratio	Net Credit Sales Average Accounts Receivable Net credit sales consist of gross credit sales - sales return.
Trade payables turnover ratio	Net Credit Purchases Average Accounts Payables Net credit purchases consist of gross credit purchases - purchase return.
Net capital turnover ratio	Net Sales Working Capital Net sales = total sales - sales returns. Working capital = Current assets - current liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 39 Ratios (Contd..)

Net profit ratio	Net Profit after tax Net Sales Net sales = total sales - sales returns.
Return on Capital employed	Earnings before interest and taxes (EBIT) Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on investment	{MV(T1) – MV(T0) – Sum [C(t)]} {MV(T0) + Sum [W(t) * C(t)]} T1 = End of time period T0 = Beginning of time period t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t] / T1

Note 40 Contingent Liabilities And Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
(i) Sales Tax Demand in Appeal / (Amount Paid)	-	70.27
(ii) Disputed statutory dues	-	24.63
(iii) Income Tax cases in appeals pending before Commissioner (Appeals)-NFAC	72.61	72.61
Commitments	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for and (Advances paid)	18.86	-

Note 41 Capital Management

The Company's capital management objectives are:

(a) to ensure the Company's ability to continue as a going concern; and

(b) to provide an adequate return to shareholders through optimization of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents, bank balances (excluding earmarked balances with banks.

Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The gearing ratio at end of the reporting period was as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Liabilities	527.00	539.17
Current borrowings	2,245.75	2,124.31
Lease liabilities	980.55	770.79
Gross Debt	3,753.30	3,434.27

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 41 Capital Management (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and Cash Equivalents	61.29	41.56
Net Debt (A)	3,692.01	3,392.71
Total Equity (As per Balance Sheet) (B)	2,801.94	1,837.44
Net Gearing (A/B)	**1.32**	**1.85**

Note 42 Fair Value measurement hierarchy/ Categories of Financial Instrument:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
At Amortized cost		
Investments		
Trade Receivables	3,200.42	3,011.24
Cash and Bank Balances	61.29	41.56
Other Financial Assets	167.08	115.75
Investments	47.36	24.01
At Fair value through profit and loss		
Investments	-	-
At Fair value through other comprehensive income		
Investments	-	-
Financial Liabilities		
At Amortized cost		
Borrowings	2,533.24	2,463.78
Lease liabilities	980.55	770.79
Trade Payables	2,682.63	2,045.24
Other Financial Liabilities	330.98	274.78

43 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets for which loss allowances is measured using the expected credit loss		
Trade receivables		
less than 180 days	2,997.59	2,448.24
180 - 365 days	114.42	289.46

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

43 Financial Risk Management: (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
beyond 365 days	106.53	291.36
Total	3,218.54	3,029.06
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	(17.83)	(7.13)
Addition	(0.29)	(10.69)
Recoveries		-
Balance at the end of the year	(18.12)	(17.83)
Trade receivables balance at the end of the year	**3,200.42**	**3,011.23**

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its financial obligation as it becomes due.

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities :

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2023
Non derivative				
Borrowings	2,245.75	189.50	97.98	2,533.24
Lease liabilities	203.81	446.22	330.52	980.55
Trade payables	2,682.63	-	-	2,682.63
Other financial liabilities	191.32	-	139.66	330.98
Total	**5,323.51**	**635.72**	**568.16**	**6,527.40**

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2022
Non derivative				
Borrowings	2,124.31	241.69	97.78	2,463.78
Lease liabilities	141.81	290.33	338.65	770.79
Trade payables	2,045.24	-	-	2,045.24
Other financial liabilities	155.12	-	119.66	274.78
Total	**4,466.48**	**532.02**	**556.09**	**5,554.59**

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices.

Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long term debt.

The Company is exposed to market risk primarily related to foreign exchange rate risk.

Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

43 Financial Risk Management: (Contd..)

Foreign exchange risk:

There are no foreign exchange transactions in the Company. Consequentially, no foreign exchange risk arises from foreign currency revenues and expenses. As a result, if the value of the Indian rupee appreciates relative to foreign currencies, the Company's revenues and expenses measured in Indian rupees are not affected.

Sensitivity:

There is no effect of fluctuation of foreign currency in the Company for the years ended March 31, 2023 and March 31, 2022.

Hedge Accounting:

The Company does not have any financial instruments which are subject to benchmark reforms. Consequentially, the Company does not have any risk of being exposed to such interest rate benchmark reforms.

Note 44 Employee benefit plans:

Risks

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) **Investment risk -** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

ii) **Interest rate risk -** A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) **Longevity risk -** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) **Salary risk -** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expense recognized in the statement of profit and loss (Refer Note 32)		
Current service cost	28.80	21.37
Interest cost	8.80	6.29
Expected return on plan assets	-	-
Expense charged to the statement of profit and loss	37.60	27.66
Remeasurement of defined benefit obligation recognized in other comprehensive income	-	-
Actuarial loss/(gain) on defined benefit obligation	(12.51)	6.35
Actuarial gain on plan assets	-	-
Expense/(income) charged to other comprehensive income	(12.51)	6.35
Reconciliation of defined benefit obligations	-	-
Obligation as at the beginning of the year	120.60	92.53
Current service cost	28.80	21.37
Interest cost	8.80	6.29
Benefits paid	(1.32)	(5.94)
Actuarial (gains)/losses on obligations	(12.51)	6.35
due to change in demographic assumptions	-	-
due to change in financial assumptions	-	-
due to experience	(12.51)	6.35
Obligation as at the year end	144.37	120.60

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 44 Employee benefit plans: (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of liability/(asset) recognized in the Balance sheet		
Present value of commitments (as per Actuarial Valuation)	144.37	120.60
Fair value of plan assets	-	-
Net (asset)/liability recognized in the financial statement	**144.37**	**120.60**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of plan assets		
Plan assets as at the beginning of the year	-	-
Expected return	-	-
Actuarial gain	-	-
Employer's contribution during the year	-	-
Benefits paid	-	-
Plan assets as at the year end	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Assumptions :		
Discount rate	7.30%	6.80%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	7.00%	7.00%
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Employee turnover	30.0%	30.0%
Retirement Age (years)	60.00	60.00

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Sensitivity analysis:		
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period		
Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	136.04	113.49
Delta effect of -1% change in discount rate	153.78	128.66
Delta effect of +1% change in salary escalation rate	153.71	128.57
Delta effect of -1% change in salary escalation rate	135.94	113.44
Delta effect of +1% change in rate of employee turnover	144.35	120.56
Delta effect of -1% change in rate of employee turnover	144.19	120.65
Maturity analysis of projected benefit obligation for next	-	-
1st year	44.52	36.68
2nd year	18.28	14.69
3rd year	15.76	12.07
4th year	12.21	10.56
5th year	15.47	8.04
Thereafter	39.06	36.57
The major categories of plan assets are as under	-	-
Central government securities	-	-
Bonds and securities	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 45 Employee share based payment plans:

45.1 The Company has Employee Stock Option Scheme,i.e , ESOP Scheme - 2020 under which options have been granted. Total Number of options available that is available under this scheme is 5,29,140 (Previous Year 2,11,656) out of which compnay has offered 75,000 options with 3 different vesting periods.

Details of number of options outstanding have been tabulated below:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	
	Outstanding Stock options (numbers)	Exercise price
Outstanding at the commencement of the year	75,000	25
Granted during the year	-	
Exercised during the year	-	
Lapsed during the year	-	
Outstanding at the end of the year	75,000	25
Exercisable at the end of the year	75,000	25

(₹ in Lakhs)

Particulars	As at 31st March, 2022	
	Outstanding Stock options (numbers)	Exercise price
Outstanding at the commencement of the year	-	
Granted during the year	75,000	25
Exercised during the year	-	
Lapsed during the year	-	
Outstanding at the end of the year	75,000	25
Exercisable at the end of the year	75,000	25

45.2 Compensation expenses arising on account of share based payments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses arising from equity-settled share based payment transactions	1.06	1.76

45.3 Fair Value on the date of grant

The fair value at grant date is determined using “Black Scholes Model” which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

During the year no (Previous Year 75000) options were granted under the Scheme to the eligible employees of the Company. The model inputs for options granted during the year and year ended at 31st March, 2023 included as mentioned below:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Weighted average exercise price (INR)	25.00	25.00
b) Grant date:	20/03/2021	20/03/2021
c) Vesting year:	3 years	3 years
d) Share Price at grant date:	25.00	25.00
e) Option Price at grant date:	(a) 2.85 (b) 4.38 (c) 6.29	(a) 2.85 (b) 4.38 (c) 6.29

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 46 Relationship with Struck off Companies

There are no transactions with struck-off companies.

Note 47 Details of Crypto Currency or Virtual Currency:-

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Note 48 Additional Regulatory Information:-

1 No procedings have been initiated or pending against Company for holding any Benami Property under Prohibitions of Benami Transactions Act,1988 (Earliers titled as Benami transactions (Prohibitions) Act,1988

2 The quarterly returns/statement of current assets filed by Company with Banks for Borrowings are in agreement with the books of accounts.

3 The Company is not declared a wilfull defaulter by any Bank or Financial Institution or any other lender.

4 The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 530 of Companies Act,1956.

5 No charges of satisfication are pending for registration with the Registrar of Companies (ROC) except for 3 Loans From Mas financial Services.

6 The Company has no subsidiary. The clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017 is not applicable.

7 Title deeds of immovable properties not held in the name of Company. Details of all the immovable properties (other than properties where the Company is the leesee of and the lease agreements are duly executed in favour of the leesee) whose deeds are held in the name of the Company.

8 There are no investment in properties

9 The Company has not revalued its Property,Plant and Equipment during the year.

10 The Company has not revalued its intangible assets during the year.

11 During the year, the Company has not issued any securitites.

12 The amount borrowed from Banks and Financial Institution have been used for the specific purpose it was taken.

Note 49 Rounding off

The figures appearing in financial statements haves been rounded off to the nearest lakhs, as required by General Instructions for preparation of Financial Statements in Division II Schedule III to the Companies Act,. 2013.

Note 50 Approval of Financial Statements

The Financial Statements were approved for issue by Board of directors in its meeting held on 25th May, 2023.

51 Dividend

The Board of Directors have proposed Final dividend of ₹ 1.00/- per equity share subject to approval by the shareholders in the general meeting. If approved, this will result in payment of dividend of ₹ 1.06 Cr.

Notes to the Standalone Financial Statements

for the year ended March 31, 2023

Note 52 Operating Segments

The Group has only one reportable operating segment i.e. "Trading of Travel Bags and accessories".

Customer contributing more than 10% of Revenue :- Two customers revenue aggregating to ₹ 5,424.39 lakhs (₹ 3,467.22 lakhs).

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Myntra Jabong India Pvt. Ltd.	3398.15	2620.21
Shoppers Stop Ltd.	2026.24	847.01
Total	**5424.39**	**3467.22**

The revenues from external customers are attributable to India.

The non-current assets are also located within India.

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Independent Auditor's Report

To,
The Members of
BRAND CONCEPTS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of BRAND CONCEPTS LIMITED, ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit & Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the consolidated Ind AS financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements :

Key Audit Matters	How our audit addressed the Key Audit Matters
Rebates, discounts and schemes The Company sells its products through various channels like modern trade, distributors, retailers, institutions etc., and it entered into different types of agreements with them. Policies related to rebates, discounts and sales returns are different in case of every entity as per agreement entered into with them individually. The rebates/discounts are linked to sales, which are given to the customers pursuant to schemes offered by the Company. There are large variety and complexity of terms with different customers, and with regard to various products and schemes offered by the Company. Company's customers offer discounts, schemes and rebates to the end customers from time to time at the behest of the Company as per understanding and approval by the Company.	Our procedures included the following Points: • Obtained an understanding from the management with regard to controls relating to recording of rebates, discounts, sales returns and tested the operating effectiveness of such controls. • Tested the approvals in context of rebates, discounts and schemes to source data • Tested credit notes issued to customers and payments / credit made to them during the year and subsequent to the year-end along with the terms of the related schemes. • Based on the above procedures, we did not identify any significant variation in respect of rebates, discounts and schemes.

Key Audit Matters	How our audit addressed the Key Audit Matters
Company's customers offer discounts, schemes and rebates to the end customers from time to time at the behest of the Company as per understanding and approval by the Company. Our audit focused on this area because verification of claims by the customers pursuant to such schemes, rebates and discounts in terms of contracts / agreements or approvals given by the Company have a bearing on correct recognition of revenue. The matter has been determined to be a key audit matter in view of the involvement of significant complexity of the transactions.	

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report 2022-23, but does not include the consolidated financial statements and our auditor's report thereon.

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

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

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

In preparing the 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 Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/ financial information of the entities within the Group to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

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 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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(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 does not have any pending litigations which would impact its financial position in its consolidated financial statements.

  ii. The Company did not have any long-term contracts including derivative contracts for which there were any material forceable losses.

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

  iv. (a) The Management has represented that, to the best of its knowledge and belief, 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 entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The interim dividend declared by the company during the year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

(b) As stated in note no. 51 to the stand alone financial statements, the Board of Director of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General meeting. The amount of the propose dividend is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using software which has a feature of audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rule, 2014 is not applicable for the financial year ended March 31, 2023.

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFT7140

Annexure "A" to the Auditors' Report

Referred to in paragraph 1 of our report of even date

1. (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

   (B) The company is maintaining proper records showing full particulars of intangible assets.

   (b) We are informed that the management has physically verified the Property, Plant and Equipment of the company during the year and no material discrepancies were noticed on such physical verification. The management has adopted physical verification in a phased manner so that all the Property, Plant & Equipment are covered within a period of three years.

   (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) As informed and explained to us, the management has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

   (e) According to the information and explanations given to us company does not hold any Benami Property under the Benami Property Transactions Act, 1988 (previously known as Benami Transactions (Prohibition) Act, 1988) and rules made thereunder.

2. (a) Physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such physical verification by the management.

   (b) As informed and explained to us by the management, the company has been sanctioned working capital limits in excess of 5 crore rupees, in aggregate, from banks. On the basis of our verification of relevant records, the statements filed by the company with the banks are in agreement with the books of account of the Company.

3. As per information provided to us, the company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act 2013 hence provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.

4. There is no loan, investment, guarantee and security given by the company, hence provisions of section 185 & 186 of the Companies Act, 2013 are not applicable.

5. The Company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

6. As informed to us, the company is not required to maintain cost records as specified by the Central Government U/s 148(1) of the Act.

7. (a) According to the books of accounts and records examined by us as per the generally accepted auditing practices in India, in our opinion, the company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employee's state insurance, Income Tax, Duty of Customs, Cess and other Statutory dues to the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.

   (b) According to the information given, there are no disputed dues on account of statutory dues referred to in sub clause (a) that have not been deposited on account of any disputes except the following :

Particulars/ Status	Nature of dues	Period	Amount (in Lakhs)	Forum where dispute is pending
Income Tax Act, 1961	Tax demanded in intimation	AY 2018-19	33.39	Commissioner (Appeals)-NFAC
Income Tax Act, 1961	Tax demanded in intimation	AY 2019-20	39.22	Commissioner (Appeals)-NFAC

8. According to the explanations and information given to us by the management, there has been no amount surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to lenders.

   (b) According to the information provided to us by the management, the company has not been declared as a willful defaulter by any bank or financial institution or any other lender.

   (c) The term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

(e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiary.

10. The Company did not raise any money by way of initial public offer/ further public offer (including debt instruments) during the period under audit.

    (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the period under audit.

11. (a) According to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year under audit.

    (b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year;

    (c) As per our information and according to the explanations given to us, no whistle blower complaints were received by the company during the year.

12. In our opinion, the company is not a Nidhi Company and therefore, the provisions of clause (xii)(a), (xii)(b) and (xii)(c) of para 3 of the said order are not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the consolidated Ind AS financial statements as required by the applicable accounting standards.

14. (a) In our opinion and according to the information and explanations given by management, 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 obtained and considered by us.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

16. (a) According to the information and explanations given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

    (b) According to the information and explanations given to us by the management, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

    (c) According to the information and explanations given to us by the management, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

    (d) According to the information and explanations given to us by the management, the Group does not have any CIC as part of the Group, hence clause (xvi)(d) of paragraph 3 of the said order is not applicable to the company.

17. The company has not incurred any cash losses in the current financial year and the immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year.

19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and in our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

20. According to the information and explanations given to us by the management, and on the basis of our examination of the records of the company, the company does not have any CSR Policies, and therefore clause (xx) of para 3 is not applicable.

21. There is no adverse remark in the Companies (Auditors' Report) Order (CARO) report of the Company included in the consolidated financial statement.

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFT7140

Annexure B - Referred to in paragraph (f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of BRAND CONCEPTS LIMITED for the year ended March 31, 2023

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

We have audited the internal financial controls with reference to the consolidated financial statements of Brand Concepts Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the consolidated Ind AS financial statements 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 the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to the consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated Ind AS financial statements 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 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 with reference to the consolidated Ind AS financial statements.

Meaning of Internal Financial Controls with reference to these consolidated Ind AS financial statements

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

Inherent Limitations of Internal Financial Controls with reference to these consolidated Ind AS financial statements

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

Opinion

In our opinion, 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 over financial reporting with reference to these consolidated Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting 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 ICAI

For MAHESHWARI & GUPTA
Chartered Accountants
FRN- 006179C

CA. SUNIL MAHESHWARI
Partner (M. No. 403346)

Place: INDORE
Date : 25 May, 2023

UDIN : 23403346BGUKFT7140

Consolidated Balance Sheet

as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	3.1 & 3.2	1,529.97	983.94
(b) Other Intangible Assets	4	3.09	5.44
(c) Financial Assets			
(i) Investments	5	7.99	10.97
(ii) Other Financial Assets	6	139.48	91.46
(d) Deferred tax assets (net)	7	272.56	376.42
(e) Other non-current assets	8	16.86	-
Total non-current assets		**1,969.95**	**1,468.23**
(2) Current assets			
(a) Inventories	9	3,076.33	2,230.84
(b) Financial Assets			
(i) Trade receivables	10	3,200.42	3,011.24
(ii) Cash & cash equivalents	11	61.29	41.57
(iii) Bank Balances other than (ii) above	12	535.50	306.00
(iv) Other financial assets	13	27.60	24.29
(c) Current tax assets	14	0.45	5.70
(d) Other current assets	15	618.42	486.87
Total current assets		**7520.01**	**6106.52**
Total Assets		**9489.96**	**7574.74**
EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	16	1,058.28	1,058.28
(b) Other equity	17	1,704.30	766.12
Total equity		**2,762.58**	**1,824.40**
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	287.48	339.47
(ii) Lease liabilities	19	776.74	628.98
(iii) Other financial liabilities	20	139.66	119.66
(b) Provisions	21	99.85	80.04
Total non-current liabilities		**1,303.73**	**1,168.15**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	2,245.75	2,124.31
(ii) Lease liabilities	23	203.81	141.81
(iii) Trade payables	24		
(a) Total Outstanding Dues of micro enterprises and small enterprises		687.40	954.59
(b) Total Outstanding Dues of creditors other than micro and small enterprises		1,995.21	1,090.67
(iv) Other financial liabilities	25	191.33	155.12
(b) Other current liabilities	26	20.75	75.12
(c) Provisions	27	79.40	40.57
Total current liabilities		**5,423.65**	**4,582.19**
Total liabilities		**6,727.38**	**5,750.34**
TOTAL		**9,489.96**	**7,574.74**

The accompanying Notes are an integral part of the consolidated financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

For and on behalf of the Board of Directors of
Brand Concepts Limited

CA. Sunil Maheshwari
Partner (M.No. 403346)

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Place: Indore
Date: May 25, 2023

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
(I) Revenue from operations	28	16,321.63	8,616.68
(II) Other income	29	38.36	60.63
(III) Total Income (I+II)		**16,359.99**	**8,677.31**
(IV) Expenses			
Purchases of stock-in-trade	30	9,367.40	4,680.22
Changes in inventories of stock-in-trade	31	(845.49)	(47.80)
Employee benefits expense	32	1,616.38	1,083.75
Finance costs	33	494.17	481.28
Depreciation and amortization expense	34	345.99	249.58
Other expenses	35	4,059.85	2,125.51
Total Expenses (IV)		**15,038.30**	**8,572.54**
(V) Profit before exceptional item and tax (III-IV)		1,321.69	104.77
(VI) Exceptional item (Refer Note 36)		23.52	-
(VII) Profit before tax (V+VI)		**1,345.21**	**104.77**
(VIII) Tax (expense)/ credit:			
- Current Tax		(237.52)	(17.19)
- Mat Credit Entitlement		55.72	17.19
- Deferred Tax		(159.58)	(28.69)
Total tax (expense) / credit (VIII)		**(341.38)**	**(28.69)**
(IX) Profit for the year (VII - VIII)		1,003.83	76.08
(X) Share of profit / (loss) of associates		**(26.31)**	**(13.05)**
(XI) Net Profit /(Loss) for the year before non - controlling interest (IX+X)		**977.52**	**63.03**
(XII). Non-controlling interests		**-**	**-**
(XIII) Net Profit /(Loss) for the year attributable to owners of the Company (XI+XII)		**977.52**	**63.03**
(XIV) Other Comprehensive Income			
A) Items that will not be reclassified to the statement of profit or loss			
a. Gain / (loss) on remeasurement of the defined benefit plans		12.51	(6.35)
Income tax on above			
Total - (A)		12.51	(6.35)
B) Items that may be reclassified to the statement of profit or loss			
Income tax on above			
Total - (B)			
Total other comprehensive income (A+B) (X)		**12.51**	**(6.35)**
(XI) Total Comprehensive Income for the year (IX+X)		**990.03**	**56.68**
Earnings per equity share (face value per equity share ₹ 10)			
Basic	36	9.36	0.54
Diluted		9.36	0.54

The accompanying Notes are an integral part of the consolidated financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Equity Share Capital	Other Equity			Total
		Reserve & Surplus		On Employee Stock Options	
		Securities Premium	Retained Earning		
Balance as at March 31, 2021	**1,058.28**	**1,542.75**	**(838.07)**	**2.15**	**1,765.11**
Profit for the year	-	-	76.06	-	76.06
Other comprehensive income for the year	-	-	(6.35)	-	(6.35)
Interim Dividends	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Recognition of share-based payment to employees	-	-	-	2.62	2.62
Changes in share capital during the year	-	-	-	-	-
Balance as at March 31, 2022	**1,058.28**	**1,542.75**	**(768.36)**	**4.77**	**1,837.44**
Profit for the year	-	-	977.52	-	977.52
Other comprehensive income for the year	-	-	12.51	-	12.51
Interim Dividends			(52.91)		(52.91)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**
Recognition of share-based payment to employees	-	-	-	1.06	1.06
Changes in share capital during the year	-	-	-	-	-
Balance as at March 31, 2023	**1,058.28**	**1,542.75**	**168.76**	**5.83**	**2,775.62**

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Consolidated Statement of Cash Flow

for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	1345.23	104.75
Adjustments for:		
Depreciation and amortisation expense	345.99	249.59
Loss on sale/write off of property plant and equipment and intangible assets	3.90	0.00
Finance costs	494.18	481.28
Interest income	(20.79)	(15.37)
Remeasurement of lease liabilities	(8.31)	38.52
Share based payment to employees	1.06	1.76
Operating profit before working capital changes	**2161.26**	**860.53**
Movements in working capital:		
(Increase)/ decrease in inventories	(845.49)	(47.80)
(Increase)/ decrease in trade receivables	(189.19)	416.43
(Increase)/ decrease in other financial assets	(232.81)	(136.79)
(Increase)/ decrease in tax assets (current)	5.25	(1.79)
(Increase)/ decrease in other current assets	(131.55)	(43.50)
(Increase)/ decrease in other financial assets (non-current)	(48.02)	28.60
(Increase)/ decrease in other current assets (non-current)	(16.86)	6.57
Increase / (decrease) in trade payables	637.39	231.24
Increase / (decrease) in other financial liabilities	36.20	(10.14)
Increase / (decrease) in other current liabilities	(54.37)	8.96
Increase / (decrease) in other financial liabilities (non-current)	20.00	(41.00)
Increase / (decrease) in provisions	71.16	21.72
Cash generated from operations	1412.97	1293.03
Income tax paid	(237.52)	(17.19)
Net cash generated from operating activities (A)	**1175.45**	**1275.84**
B. Cash flow from investing activities		
Payments for purchase of property plant and equipment including capital work-in-progress, intangible assets and intangible assets under development	(472.80)	(86.89)
Recognition of Right-of-use asset	(420.79)	(422.11)
Purchase of investments	(23.35)	(21.09)
Interest received	20.79	15.37
Net cash (used in) / from investing activities (B)	**(896.15)**	**(514.72)**
C. Cash flow from financing activities		
Repayment of borrowings	69.46	(482.04)
Finance costs	(494.18)	(481.28)
Lease liabilities	218.07	211.09
Dividend	(52.91)	0.00
Net cash used in financing activities (C)	**(259.56)**	**(752.23)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**19.74**	**8.89**
Cash and cash equivalents at the beginning of the year	41.56	32.68
Cash and cash equivalents at the end of the year	**61.30**	**41.57**

Statement of Cash Flow

for the year ended March 31, 2023

1 Cash and cash equivalents comprises of

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balances with banks		
In current accounts	48.10	23.80
In deposits accounts with original maturity less than three months	5.00	5.00
Cash on Hand	8.19	12.77
Balances with banks to the extent held as margin money against the Letter of Credit		
Cash and cash equivalents in cash flow statement (Refer Note 12)	**61.29**	**41.57**

2 Change in financial liability / asset arising from financing activities

(₹ in Lakhs)

Particulars	Year ended March 31, 2022			
	Borrowings	Lease Liabilities	Trade Payables	Other Financial Liability
Opening balance	2,945.82	521.18	1,964.98	174.94
Changes from financing cash flows	(482.04)	249.61	231.24	(51.14)
Effect of changes in foreign exchange rates	-	-	-	-
Changes in fair value	-	-	-	-
Other changes	-	-	-	-
Closing balance	**2,463.78**	**770.79**	**2,196.22**	**123.80**

(₹ in Lakhs)

Particulars	Year ended March 31, 2023			
	Borrowings	Lease Liabilities	Trade Payables	Other Financial Liability
Opening balance	2,463.78	770.79	2,045.24	155.12
Changes from financing cash flows	69.46	209.76	637.39	36.20
Effect of changes in foreign exchange rates	-	-	-	-
Changes in fair value	-	-	-	-
Other changes	-	-	-	-
Closing balance	**2,533.24**	**980.55**	**2,682.63**	**191.32**

3 The gross increase in Right of Use Assets, during the year, is Rs.420.79 Lakhs (P.Y. 422.11 Lakhs) and the net increase in lease liabilities is Rs.209.76 Lakhs (P.Y. 249.59 Lakhs) resulting in net cash outflow on account of lease liabilities of Rs.211.03 Lakhs (P.Y. 172.52 Lakhs) and Rs.113.82 Lakhs (P.Y. 77.63 Laksh) as finance charges on leases.

The accompanying Notes are an integral part of the consolidated financial statements

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 1: - General Information

a) Brand Concepts Limited ("BCL or the Company") is a Public Limited Company incorporated and domiciled in India having its registered office at Indore, Madhya Pradesh, India. The Company is listed on the National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange (BSE). The Parent Company and its associate 7E Wellness Private Limited, collectively referred to as 'the Group' or 'the Company'. The Parent Company and its associate are incorporated and domiciled in India. The Group is engaged in the trading business of Travel Gear (Luggage, Bag packs, Gym bag and accessories) and Small Leather Goods (Belts, Wallets and accessories)

Note 2: - Significant Accounting Policy

a) Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are consolidated financial statements of the Company (also called consolidated financial statements). The Company has prepared and presented the consolidated financial statements for the year ended March 31, 2023, together with the comparative period information as at and for the year ended March 31, 2022, and further, the Company has prepared the consolidated financial statements in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) Basis of preparation and presentation

These consolidated financial statements for the year ended March 31, 2023 have prepared in accordance with Indian Accounting Standards (Ind AS).

The consolidated financial statements have been prepared on a historical cost basis, except for (i) defined benefit plans - plan assets which have been measured at fair value, (ii) Equity settled share-based payments.

The consolidated financial statements are presented in INR and all values are rounded to the nearest Lakhs (00,000) up to two decimals, except when otherwise indicated.

The company has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

The Company's consolidated financial statements are presented in Indian Rupees (INR), which is also its functional currency.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Basis of Consolidation

i) The accompanying consolidated financial statements have been prepared and presented in Indian rupees being the functional currency and the presentation currency of the Parent Company.

ii) The consolidated financial statements of the Group have been prepared based on equity method.

iii) Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

iv) The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of an associate exceeds its interest in that associate, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the associate.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

v) An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate and discontinues from the date when the investment ceases to be an associate, or when the investment is classified as held for sale.

vi) The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed off the related assets or liabilities.

vii) When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interest in the associate that are not related to the Group.

d) Use of Estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

Key source of estimation of uncertainty at the date of consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of provision for employee benefits, useful life of property, plant and equipment.

1) Summary of Significant Accounting Policies

a) Property, Plant and Equipment (PPE)

i) The cost of an item of property, plant and equipment is recognised as an asset if, and only if:

(a) It is probable that the future economic benefits associated with the item will flow to the company; and

(b) The cost of the item can be measured reliably.

ii) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

iii) Assets in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

iv) Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'.

v) 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 entity and the cost can be measured reliably.

vi) In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognised when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition principles as stated in Ind AS 16.

vii) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

viii) Any gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the property, plant and equipment and are recognised in the Statement of Profit and Loss when the asset is derecognised.

ix) Depreciation is provided based on useful life of the assets. The management has evaluated that the useful life is in conformity with the useful life as prescribed in Schedule II of the Companies Act, 2013, and therefore such prescribed useful life has been considered by applying the written-down value method. Each part of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

an item of Property, Plant & Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately based on its' useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and, if expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate accounted for on a prospective basis.

x) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset.

b) Leases

i) The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

ii) Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

iii) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of the right-of-use asset shall comprise: the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received; any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

iv) Lease Liabilities

At the commencement date of the lease, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date: fixed payments (including in-substance fixed payments), less any lease incentives receivable; variable lease payments that depend 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 lessee under residual value guarantees; the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

After the commencement date the carrying amount of lease liabilities is remeasured to reflect changes in the lease payments. The amount of remeasurement of the lease liability is recognised as an adjustment to the carrying amount of the right-of-use of the asset and any remaining amount of remeasurement in profit or loss.

v) Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

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

The Company has elected to apply the exemption from lease recognition to short term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases for which the underlying assets is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

vii) The Company has applied the practical expedient as per Para C5 (a) of Appendix C, Effective Date and transition of Ind AS 116, Leases. Accordingly, the Company has applied Ind AS 116 on and from April 01, 2020 retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings at the date of transition.

c) Intangible assets

i) Intangible Assets that are acquired by the company are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, and adjustments arising from exchange rate variations attributable to the intangible assets.

ii) 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 entity and the cost can be measured reliably.

iii) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

iv) Intangible assets which are finite are amortized on a straight-line method over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing its recoverable amount with its' carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

v) The management has assessed the useful life of software's classified as other intangible assets as three years.

vi) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.

d) Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development expenditure which does not satisfy the criteria for recognition as an intangible asset, are charged to the Statement of Profit and Loss.

e) Inventories

i) Inventory consists of stock-in-trade and is measured at the lower of cost and net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by using specific identification of their individual costs. The cost of other inventories is based on the first-in-first out method.

ii) Cost of stock-in-trade includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition.

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

f) Provisions, Contingent Liabilities & Contingent Assets and Commitments

i) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the Balance Sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset only when the reimbursement is certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement, if any.

ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

iii) Contingent liabilities are disclosed on the basis of judgment of management. Contingent liability is disclosed for, (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

iv) Contingent assets are not recognised in the consolidated financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

g) Income Taxes

The tax expense for the period comprises current and deferred tax. Income Tax expense is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity in which case, the tax is also recognised in other comprehensive income or equity respectively.

i) Current tax

Current tax is the amount of income taxes payable (recoverable) in respect of taxable profit (tax loss) for a period.

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

Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period, in which, the liability is settled, or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

The Company recognises a deferred tax asset arising from unused tax losses or tax credits only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

iii) Uncertain Tax Position

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the company expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management review each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

h) Share Based Payments

i) Employees of the Company's receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That fair value determined at the grant date is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/ or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

ii) When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

iii) Where an award is cancelled by the Company's or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated statement of profit and loss/ statement of profit and loss/ Consolidated statement of profit and loss.

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

i) Foreign Currency Transactions

i) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

ii) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

iii) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

j) Employee Benefit Expense

The liability in respect of defined benefit plans is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds. The currency and term of the government bonds shall be consistent with the currency and estimated term of the post-employment benefit obligations. The current service cost of the defined benefit plan, recognised in the profit or loss as employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognised in profit or loss in the period of a plan amendment. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to OCI in the period in which they arise and is reflected immediately in retained earnings and is not reclassified to profit or loss.

i) Short-Term Employee Benefits

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

ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions. The Company makes specified monthly contributions towards Provident Fund and Employee State Insurance Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations 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, mortality rates and future pension increases. 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 Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @fifteen days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is recorded as a provision exclusively for gratuity payment to the employees.

Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

k) Revenue from contracts with customers

i) Sales of goods

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The control of the products is said to have been transferred to the customer when the products are delivered to the customer, the customer has significant risks and rewards of the ownership of the product or when the customer has accepted the product.

The Company has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates, estimated additional discounts and expected sales returns and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts. Revenue is only recognised to the extent that is highly probable that significant reversal will not accrue.

The related liabilities at the reporting period are disclosed in 'Other Liabilities'. The assumptions and estimated amounts of rebates/ discounts and returns are reassessed at each reporting period. The Company's obligation to repair or replace faulty products under the standard warranty term is recognised as a provision.

In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sales returns

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns.

With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

ii) Interest Income

Interest income from a financial asset is recognised using effective interest method.

iii) Dividends

Dividend income is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

iv) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (m) Financial instruments – initial recognition and subsequent measurement.

v) Contract Liabilities

A contract liability is the obligation to render services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers renders services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

l) Borrowing costs

Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

m) Financial Instruments

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

i) Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

For the purpose of subsequent measurement financial assets are classified into three categories:

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals in the profit or loss. On derecognition of the financial asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI instruments is reported as interest income using the EIR method.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVTOCI, is classified as FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all the changes in the profit or loss.

ii) Investment in Associate

The Company has elected to measure investment in associate at cost. On the date of transition, the carrying amount has been considered as deemed cost.

iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The twelve months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within twelve months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses twelve-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

iv) Financial Liabilities

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Compound financial instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables, inter corporate deposits, loans and borrowings including bank overdrafts and lease liabilities.

Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the profit or loss. After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

vi) Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. If not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

vii) Dividend distribution to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

n) Impairment of non-financial assets

i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. The goodwill on business combinations is tested for impairment annually.

ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount.

iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

o) Operating Cycle

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has identified twelve months as its operating cycle.

i) An asset is treated as current when it is:

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

All other assets are classified as non-current.

ii) A liability is current when:

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

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

p) Earnings Per Share

i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, which includes all stock options granted to employees.

iii) The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

q) Statement of Cash Flows

i) Cash and Cash equivalents - for the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, 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.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard-7 'Statement of Cash Flows'.

r) Operating Segments

The operating segments are identified on the basis of business activities whose operating results are regularly reviewed by the Chief Operating Decision Maker of the Company and for which the discrete financial information is available. The Company has only one reportable operating segment i.e "Manufacturing and marketing of luggage, bags and accessories".

s) Business Combination

i) The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is generally the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), less the net recognised amount of the identifiable assets acquired and liabilities assumed.

ii) When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognised immediately in the OCI and accumulates the same in equity as Capital Reserve where there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase else the gain is directly recognised in equity as Capital Reserve. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

iii) A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

iv) If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

v) If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

vi) Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method.

t) Exceptional Items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

u) Accounting pronouncements

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

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after Apri1 1, 2022, The Company has evaluated the amendment and the impact is not expected to be material.

2) Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the accompanying disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded at each year end.

The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Estimation of rebates, discounts and sales returns

The Company's revenue recognition policy requires estimation of rebates, discounts and sales returns. The company has a varied number of rebates/discount schemes offered which are primarily driven by the terms and conditions for each scheme including the working methodology to be followed and the eligibility criteria for each of the scheme. The estimates for rebates/discounts need to be based on evaluation of eligibility criteria and the past trend analysis. The company estimates expected sales returns based on a detailed historical study of past trends.

c) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

d) Net realisable value of inventories

The selling prices of inventory are estimated to determine the net realisable value of inventory. Historical sales patterns and post year end trading performance are used to determine these.

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

e) Leases

Management exercises judgement in determining the lease term of its lease contracts. Within its lease contracts, in respect of its Retail business.

f) Provisions

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

g) Estimation of defined benefit obligation

The Company provides defined benefit employee retirement plans. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate, salary escalation rate, attrition rate and mortality rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate, salary escalation rate and attrition rate at the end of each year. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability and attrition rate and salary escalation rate is determined based on the company's past trends adjusted for expected changes in rate in the future.

h) Impairment of non-financial assets

The Company assesses the chances of an asset getting impaired on each reporting date. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

i) Impairment of financial assets

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 3.1 Property, Plant & Equipment

FY 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2022	Additions	Disposals	As At March 31, 2023	As At April 01, 2022	For the year	Deductions/ Adjustments	As At March 31, 2023	As At March 31, 2023	As At March 31, 2022
Tangible Assets:										
Own Assets:										
Office Equipments	34.83	15.58	-	50.41	17.01	9.50	-	26.51	23.90	17.82
Computers	16.43	28.63	-	45.06	5.67	11.46	-	17.13	27.93	10.76
Furniture & Fixtures	397.97	241.58	(3.93)	635.61	152.92	84.07	-	236.99	398.62	245.05
Vehicle	25.84	187.01	-	212.85	13.95	33.67	-	47.61	165.24	11.90
Sub-Total	**475.07**	**472.80**	**(3.93)**	**943.93**	**189.55**	**138.69**	**-**	**328.24**	**615.69**	**285.53**
Right-of-use Assets:										
Building	1,028.92	420.83	-	1,449.75	330.51	204.95	-	535.46	914.28	698.41
Sub-Total	**1,028.92**	**420.83**	**-**	**1,449.75**	**330.51**	**204.95**	**-**	**535.46**	**914.28**	**698.41**
Total	**1,503.99**	**893.63**	**(3.93)**	**2,393.68**	**520.06**	**343.64**	**-**	**863.70**	**1,529.97**	**983.94**

FY 2021-22

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2021	Additions	Disposals	As At March 31, 2022	As At April 01, 2021	For the year	Deductions/ Adjustments	As At March 31, 2022	As At March 31, 2022	As At March 31, 2021
Tangible Assets:										
Own Assets:										
Office Equipments	23.56	11.27	-	34.83	10.24	6.77	-	17.01	17.82	13.32
Computers	7.41	9.02	-	16.43	2.86	2.81	-	5.67	10.76	4.55
Furniture & Fixtures	334.43	63.54	-	397.97	84.09	68.83	-	152.92	245.05	250.34
Vehicle	25.84	-	-	25.84	8.78	5.17	-	13.95	11.90	17.07
Sub-Total	**391.24**	**83.83**	**-**	**475.07**	**105.96**	**83.58**	**-**	**189.54**	**285.52**	**285.28**
Right-of-use Assets:										
Building	**606.81**	**422.11**	**-**	**1,028.92**	**166.93**	**163.58**	**-**	**330.51**	**698.41**	**439.88**
Sub-Total	**606.81**	**422.11**	**-**	**1,028.92**	**166.93**	**163.58**	**-**	**330.51**	**698.41**	**439.88**
Total	**998.05**	**505.94**	**-**	**1,503.99**	**272.89**	**247.16**	**-**	**520.05**	**983.93**	**725.16**

a. The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

b The Company determines that a contract is or contains a lease, if the contract conveys right to control the use of an identified asset for a period of time in exchange for a consideration. At the inception of a contract which is or contains a lease, the Company recognizes lease liability at the present value of the future lease payments for non-cancellable period of a lease which is not short term in nature except for lease of low value items. The future lease payments for such non-cancellable period is discounted using the Company's incremental borrowing rate. Lease payments include fixed payments. The Company also recognizes a right of use asset which comprises of amount of initial measurement of the lease liability. Right of use assets is amortized over the period of lease.

c The Company has not revalued any of its Property, plant and equipments during the year.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 4 Intangible Assets

FY 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2022	Additions	Disposals	As At March 31, 2023	As At April 01, 2022	For the year	Deductions/ Adjustments	As At March 31, 2023	As At March 31, 2023	As At March 31, 2022
Intangible Assets:										
Software	14.82	-	-	14.82	9.39	2.35	-	11.73	3.09	5.44
	14.82	-	-	14.82	9.39	2.35	-	11.73	3.09	5.44

FY 2021-22

(₹ in Lakhs)

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As At April 01, 2021	Additions	Disposals	As At March 31, 2022	As At April 01, 2021	For the year	Deductions/ Adjustments	As At March 31, 2022	As At March 31, 2022	As At April 01, 2021
Intangible Assets:										
Software	11.76	3.07	-	14.82	6.96	2.42	-	9.39	5.44	4.79
	11.76	**3.07**	**-**	**14.82**	**6.96**	**2.42**	**-**	**9.39**	**5.44**	**4.79**

a. The aggregate depreciation has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

Note 5 Investments in the nature of Equity in associate (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Equity Shares		
(i) Associate (7E Wellness India Private Limited) Aggregate Amount of Unquoted Shares (At cost less impairment in value of investments, if any) 4,73,590 (2,40,090 in Previous Year) shares held and face value of ₹ 10/- each share (49% holding)	7.99	10.97
Total	**7.99**	**10.97**

Note 6 Other Financial Assets (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposit (Rent & Other Deposits)	139.48	91.46
Total	**139.48**	**91.46**

Note 7 Deferred Tax Assets / (Liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset on account Taxable Temporary differences		
At the start of the year	376.42	387.06
Sub Total (A)	**376.42**	**387.06**
(Charge) / Credit to Statement of Profit & Loss	(159.58)	(28.69)
On account of transition to Ind AS		-
Equity	-	0.86
MAT Credit Entitlement *	55.72	17.19
Sub Total (B)	**272.56**	**376.42**
Deferred Tax Assets/(Liability)	**272.56**	**376.42**

* MAT Credit Entitlement included in Deferred Tax is related to Excess tax payable u/s 115JB of the Income Tax Act, 1961.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 7 Deferred Tax Assets / (Liabilities) (Contd..)

7.1 Component of deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets/(liabilities) in relation to:		
Property, plant and equipment (Difference between written down value of property, plant and equipment, intangible assets and capital work-in-progress as per books of accounts and income tax)	96.45	88.31
Right-of-use asset	(254.43)	(194.30)
Lease liability	300.42	214.43
Defined benefit obligation	39.80	31.90
Allowance for doubtful debts and advances (Expected credit loss)	5.04	4.96
Share based payment reserve	1.61	1.35
Unabsorbed depreciation and losses	-	210.31
Borrowings	(0.14)	0.66
Expenses that are allowed on payment basis	10.91	1.61
MAT Credit Entitlement	72.91	17.19
Total	**272.57**	**376.42**

7.2 The movement on the deferred tax account is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
At the start of the year	376.42	387.06
Credited / (charge) to Statement of Profit & Loss	(103.86)	(11.50)
Charge to Retained Earnings		
Charge to Share based payment reserve	-	0.86
At the end of the year	**272.56**	**376.42**

Note 8 Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Advances	16.86	-
Total	**16.86**	**-**

Note 9 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lower of cost and net realisable value		
Stock-in-trade	3,076.33	2,230.84
Total	**3,076.33**	**2,230.84**

9.1 Inventory consists of stock-in-trade and is measured at the lower of cost and net realisable value. The cost of inventories of items that are not ordinarily interchangeable are assigned by using specific identification of their individual costs. The cost of other inventories is based on the first-in-first out method.

Cost of stock-in-trade includes cost of purchases and other costs incurred in bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

9.2 The carrying amount of inventory is hypothecated to secure working capital facilities of ₹ 2500 Lakhs (previous year 2100 Lakhs).

9.3 The details of charge created on stocks, book debts and other current assets are as per Note 19.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 10 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good – Unsecured	3,200.42	3,011.24
Trade Receivables which have significant increase in credit risk	18.12	17.83
Trade Receivables – credit impaired	-	-
Less : Credit Impaired and Written off	-	-
Less : Allowance for doubtful debts (expected credit loss allowance)	(18.12)	(17.83)
Total	**3,200.42**	**3,011.24**

10.1 The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) method based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good.

10.2 No trade or other receivables are due from directors or other office of the Company either severally or jointly with any other persons.

10.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

10.4 Trade Receivable ageing

(₹ in Lakhs)

Particulars	March 31, 2023 (Amount in ₹)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	2,997.59	114.42	39.56	1.25	47.60	3,200.42
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	18.12	18.12
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(18.12)	(18.12)

(₹ in Lakhs)

Particulars	March 31, 2022 (Amount in ₹)					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	2,448.24	289.46	166.94	63.81	4.06	2,972.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	16.58	22.14	38.72
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	17.83	17.83
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	(17.83)	(17.83)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 11 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
In current accounts	48.10	23.80
In deposits accounts with original maturity less than three months	5.00	5.00
Cash on Hand	8.19	12.77
Total	**61.29**	**41.57**

Note 12 Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks		
Balances with banks to the extent held as margin money against the Letter of Credit	535.50	306.00
Total	**535.50**	**306.00**

Note 13 Other Financial Assets (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued, considered good	27.60	24.29
Total	**27.60**	**24.29**

Note 14 Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax / Tax Dedcuted at Source (Net of provisions)	0.45	5.70
Total	**0.45**	**5.70**

Note 15 Other Assets (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1. Advance for supply of goods/ services		
Considered good	474.22	246.92
Total	**474.22**	**246.92**
2. Advance to employee		
Considered good	21.63	13.62
Total	**21.63**	**13.62**
Balance with government authorities	78.81	183.47
Prepaid expenses	37.81	15.71
Other assets	5.95	27.15
Total	**618.42**	**486.87**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 16 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized Share Capital		
Equity Share Capital		
150,00,000 Equity Shares of ₹ 10/- each	1,500.00	1,500.00
Issued, Subscribed and Paid Up		
Equity Share Capital		
105,82,800, Equity Shares of ₹ 10/- each (Fully paid Up)	1,058.28	1,058.28

16.1 Reconciliation of number of shares :

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	105.83	105.83
Add:- Shares Issued during the Year	-	-
Balance as at the end of the year	105.83	105.83

16.2 Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders' approval.

In the event of liquidation of the Company, the holders of equity shares are entitled to receive the remaining assets of the Company, after meeting all liabilities and distribution of all preferential amounts, in proportion to their shareholding.

During the year, the company declared an interim dividend of ₹ 0.50 per equity share (5%). The Board of Directors of the company has recommended a final dividend of ₹ 0.50 (5%) per equity share on 1,05,82,800 equity shares of ₹ 10/- each subject to share holder's approval in the forthcoming Annual General Meeting.

16.3 Shareholders holding more than 5% paid up Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2023	
	No. of Shares	Share Holding %
Annapurna Maheshwari	1050000	9.92%
Prateek Maheshwari	1101000	10.40%
Pradeep Maheshwari	2525000	23.86%
IFF Overseas Pvt. Ltd.	Nil	Nil
Pradeep Maheshwari HUF	900000	8.50%
Abhinav Kumar	763000	7.21%

(₹ in Lakhs)

Particulars	As at March 31, 2022	
	No. of Shares	Share Holding %
Annapurna Maheshwari	1050000	9.92%
Prateek Maheshwari	1101000	10.40%
Pradeep Maheshwari	2525000	23.86%
IFF Overseas Pvt. Ltd.	588000	5.56%
Pradeep Maheshwari HUF	900000	8.50%
Abhinav Kumar	763000	7.21%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 16 Equity Share Capital (Contd..)

16.4 Shareholding of Promoter (Promoter as defined in the Companies Act, 2013)

March 31, 2023

	Shares held by promoters at the end of the year			
S. No	**Promoter name**	**No. of Shares**	**%of total shares**	**% Change during the year**
1	Annapurna Maheshwari	10,50,000	9.92%	0.00%
2	Prateek Maheshwari	11,01,000	10.40%	0.00%
3	Pradeep Maheshwari	25,25,000	23.86%	0.00%
4	IFF Overseas Pvt. Ltd.	Nil	0.00%	-5.56%
5	Pradeep Maheshwari HUF	9,00,000	8.50%	0.00%
6	Sakshi Rathi Maheshwari	1,52,000	1.44%	0.00%
Total		**57,28,000**	**54.1%**	**-5.56%**

March 31, 2022

	Shares held by promoters at the end of the year			
S. No	**Promoter name**	**No. of Shares**	**%of total shares**	**% Change during the year**
1	Annapurna Maheshwari	10,50,000	9.92%	0.00%
2	Prateek Maheshwari	11,01,000	10.40%	0.00%
3	Pradeep Maheshwari	25,25,000	23.86%	0.00%
4	IFF Overseas Pvt. Ltd.	5,88,000	5.56%	0.00%
5	Pradeep Maheshwari HUF	9,00,000	8.50%	0.00%
6	Sakshi Rathi Maheshwari	1,52,000	1.44%	0.00%
Total		**63,16,000**	**59.7%**	**0.00%**

Note 17 Other Equity

(₹ in Lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
A) Surplus		
Securities Premium		
Balance at the beginning of the year	1,542.75	1,542.75
Balance at the end of the year	**1,542.75**	**1,542.75**
General Reserve		
Balance at the beginning of the year	(794.09)	(857.12)
Add:- Profit/ (Loss) for the Year	977.52	63.03
Movement in balance	-	-
Dividend	(52.91)	-
Balance at the end of the year	**130.52**	**(794.09)**
Share based payment reserve	-	-
Balance at the beginning of the year	4.77	2.15
Addition	1.06	2.62
Balance at the end of the year	**5.83**	**4.77**
B) Items of other comprehensive income (OCI)	**-**	**-**
Balance at the beginning of the year	12.69	19.05
Addition	12.51	(6.35)
Balance at the end of the year	25.20	12.70
Total	**1,704.30**	**766.12**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 17 Other Equity (Contd..)

Nature and purpose of each reserve

17.1 Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

17.2 General reserve: The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013. The retained earnings represent the net surplus of income over expenses. It is part of free reserves of the Company.

17.3 Dividend: The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders of the company in the ensuing Annual General Meeting. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors have proposed Final Dividend of ₹ 1.00 per share for the Financial Year 2022-23 (Previous Year Nil).

17.4 Retained Earnings: The balance in the Retained Earnings represents the accumulated profit after payment of dividends, transfer to General Reserve and adjustments of actuarial gains/(losses) on Defined Benefit Plans.

17.5 Share Based Payment Reserve: The reserve is created on account of equity share settled options granted to the employees of the Company.

Note 18 Borrowings (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term Loans		
From banks	281.51	283.88
Unsecured Loans		
Loan		
From banks	5.97	13.76
From Financial Institutions	-	41.83
Total	**287.48**	**339.47**

18.1 Security:

A. Term loan from Axis Bank Ltd. Indore under Emergency Credit Line Guarantee Scheme is secured by way of Extension of Charge on Primary as well as Collateral Security availble with the bank for Working Capital Limits.

B. Term loan from HDFC Bank, Indore under Union Guaranteed Emergency Line Scheme is secured by way of Extension of Charge on Primary as well as Collateral Security availble with the bank for Working Capital Limits.

C. Personal & Corporate Gurantee given on Working Capital Limits also got extended on both term loans

18.2Terms of Repayment of Borrowings (Non-Current)

Particulars	Total Tenure of Loan	Frequency of Installment	No. of Installments Due as at March 31, 2023
Axis Bank (ECLGS)	4 Years	Monthly	15
HDFC Bank (UGECL)	3 Years, 11 Months	Monthly	45
Kotak Mahindra Bank (ECLGS)	4 Years	Monthly	22
Kotak Mahindra Bank (Vehicle Loan)	3 Years	Monthly	25
ICICI Bank (Vehicle Loan)	3 Years, 3 Months	Monthly	31
Kotak Mahindra Bank (Vehicle Loan)	3 Years	Monthly	30
Bank of Baroda (Vehicle Loan)	7 Years	Monthly	79

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 18 Borrowings (Non-current) (Contd..)

(Emergency Credit Line Guarantee Scheme (ECLGS) secured by hypothecation of all current assets with equitble mortgage on existing collatoral with bank & one vehicle loan secured by hypothecation of sepcified vehicle)

The Company has used the borrowings from the banks for the specific purpose for which it was taken at the balance sheet date. All the quarterly returns filed by the Company with the banks in which total current assets and current liabilities are in agreement with the books of account for financial year 22-23 and 21-22.

Note 19 Lease Liabilities (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	776.74	628.98
Total	**776.74**	**628.98**

19.1 Particulars (Non-current and Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	770.79	521.18
Addition on account of new leases	438.64	403.88
Interest on lease liabilities	115.03	77.63
Payments towards lease liabilities	(274.51)	(193.38)
Remeasurement of lease liabilities	15.50	(38.52)
Early termination of lease liabilties	(82.63)	-
Closing Balance	**982.82**	**770.79**

19.2 The undiscounted potential future rental payments:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation expense of right-of-use assets	**207.05**	**163.58**
Interest expense on lease liabilities	115.03	77.63
Remeasurement of lease liabilities	2.38	38.52
Expense realated to Short term leases	-	101.00
Income:	-	-
Interest income on security deposit	**7.31**	**6.74**
Realisation of Security Deposit	0.13	-
Early termination of lease liabilties (exceptional item)	23.39	-
Cash flows:	-	-
Cash outflow for leases (Short term and Long term)	**274.51**	**294.38**
Total amount recognized in profit or loss	**331.77**	**387.47**

19.3 The undiscounted potential future rental payments:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	303.02	232.96
1-3 years	590.99	433.44
More than three years	353.68	179.72
Total	**1,247.69**	**846.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 20 Other Financial Liabilites (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deposit From Franchisee	139.66	119.66
Total	**139.66**	**119.66**

Note 21 Provisions (Non-current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits	99.85	80.04
Total	**99.85**	**80.04**

Note 22 Borrowings (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Loans repayable on demand		
From Banks	2,099.77	1,978.69
Unsecured		
Deposits		
Intercorporate Deposits	-	-
Current maturities of long term borrowings*		
Secured		
Term Loan from banks	139.19	106.28
Unsecured		
From banks	6.79	6.24
From Financial Institutions	-	33.10
Total	**2,245.75**	**2,124.31**

23.1 Security Details

A. Loans repayable on demand from Axis Bank Ltd. , Indore are Secured by pari-passu charge by way of hypothecation on Company's entire stocks at the Company's Wareshoues , stores or at any other places, book debts, receivables and other current assets (both present and future) along with Union Bank of India.

Exclusive charge on the Industrial property situated at Survey No. 140/2/2, Patwari Halka No. 26, Village Musakhedi Tehsil and Dist. Indore- 452001 owned by M/s IFF Overseas Pvt. Ltd.

Exclusive charge on insurance policy of Mr. Pradeep Maheshwari.

Upfront Cash margin: In Name of Brand Concept Ltd. in form FD of Rs 4.05 Crs

Personal Guarantee of Prateek Maheshwari, Annapurna Maheshwari, Pradeep Maheshwari , Sakshi Rathi Mheshwari & Abhinav Kumar.

Corporate Guarantee of IFF Overseas Pvt. Ltd.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 22 Borrowings (Current) (Contd..)

B. Loans repayable on demand from HDFC Bank , Indore are Secured by pari-passu charge by way of hypothecation on Company's entire stocks at the Company's Wareshoues , stores or at any other places, book debts, receivables and other current assets (both present and future) along with Axis Bank Ltd.

Exclusive charge on the Industrial Plot situated at Survey No. 140/2, Peki, Patwari Halka No. 26, Village Musakhedi Tehsil and Dist. Indore- 452001 owned by M/s IFF Overseas Pvt. Ltd.

Exclusive charge on Residential Flat No. G1 Ground Floor , Gurukripa Apartment , Plot No. 14 , RK Puram Colony Owned by Mr. Pradeep Maheshwari.

Exclusive charge on Residential Flat No. G2 Ground Floor , Gurukripa Apartment , Plot No. 14 , RK Puram Colony Owned by Mrs. Annapurna Maheshwari.

Exclusive charge on Residential Flat No. 202 Arms Majestic Plot no. 34-C, Sector F, Slice-3, Shahid Bhagat Singh Ward, Indore Owned by Mr. Prateek Maheshwari & Mrs. Sakshi Rathi Maheshwari.

Exclusive charge on Residential Flat No. 301 Arms Majestic Plot no. 34-C, Sector F, Slice-3, Shahid Bhagat Singh Ward, Indore Owned by Mr. Prateek Maheshwari & Mrs. Sakshi Rathi Maheshwari.

Exclusive charge on insurance policy of Mr. Prateek Maheshwari

Personal Guarantee of Prateek Maheshwari, Annapurna Maheshwari, Pradeep Maheshwari , Sakshi Rathi Mheshwari & Abhinav Kumar.Corporate Guarantee of IFF Overseas Pvt. Ltd.

Note 23 Lease Liabilities (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	203.81	141.81
Total	**203.81**	**141.81**

Note 24 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payables		
total outstanding dues of micro and small enterprises	687.40	954.59
total outstanding dues of creditors other than micro and small enterprises	1,995.21	1,090.67
Total	**2,682.61**	**2,045.26**

24.1 Note:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ("the Act") is based on the information available with the company regarding the status of registration of such vendors under the Act, as per the intimation received from them on request made by the company		
1) The principal amount remaining unpaid to supplier as at the end of the accounting year.	687.42	954.57
2) The interest due thereon remaining unpaid to supplier as at the end of the accounting year.	-	-
3) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
4) The amount of interest due and payable for the year.	-	15.34
5) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	15.34

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 24 Trade Payables (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
6) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006	-	-

24.2 Trade Payable ageing

(₹ in Lakhs)

Particulars	March 31, 2023 (Amount in ₹)				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	687.42	-	-	-	687.42
(ii) Others	1,995.21	-	-	-	1,995.21
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

(₹ in Lakhs)

Particulars	March 31, 2022 (Amount in ₹)				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total
(i) MSME	954.57	-	-	-	954.57
(ii) Others	1,232.53	9.12	-	-	1,241.65
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note 25 Other Financial Liability (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued		
Payables on purchase of property, plant and equipment	22.29	4.14
Employee Payables	121.19	150.98
Dividend Payable	47.85	-
Total	**191.33**	**155.12**

Note 26 Other Liabilities (Current)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory remittances	16.24	49.50
Advance from customers	-	10.28
Other Current Liabilities	4.51	15.34
Total	**20.75**	**75.12**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 27 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits	44.52	36.68
Provision For Income Tax	34.88	3.89
Total	**79.40**	**40.57**

Note 28 Revenue From Operations

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	16,321.63	8,616.68
Total	**16,321.63**	**8,616.68**

Ind AS 115 “Revenue from Contracts with Customers” applies, with limited exceptions, to all revenue arising from contracts with its customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2020 which does not require restatement of comparative period. The Company elected to apply the standard to all contracts as at April 01, 2020. Payment terms with customers vary depending upon the contractual terms of each contract.

Note 29 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on :		
Bank deposits	20.79	15.37
Other financial assets	7.31	6.74
Remeasurement of lease liabilities	8.31	38.52
Realisation of security deposit (rent)	-	-
Miscellaneous income	1.95	-
Total	**38.36**	**60.63**

Note 30 Purchases of Stock-in-trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchases	9,367.40	4,680.22
Total	**9,367.40**	**4,680.22**

Note 31 Changes in Inventories of Stock-in-trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the beginning of the year	2,230.84	2,183.04
Inventories at the end of the year	(3,076.33)	(2,230.84)
Changes in inventories of Stock-in-trade	**(845.49)**	**(47.80)**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 32 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	1,511.26	1,014.76
Contribution to provident & other funds	79.87	51.79
Share based payment to employees	1.06	1.76
Staff Welfare Expenses	24.19	15.44
Total	**1,616.38**	**1,083.75**

Note 33 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest	311.56	371.74
Finance charges on finance leases	113.82	77.63
Other borrowing costs	61.55	31.91
Stamp Duty	7.24	-
Total	**494.17**	**481.28**

Note 34 Depreciation and amortization expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation		
Property, plant and equipment	138.69	83.58
Right-of-use asset	204.95	163.58
Intangible asset	2.35	2.42
Total	**345.99**	**249.58**

Note 35 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Brand License Fees	1,693.47	908.78
Freight & Cartage	307.76	223.36
Business Development Expenses	312.56	190.02
Legal & Professional Fees	184.30	137.33
Commission & Other Exp. On Sales	566.46	188.37
Packing & Forwarding	362.76	104.12
Travelling Expenses	195.21	52.25
Electricity Expenses	31.46	18.08
Shortage & Pilferage	-	26.35
Repairs & Maintenance	46.95	38.36
Rates & Taxes	38.09	46.88
Audit Fees	2.20	2.00
Conveyance Expenses	24.59	16.59
Insurance	24.79	21.93
Rent	148.76	101.00
Bad debts	32.47	7.21
Loss on Disposal of Asset	3.90	-
Commission & Brokerage	8.63	4.17
Other Expenses	75.49	38.71
Total	**4,059.85**	**2,125.51**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 35 Other Expenses (Contd..)

35.1 Audit fees - payments to the auditor

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
for Statutory Audit	2.20	2.00
for Tax Audit		
for Other Services		

Note 36 Exceptional Item

The company closed some stores out of business compulsions prematurely. The lease liability and corresponsing right-of-use asset, initially recognised at the commencement day and measured at an amount equal to the present value of lease payments during the lease term are written back and written off respectively on such termination. The resultant gain/loss is shown as exceptional item in the financial results.

Note 37 Earning per share (EPS)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Profit after Tax as per Statement of Profit and Loss	1,016.36	69.71
i) Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	1,016.36	69.71
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	105.83	105.83
iii) Weighted Average Potential Equity Shares	0.67	0.46
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	-	-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	106.49	106.29
v) Basic Earnings Per Share (₹)	9.60	0.66
vi) Diluted Earning Per Share (₹)	9.54	0.66
vii) Face Value per Equity Share (₹)	10.00	10.00

Note 38 Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) Names of related parties where there are transactions and description of relationships:

Name of Related Party	Relationship
Key Managerial Personnel (KMP)	
Prateek Maheshwari	Managing Director
Abhinav Kumar	Director & CFO
Swati Gupta	Company Secretary
Relatives of Key Managerial Personnel	
Mrs. Purva Kumar Proprietor Ara Designs	Relative of KMP
Other (Entities in which the KMP and relatives of KMP have control or significant influence)	
IFF Overseas Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant influence
7E Wellness Pvt. Ltd.	Associate Company
Govind Shridhar Shrikha	Independent Director

Notes to the Consolidated Financial Statements
for the year ended March 31, 2023

Note 38 Related Parties Disclosures (Contd..)

(ii) Details of transaction during the year with related parties:

(₹ in Lakhs)

Particulars	Nature of Transactions	FY 2022-23	FY 2021-22
Prateek Maheshwari	Director Remuneration	48.00	56.75
	Interest Paid	-	1.89
	Loan Received	-	112.50
Abhinav Kumar	Director Remuneration	84.00	54.00
Mrs. Purva Kumar Prop. Ara Designs	Design Fees (Inc GST)	11.80	-
7e Wellness Pvt. Ltd.	Service Provided (Inc GST)	7.13	-
	Sales (Inc GST)	-	1.29
	Purchase (Inc GST)	6.96	-
IFF Overseas Private Limited	Purchase (Inc GST)	856.10	137.70
	Electricity Reimbursement	-	1.44
	Rent (Inc GST)	17.70	17.70
Govind Shridhar Shrikha	Professional fee (Including Taxes)	14.16	-

Receivable (Payable) as at end of the year

(₹ in Lakhs)

Particulars	Nature of Transactions	FY 2022-23	FY 2021-22
Prateek Maheshwari	Director Remuneration	-	-
	Interest Paid	-	-
	Loan Received	-	-
Annapurna Maheshwari	Interest Paid	-	-
	Loan Received	-	-
Abhinav Kumar	Director Remuneration	-	(2.42)
Ara Designs (Proprietor Purva Kumar)	Purchase (Inc GST)	-	-
7E Wellness Pvt. Ltd.	Service Provided (Inc GST)	3.74	-
	Sales (Inc GST)	-	1.29
	Purchase (Inc GST)	1.02	-
IFF Overseas Private Limited	Purchase (Inc GST)	(207.88)	11.09
	Electricity Reimbursement	-	-
	Rent (Inc GST)	-	-

The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

(iii) Compensation of Key Management Personnel

The remuneration of directors during the year was as follows:-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Prateek Maheshwari	48.00	56.75
Abhinav Kumar	84.00	54.00
Termination benefits	40.00	39.42
Total	**172.00**	**150.17**

Certain KMP's also participate in post employment benefits plans prepared by the Company.

The amount in respect of these towards the KMP's cannot be segregated as these are based on actuarial valuation for all employees of the Company.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 39 Ratios

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022	Reasons
Current Ratio	1.39	1.33	NA
Debt-Equity Ratio	0.90	1.34	Debts were in line with previous year, whereas Equity increased on account of profit of current year.
Debt Service Coverage Ratio	2.20	1.09	Debts and corresponding finance costs were in line with previous year, whereas increased profit of current year resulted in improved debt service coverage ratio.
Return on Equity Ratio	0.44	0.04	Increase in profitability with consitent equity base.
Inventory turnover ratio	3.21	2.10	Increase in revenue from operations and inventory levels in line with market demand. Improved inventory management and benefits of economies of scale.
Trade Receivables turnover ratio	5.26	2.68	Increase in revenue from operations and no change in credit period of Trade Receivables. Revenue from operations increased in areas where credit period is lower than other areas.
Trade payables turnover ratio	3.96	2.25	Improved liquidity resulted in making payment before credit period which resulted in improved purchase rates.
Net capital turnover ratio	7.79	5.65	Increase in revenue from operations.
Net profit ratio	6.23%	0.9%	Increase in revenue from operations and benefits of economies of scale.
Return on Capital employed	36.3%	14.9%	Increase in revenue from operations and resultant impact on profitability.
Return on investment	-	-	NA

Current Ratio	Current Asset Current Liabilities
Debt-Equity Ratio	Total Debt Shareholders' Equity
Debt Service Coverage Ratio	Earnings available for debt services Interest & Lease Payments + Principal Repayments Earnings available for debt services = Net profit (Earning after taxes) + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed Asset Debt service = Interest & Lease Payments + Principal Repayments "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
Return on Equity Ratio	Net Profit after taxes - Preference dividend (if any) Average Shareholder's Equity
Inventory turnover ratio	Cost of goods sold or Sales Average Inventory Average Inventory = (Opening and Closing Inventory)/2
Trade Receivables turnover ratio	Net Credit Sales Average Accounts Receivable Net credit sales consist of gross credit sales - sales return.
Trade payables turnover ratio	Net Credit Purchases Average Accounts Payables Net credit purchases consist of gross credit purchases - purchase return.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 39 Ratios (Contd..)

Net capital turnover ratio	Net Sales Working Capital Net sales = total sales - sales returns. Working capital = Current assets - current liabilities.
Net profit ratio	Net Profit after tax Net Sales Net sales = total sales - sales returns.
Return on Capital employed	Earnings before interest and taxes (EBIT) Capital Employed Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
Return on investment	{MV(T1) – MV(T0) – Sum [C(t)]} {MV(T0) + Sum [W(t) * C(t)]} T1 = End of time period T0 = Beginning of time period t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1 MV(T0) = Market Value at T0 C(t) = Cash inflow, cash outflow on specific date W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t] / T1

Note 40 Contingent Liabilities And Commitments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
(i) Sales Tax Demand in Appeal / (Amount Paid)	-	70.27
(ii) Disputed statutory dues	-	24.63
Commitments	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for and (Advances paid)	16.86	-

Note 41 Capital Management

The Company's capital management objectives are:

(a) to ensure the Company's ability to continue as a going concern; and

(b) to provide an adequate return to shareholders through optimization of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents, bank balances (excluding earmarked balances with banks.

Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

Proactively manage group exposure in forex, interest and commodities to mitigate risk to earnings.

Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 41 Capital Management (Contd..)

The gearing ratio at end of the reporting period was as follows.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Liabilities	527.00	539.17
Current borrowings	2,245.75	2,124.31
Lease liabilities	980.55	770.79
Gross Debt	3,753.30	3,434.27
Cash and Cash Equivalents	61.29	41.56
Net Debt (A)	3,692.01	3,392.71
Total Equity (As per Balance Sheet) (B)	2,801.94	1,837.44
Net Gearing (A/B)	1.32	1.85

Note 42 Fair Value measurement hierarchy/ Categories of Financial Instrument:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets		
At Amortized cost		
Investments		
Trade Receivables	3,200.42	3,011.24
Cash and Bank Balances	61.29	41.56
Other Financial Assets	167.08	115.75
Investments	47.36	24.01
At Fair value through profit and loss		
Investments	-	-
At Fair value through other comprehensive income		
Investments	-	-
Financial Liabilities		
At Amortized cost		
Borrowings	2,533.24	2,463.78
Lease liabilities	980.55	770.79
Trade Payables	2,682.63	2,045.24
Other Financial Liabilities	330.98	274.78

43 Financial Risk Management:

“The Company’s activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company’s risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company’s activities.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

43 Financial Risk Management: (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets for which loss allowances is measured using the expected credit loss		
Trade receivables		
less than 180 days	2,997.59	2,448.24
180 - 365 days	114.42	289.46
beyond 365 days	106.53	291.36
Total	3,218.54	3,029.06
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	(17.83)	(7.13)
Addition	(0.29)	(10.69)
Recoveries		-
Balance at the end of the year	(18.12)	(17.83)
Trade receivables balance at the end of the year	**3,200.42**	**3,011.23**

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its financial obligation as it becomes due.

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2023
Non derivative				
Borrowings	2,245.75	189.50	97.98	2,533.24
Lease liabilities	203.81	446.22	330.52	980.55
Trade payables	2,682.63	-	-	2,682.63
Other financial liabilities	191.32	-	139.66	330.98
Total	**5,323.51**	**635.72**	**568.16**	**6,527.40**

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 3 years	More than 3 years	As at March 31, 2022
Non derivative				
Borrowings	2,124.31	241.69	97.78	2,463.78
Lease liabilities	141.81	290.33	338.65	770.79
Trade payables	2,045.24	-	-	2,045.24
Other financial liabilities	155.12	-	119.66	274.78
Total	**4,466.48**	**532.02**	**556.09**	**5,554.59**

Market risk

"Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices.

Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long term debt.

The Company is exposed to market risk primarily related to foreign exchange rate risk.

Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

43 Financial Risk Management: (Contd..)

Foreign exchange risk:

There are no foreign exchange transactions in the Company. Consequentially, no foreign exchange risk arises from foreign currency revenues and expenses. As a result, if the value of the Indian rupee appreciates relative to foreign currencies, the Company's revenues and expenses measured in Indian rupees are not affected.

Sensitivity:

There is no effect of fluctuation of foreign currency in the Company for the years ended March 31, 2023 and March 31, 2022.

Hedge Accounting:

The Company does not have any financial instruments which are subject to benchmark reforms. Consequentially, the Company does not have any risk of being exposed to such interest rate benchmark reforms.

Note 44 Employee benefit plans:

Risks

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

i) **Investment risk -** The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

ii) **Interest rate risk -**A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

iii) **Longevity risk -** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) **Salary risk -** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expense recognized in the statement of profit and loss (Refer Note 32)		
Current service cost	28.80	21.37
Interest cost	8.80	6.29
Expected return on plan assets	-	-
Expense charged to the statement of profit and loss	37.60	27.66
Remeasurement of defined benefit obligation recognized in other comprehensive income	-	-
Actuarial loss/(gain) on defined benefit obligation	(12.51)	6.35
Actuarial gain on plan assets	-	-
Expense/(income) charged to other comprehensive income	(12.51)	6.35
Reconciliation of defined benefit obligations	-	-
Obligation as at the beginning of the year	120.60	92.53
Current service cost	28.80	21.37
Interest cost	8.80	6.29
Benefits paid	(1.32)	(5.94)
Actuarial (gains)/losses on obligations	(12.51)	6.35
due to change in demographic assumptions	-	-
due to change in financial assumptions	-	-
due to experience	(12.51)	6.35
Obligation as at the year end	144.37	120.60

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 44 Employee benefit plans: (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of liability/(asset) recognized in the Balance sheet		
Present value of commitments (as per Actuarial Valuation)	144.37	120.60
Fair value of plan assets	-	-
Net (asset)/liability recognized in the financial statement	**144.37**	**120.60**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reconciliation of plan assets		
Plan assets as at the beginning of the year	-	-
Expected return	-	-
Actuarial gain	-	-
Employer's contribution during the year	-	-
Benefits paid	-	-
Plan assets as at the year end	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Assumptions :		
Discount rate	7.30%	6.80%
Expected return on plan assets	N.A.	N.A.
Expected rate of salary increase	7.00%	7.00%
Mortality	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Employee turnover	30.0%	30.0%
Retirement Age (years)	60.00	60.00

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Sensitivity analysis:		
The sensitivity analysis have been determined based on method that extrapolates the impact on defined benefit obligation as a reasonable change in key assumptions occurring at the end of the reporting period		
Impact on defined benefit obligation		
Delta effect of +1% change in discount rate	136.04	113.49
Delta effect of -1% change in discount rate	153.78	128.66
Delta effect of +1% change in salary escalation rate	153.71	128.57
Delta effect of -1% change in salary escalation rate	135.94	113.44
Delta effect of +1% change in rate of employee turnover	144.35	120.56
Delta effect of -1% change in rate of employee turnover	144.19	120.65
Maturity analysis of projected benefit obligation for next	-	-
1st year	44.52	36.68
2nd year	18.28	14.69
3rd year	15.76	12.07
4th year	12.21	10.56
5th year	15.47	8.04
Thereafter	39.06	36.57
The major categories of plan assets are as under	-	-
Central government securities	-	-
Bonds and securities	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 45 Employee share based payment plans:

45.1 The Company has Employee Stock Option Scheme,i.e , ESOP Scheme - 2020 under which options have been granted. Total Number of options available that is available under this scheme is 5,29,140 (Previous Year 2,11,656) out of which compnay has offered 75,000 options with 3 different vesting periods.

Details of number of options outstanding have been tabulated below:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	
	Outstanding Stock options (numbers)	Exercise price
Outstanding at the commencement of the year	75,000	25
Granted during the year	-	
Exercised during the year	-	
Lapsed during the year	-	
Outstanding at the end of the year	75,000	25
Exercisable at the end of the year	75,000	25

(₹ in Lakhs)

Particulars	As at 31st March, 2022	
	Outstanding Stock options (numbers)	Exercise price
Outstanding at the commencement of the year	-	
Granted during the year	75,000	25
Exercised during the year	-	
Lapsed during the year	-	
Outstanding at the end of the year	75,000	25
Exercisable at the end of the year	75,000	25

45.2 Compensation expenses arising on account of share based payments

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Expenses arising from equity-settled share based payment transactions	1.06	1.76

45.3 Fair Value on the date of grant

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

During the year no (Previous Year 75000) options were granted under the Scheme to the eligible employees of the Company. The model inputs for options granted during the year and year ended at 31st March, 2023 included as mentioned below:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Weighted average exercise price (INR)	25.00	25.00
b) Grant date:	20/03/2021	20/03/2021
c) Vesting year:	3 years	3 years
d) Share Price at grant date:	25.00	25.00
e) Option Price at grant date:	(a) 2.85 (b) 4.38 (c) 6.29	(a) 2.85 (b) 4.38 (c) 6.29

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 46 Relationship with Struck off Companies

There are no transactions with struck-off companies.

Note 47 Details of Crypto Currency or Virtual Currency:-

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

Note 48 Additional Regulatory Information:-

1 No procedings have been initiated or pending against Company for holding any Benami Property under Prohibitions of Benami Transactions Act,1988 (Earliers titled as Benami transactions (Prohibitions) Act,1988

2 The quarterly returns/statement of current assets filed by Company with Banks for Borrowings are in agreement with the books of accounts.

3 The Company is not declared a wilfull defaulter by any Bank or Financial Institution or any other lender.

4 The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 530 of Companies Act,1956.

5 No charges of satisfication are pending for registration with the Registrar of Companies (ROC) except for 3 Loans From Mas financial Services.

6 The Company has no subsidiary. The clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017 is not applicable.

7 Title deeds of immovable properties not held in the name of Company. Details of all the immovable properties (other than properties where the Company is the leesee of and the lease agreements are duly executed in favour of the leesee) whose deeds are held in the name of the Company.

8 There are no investment in properties

9 The Company has not revalued its Property,Plant and Equipment during the year.

10 The Company has not revalued its intangible assets during the year.

11 During the year, the Company has not issued any securitites.

12 The amount borrowed from Banks and Financial Institution have been used for the specific purpose it was taken.

Note 49 Rounding off

The figures appearing in financial statements haves been rounded off to the nearest lakhs, as required by General Instructions for preparation of Financial Statements in Division II Schedule III to the Companies Act,. 2013.

Note 50 Approval of Financial Statements

The Financial Statements were approved for issue by Board of directors in its meeting held on 25th May, 2023.

51 Dividend

The Board of Directors have proposed Final dividend of ₹ 1.00/- per equity share subject to approval by the shareholders in the general meeting. If approved, this will result in payment of dividend of ₹ 1.06 Cr.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2023

Note 52 Operating Segments

The Group has only one reportable operating segment i.e. "Trading of Travel Bags and accessories".

Customer contributing more than 10% of Revenue :- Two customers revenue aggregating to ₹ 5,424.39 lakhs (₹ 3,467.22 lakhs).

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Myntra Jabong India Pvt. Ltd.	3398.15	2620.21
Shoppers Stop Ltd.	2026.24	847.01
Total	**5424.39**	**3467.22**

The revenues from external customers are attributable to India.

The non-current assets are also located within India.

As per our report of even date

For Maheshwari & Gupta
Chartered Accountants
ICAI Firm Registration No.: 006179C

CA. Sunil Maheshwari
Partner (M.No. 403346)

Place: Indore
Date: May 25, 2023

For and on behalf of the Board of Directors of
Brand Concepts Limited

Prateek Maheshwari
(Managing Director)
DIN (00039340)

Abhinav Kumar
(CFO & Whole Time Director)
DIN (06687880)

Swati Gupta
(Company Secretary)
M. No. (A 33016)

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