



Global | Collaborative | Digital | Ethical

PDSL/SE/2022-23/145

July 7, 2022

Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai -400 051 Scrip Symbol: PDSL	Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Scrip Code: 538730
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Re: ISIN - INE111Q01013

Sub: Submission of Annual Report of the Company and Notice convening 11th Annual General Meeting ("AGM")

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice convening the 11th Annual General Meeting ("AGM") and the Annual Report of the Company for the Financial Year 2021-22.

In compliance with relevant Circulars issued by Ministry of Corporate Affairs ("MCA") and the Securities Board of India ("SEBI"), the Notice convening the 11th AGM and the Annual Report of the Company for the Financial Year 2021-22 has been sent to all the Members of the Company, whose email addresses are registered with the Company or Depository Participant(s).

The AGM of the Company will be held on Friday, July 29, 2022, at 02:30 P.M. IST through Video Conferencing/ Other Audio-Visual Means in accordance with the MCA and SEBI Circulars. The Annual Report together with the Notice of the AGM is being dispatched to the Members today, i.e., July 7, 2022.

The Notice of AGM along with the Annual Report for the Financial Year 2021-22 is also being made available on the website of the Company at www.pdsmultinational.com.

We request you to kindly take the above information on record for the purpose of dissemination to the shareholders.

Thanking you,

Yours faithfully,
for **PDS Limited**
(Erstwhile PDS Multinational Fashions Limited)


Abhishekh Kanoi
Head of Legal & Company Secretary
ICSI Membership No.: F-9530



Encl.: As Above

PDS Limited

(Erstwhile PDS Multinational Fashions Limited)

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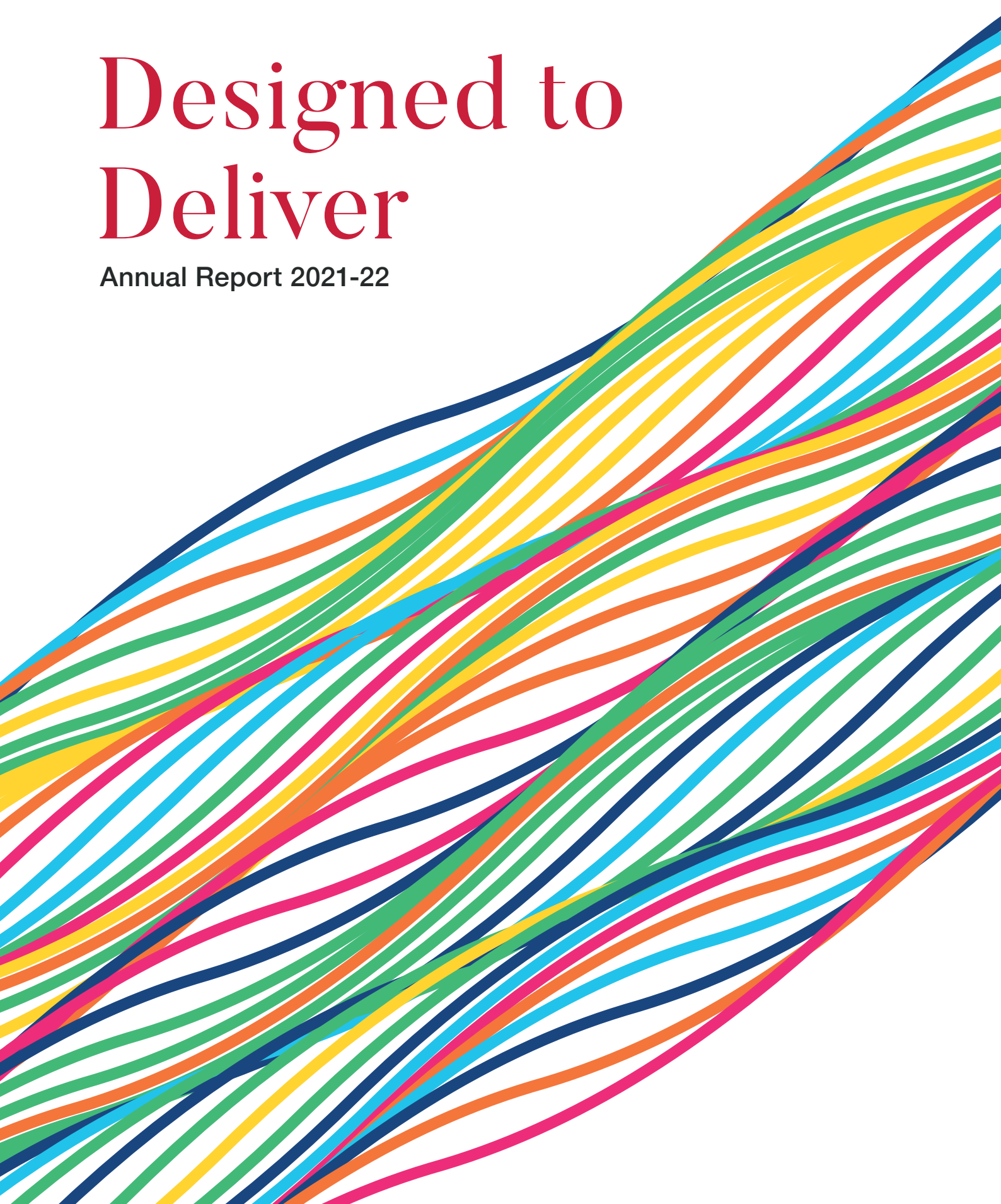


PDS

Global | Collaborative | Digital | Ethical

Designed to Deliver

Annual Report 2021-22



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FY 2021-22 Highlights

Key achievements of the year

Sourcing as a Service - Strategic contracts with Hanes Brands, s.Oliver and other marquee brands

Expanding licensing and brand portfolio

Manufacturing business turns PAT positive in Q4FY22

500 kW solar energy capacity installed at Trincomalee, Sri Lanka

Achieved negative working capital days and negative net debt

PDS Multinational Fashions Limited is now PDS Limited

A year of growth and delivery

₹8,828 cr | \$1.185 bn

Revenue (↑ 42% y-o-y)

₹293 cr | \$39 mn

PAT (↑ 97% y-o-y)

38%

Return on capital employed

31%

Return on equity

Read our roadmap to the \$2.5 billion topline on [Page 28](#)

Designed to Deliver

As the world continues to navigate a sea of changes, we have managed to thread our strategy better and weave in stellar performance. We believe that evolution is the ardent truth that underpins progress. This has been our songbird, the tune of which is expertly woven into our actions. Today, we are no longer just a fashion company but have transformed into a global innovation-led fashion infrastructure company, powered by a robust governance framework.

None of this is by accident. This is the result of a clear vision and robust strategy that we have steadfastly remained true to and executed with pride. As we move forward, we recalibrate our approach in line with evolving trends, and keep investing in a clear roadmap that we are confident will deliver value to all our stakeholders.

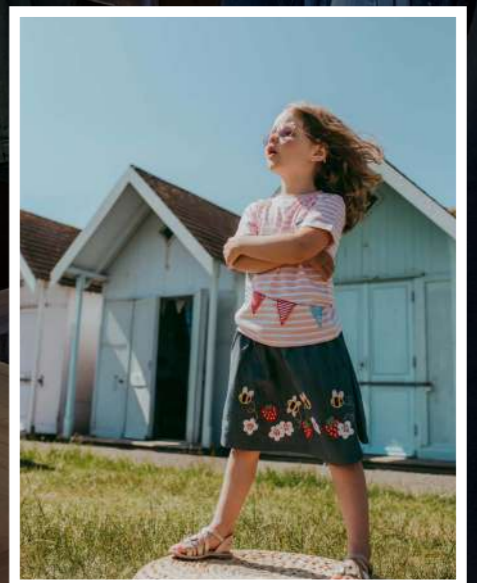
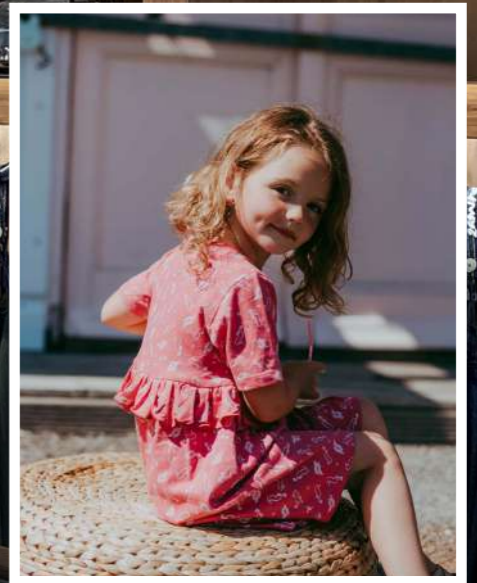
Our new identity reflects our agenda of imbuing simplicity and agility into our value chain. We are rapidly advancing into our next phase of growth. End-to-end digitalisation is the driving force behind this journey, instilling innovation in every step of the way. We are expanding our geographic footprint, engaging in new verticals, and boosting our wallet share through Sourcing as a Service, while strengthening our core offering of design-led sourcing.

Guided by a diverse and experienced Board, we are seamlessly knitting sustainability into the organisational fabric and evolving into an entity that is designed to deliver unmatched excellence.

Every day we come to work, we draw on marketable insights, and focus on bringing the best of designs to life and offering them to discerning customers around the globe. While doing this, we are empowered by our strengths of global scale, skilled people, digital integration, and customer trust. Our growth and performance are direct outcomes of our vision and purposeful approach, underlined by our ability to consistently deliver. We have proved it time and again, and we are investing forward to scale, grow and perform with a responsible approach to business.



Designed to Grow





PDS Limited at a Glance

Revamped and Future-ready



PDS Limited (PDS) is a design-led plug-and-play platform, providing customised manufacturing and sourcing solutions to the world's leading retailers and brands. We leverage the power of digital technologies to foster collaboration, inspire innovation, and imbue sustainability into our ecosystem.

We strive to achieve inclusive growth with our efficient and asset-light business model, creating long-term value for all our stakeholders. Together with our partners and clientele, we continue to surpass milestones and are charting the next phase of growth and profitability, with a highly focused and exhaustive strategic play.

Growing strong with a new identity

Over the years, we have developed into a reliable and trusted platform, delivering consistent quality to our global partners and clientele. As we embark on a new journey to expand our horizons on the business front, we found it necessary to further strengthen our brand positioning. To this end, we have officially established ourselves as PDS Limited, marking a shift from our erstwhile title - PDS Multinational Fashions Limited. .



The brand refresh symbolises the simplicity and agility underpinning our evolving operations. Retaining focus on our core values through the key anchors 'Global', 'Collaborative', and 'Ethical', we have embraced 'Digital' as a fourth anchor, to succinctly reflect our digital-first approach towards enhancing the platform.

Our Vision

Be the most admired global enterprise providing innovative fashion solutions in the most ethical and trusted way.

Our Values

We will strive to be an organisation where integrity, transparency, customer satisfaction, and courage guide us to become the most preferred business partner and employer.



Trust, integrity & ethics



People first



Entrepreneurial spirit



Customer centricity



Transparency, collaboration & teamwork



Social responsibility

Global Fashion Infrastructure Company with Customised Solutions to Retailers and Brands

Manufacturing



- Owned manufacturing facilities
- Dedicated capacities with a long-term commitment
- Facilities with LEED Gold Certification and HIGG Index membership

Design-led Sourcing



- 550+ fully compliant factory partnerships
- 150+ dedicated designers
- In-house product development expertise
- Leveraging market and global trade intelligence for speed

Sourcing as a Service



- Managing entire sourcing needs of large retailers and brands
- Partnership model with full transparency, trust and strong controls
- Setting up exclusive dedicated teams and infrastructure for customers as an extension of brand/retailer

Brands



- In-house proprietary brands
- Library of 20 IPs registered
- Collaborative brands with retailers
- Influencer-led brands
- Licensed brands
- Acquired brands

Our strengths that fortify the PDS Platform



Strong Leadership



Focus on ESG



Financial Strengths



Tech Savvy Platform



PDS Venture, feeding innovation & newness



Our Business Segments

Diversified Offerings for a Wide Customer Base

Our collaborative and cost-effective model enables our customers to build on their existing capabilities. With an insightful approach, we acclimatise to their aspirations and provide them with innovative, end-to-end solutions, relevant to their needs. Our tech-driven sustainable processes help our customers attain a competitive edge globally and stay ahead of the changing dynamics of the fashion industry.



Sourcing

The sourcing business continues to be our mainstay, driving ~96% of our revenues. We act as the connecting link between customers and suppliers, while providing value-added services such as deep design capabilities, quality and compliance assurance, and supply chain management. We operate across several categories – apparel, footwear, accessories and home – and cater to a wide range of marquee clientele. We conceptualised a strong 'Sourcing as a Service' model by empowering both ends of the fashion value chain with a distinct range of services largely catering to big-ticket, exclusive opportunities.

To enhance our capabilities, we are innovating the Sourcing as a Service model and forging long-term strategic collaborations to sustain it. Our Sourcing as a Service model is fast-tracking our growth journey, helping us to consolidate our position on a global scale. Our offering has already witnessed significant traction across geographies (USA, UK, Germany) and brands (Hanes Brands, s.Oliver, Ralph Lauren, Sainsbury's, TJX), through exclusive and non-exclusive agreements for key geographies.

Besides our long established sourcing business, we have also been developing a host of new brands and steadily growing our licensing portfolio. Some of our purpose-led and successful brands include Lilly + Sid, Turtledove London, Made4Mama, Kindred, Alesha Dixon, Adapt, -9° Peak, Union Works,

SO Trend and Reákt. Our licensing vertical specialises in the supply, design and manufacture of licensed apparel products that are trusted and endorsed by major retailers. Our licensing vertical has over 200+ licensing characters and we are focused on expanding this portfolio.

At the design led sourcing end, we have a well-diversified base of marquee customers, and we cater to them through both offline and online channels. On average, each of our top 10 customers contributes to <7% of the topline.

Services offered to brands/retailers

- Product design services led by deep insights into latest fashion trends
- Quality inspection and testing
- Assurance of adherence to high compliance standards
- Supply chain and logistics management
- High scalability supported by a carefully chosen supplier network



Services offered to manufacturers

- Access to marquee fashion brands and retail chains
- Design support and knowledge sharing
- Provision of working capital for growth
- Opportunity to achieve scale led by large volume orders
- Drive profitability across the network

Led by technology and committed to sustainable fashion

~1 million garment pieces/day with 550+ complaint partner factories

Largely pre-sold orders

A Well Diversified Base of Marquee Customers





Our Business Segments



Manufacturing

Our in-house manufacturing facilities are located across Bangladesh and Sri Lanka. These facilities have expertise in formal tailoring, blazers, school wear, shirts, softs and kids wear. All our facilities stringently adhere to necessary regulations and consistently embody global best practices.

During the year, PDS' Sri Lanka based subsidiary, Norlanka, entered into a strategic partnership with Rich Light Exports Pvt Ltd and Rainbow Fashions Pvt Ltd. This agreement further enhances Norlanka's capability to fulfil customer requirements by increasing its compliant capacity, while also deepening its commitment to empowering apparel sector SMEs.

PDS Venture Tech Investments

Through PDS Venture Tech Investments, we nurture scalable innovations and actively shape the future of the industry, while securing our position within it. We operate in a dynamic industry where customer stickiness is key to long-term success. Constant innovation is essential

to ensure that we keep pace with changing customer behaviours and preferences.

Our vision is to strategically align fashion, technology and sustainability to make way for a better, more inclusive future. We make early-

stage investments, either directly or via collaborations, to foster the development of agile solutions for the future. Investing in opportunities that are in sync with our focus areas helps future-proof our enterprise and create value for the long-term.

Our Collaborations



True PDS Fund

Major focus on sustainable & digital first fashion & consumer brands



Apex Black VC Fund

AI/ML backed deep tech companies working on scientific breakthroughs and business model disruptions



PDS Impact Fund

in association with Yellow Octopus

A Circular Fashion Impact Fund focused on investing in sustainability across the fashion supply chain



Designed to Perform





Message from the Chairman



Deepak Seth
Chairman

“At PDS, the year saw us achieve several milestones, and we continue to fortify our position as a leading integrated platform in the global fashion value chain. As we grow and deliver, the very core of our business, remains our commitment to sustainable fashion.”

Dear Shareholders,

I write this letter at the close of a truly eventful year. The world is bouncing back from the after effects of the pandemic, and global trade and activity are resuming after a hiatus of two consecutive years. At PDS, the year saw us achieve several milestones, and we continue to fortify our position as a leading integrated platform in the global fashion value chain.

An evolving macro-economic environment

The world economy has grown by 6.1% in Calendar Year (CY) 2021, after a de-growth in CY 2020. This is one of the fastest post-recession comebacks in history and is a result of concerted efforts by governments, industry organisations, the private sector and enterprising individuals. Investments are expected to rise, driven by government-led programmes and opportunities presented by the continued release of pent-up demand. That said, even as the pandemic-led woes subside, newer challenges have emerged in terms geopolitical conflicts, isolated economic disruptions, and increasing inflation. Together, they moderate the outlook for CY 2022 and weigh on growth expectations.

In India, the economy has demonstrated a sharp recovery in FY 2021-22, as commercial activity picked up in full steam through the fiscal. Even as the second COVID-19 wave exerted pressure during the initial quarter, better system-level preparedness and overall awareness cushioned the impact and led the way for a strong recovery. The various infrastructure and other programmes rolled out by the government are valuable in aiding the recovery and act as economic multipliers that spurs demand. After rising to a 95-month (almost 8 years) high of 7.79 percent in April 2022, Consumer Price Index (CPI) based inflation moderated to 7.04 percent in May 2022.

The Reserve Bank of India (RBI) maintained an accommodative policy stance for a major part of the pandemic years, to encourage investments and infuse liquidity in a conservative environment. However, inflation has now crossed the threshold, rising to 7.79% in April 2022, the highest in the past eight years. This has necessitated off-cycle and on-cycle policy rate hikes by the RBI, even as it retained the growth forecast of 7.2% for FY 2022-23.

Performing in an industry of evolving trends

The pandemic has changed consumer preferences around the world, both from category and channel perspectives. Retailers and brands were responding to these preferences on priority. As economies and trade movement resumed, the industry started to witness a revival starting mid-2021, with discount and luxury segments performing well in larger markets. The demand for return-to-work clothes and wardrobe refresh are expected to be on the rise as normalcy recommences globally. An interesting and highly relevant trend has been the uptick in preference for sustainable fashion. According to McKinsey, global fashion sales are already reaching pre-pandemic levels, and are expected to surpass this level by the end of CY 2022.

As a service provider to some of the world's leading brands and retailers, we at PDS are placed to take charge of the opportunity that the post-pandemic world presents. With global scale and capabilities, and sustainable fashion at the core of our business proposition, we were able to serve our customers with the best in fashion, aligned to their expectations.

In the backdrop of a dynamic market environment, we forged new partnerships, innovated new models, and invested in the future. Our consistent efforts have resulted in us crossing the \$1 billion revenue mark, while nearly doubling our profit after tax.

A relentless focus on sustainability

As we grow and deliver, the very core of our business remains our commitment to sustainable fashion. During the year, our 20 business units committed to 163 sustainability goals (cumulative), in addition to existing commitments. Our four-pronged sustainability agenda built on four pillars- Respect Water, Reduce Emissions, Think Circular and Build Community held us in good stead as we delivered and demonstrated tangible results on each one of them. For example, in our Sri Lanka based subsidiary Norlanka, we commissioned a solar energy unit, which generates green energy that would power our operations and result in a net surplus of electricity in a move to reduce emissions significantly. We continued on our social performance, where our community interventions focused on education and others witnessed encouraging participation and impact.

It also gives me great pleasure to notify that PDS has started its journey to becoming a certified 'Great Place to Work', and have conducted the GPTW Trust Index survey. It is heartening to see that we score significantly high on the 'Trust' factor, and score better than the industry on several other aspects. This is a recognition of our policy-led people practices, that protect and nurture our workforce.

A note of gratitude

Today, PDS is consolidating its position as a globally trusted, end-to-end player in the fashion value chain. This is enabled by a strong and winning culture we have been able to foster within the organisation. Our journey till date has been through the support of our key stakeholders including customers, employees, vendors, business partners, bankers, creditors, investors, governments, and my fellow Board members. As we take the next leaps in our growth journey, I solicit your continued cooperation.

Best regards,

Deepak Seth



Message from the Vice Chairman



Pallak Seth
Vice Chairman

“In FY 2021-22, we took a new step towards bolstering our service offering under the Sourcing as a Service customized solution. With this, we are pioneering highly integrated and specialised sourcing services for our customers.”

Dear Shareholders,

FY 2021-22 was a great year for PDS, where we reached newer heights, crossed new milestones, and aspired to do better. We were able to prove the resilience of our business model yet again and add enhanced value to our customers. We recast our brand as PDS Limited, and formally added 'Digital' as a lever to our corporate identity, reflecting the true digitally-enablement behind our business. We also inducted our new Board of Directors whose diverse, global and functional expertise guide us on our strategic journey to deliver high value to our stakeholders.

The industry we operate in continues to evolve, and players with good governance, scale, and effective risk mitigation abilities are being preferred by customers and vendor partners, as they enhance the stability of the supply chain. At PDS, we are perfectly aligned to this reality, and are already taking strong strides to take charge of the opportunity.

Expanding Design-led Sourcing to Sourcing as a Service

In FY 2021-22, we took a new step towards bolstering our service offering under the Sourcing as a Service customized solution. With this, we are pioneering highly integrated and specialised sourcing services for our customers. Our Sourcing as a Service offering is already witnessing strong traction with leading global brands. During the year, we tied up with marquee global brands such as Hanes Brands, s.Oliver, Ralph Lauren, Sainsbury amongst others, and are exploring newer partnerships in the space. One such example, we have created an independent setup for Hanes Brands in Bangladesh, and operate as their exclusive vendor for the region, with the potential to cater to a \$400 million annual opportunity over the next 4-5 years.

Our strategic building blocks hold us in good stead

As we grow bigger and deliver better, our long-standing strengths act as our core building blocks. These include:

- **End to end capabilities** - Helping us offer better solutions to our customers through better sourcing, led by our Sourcing as a Service model
- **Global scale** - Enabling diversified sourcing and marketing ability, thus narrowing concentration risk and furthering our serviceability
- **Investing in the future** - Acting as our future-proofing strategy, we are investing in businesses that associate with our ethos and are investing in capacities aligned to market opportunities
- **Ethics & sustainability** - We view sustainability as a way of doing business, and are capturing opportunities in the market that favour a sustainability-led sourcing platform
- **Financial strength** - Our financial strength and comfortable leverage position provides significant headroom for accelerated growth, while optimising returns on investment
- **Robust risk management** - Following our 6C strategy, we are well positioned to mitigate any emerging or existing risks
- **Leadership team** - Our well-informed and experienced leadership team, together with our illustrious Board of Directors, plays a key role in setting the way forward for the business and ensuring responsible business practices
- **Digital solutions** - The investments we continue to make in our digital platform will lead the way in ensuring process efficiency, streamlining operations, and accelerating system-led thinking

A future of possibilities

I believe that in the past years we have been able to build a strong foundation for our business, on which we can now capture several burgeoning opportunities with our innovative operating model and inherent strengths. As we go forward, we are working around expanding our geographic presence, increasing our margins, onboarding new partnerships and collaborations, leveraging Sourcing as a Service, and deploying digital technologies to drive efficient operations. Further, the investments we are making through our Venture Tech portfolio enable us to sense the pulse of the market and

proactively offer new solutions to stay ahead of the curve. The collaborations add on to our 'sustainable fashion' offering and help us expand our presence in the fashion value chain.

As we pursue newer heights and larger prospects, I request your vote of confidence in us.

Best regards,

Pallak Seth



Message from the Group CEO



Sanjay Jain
Group CEO

“Our focus on being a successful business comes on the back of being sustainable. Our approach to value-creation is underpinned by a commitment to building a long-standing business, that will drive not just shareholder value, but lasting stakeholder value. In the past five years, we have grown our topline by 1.8x, EBITDA by 8.5x and PAT by 15x.”

Dear Shareholders,

It gives me immense pleasure to write to you again. Last year, in my first letter to you, I was positive that PDS is ready to take off on the back of our various strengths and opportunities. I am glad to share that we have started delivering on this premise and have already achieved multiple milestones that demonstrate our performance and progress. While we have a long way to go, I would like to put on record my appreciation for every employee and partner of PDS, who made this stellar year happen.

Reporting our best-ever year, again

This year, our consolidated topline stood at \$1.2 billion (₹8,828 cr), thus covered a major revenue milestone. By no means is this a small feat, especially in an industry which is dynamic by nature, and in a year which faced several macroeconomic headwinds. We were able to achieve this with consistent and all-around efforts every day, and by keeping an eye out for opportunities that strengthened our business. We collaborated better, introduced new brands, utilised our scale, and delivered with our end-to-end capabilities.

At an operating level, led by increasing efficiencies and better cost management, we were able to register an EBITDA growth of 40%, and could nearly double our PAT performance. This has led to a significant increase in our EPS and enabled us to reward our shareholders with a 1.5x dividend compared to the previous fiscal. We further deleveraged our balance sheet and improved our liquidity by 54%.

With a 42% rise in income from operations and a considerable reduction in working capital, we were able to deliver better returns as well, with our RoCE at 38% and RoE at 31%.

Manufacturing turns positive

A key achievement of FY 2021-22 was the turning around of our manufacturing business in the last quarter of the fiscal. During the year, we were able to nearly double our revenues, to ₹547 cr from ₹285 cr in FY 2020-21. We also narrowed our PAT-level loss by 80% y-o-y. In the last quarter of the year, the business turned PAT positive, delivering a 2.7% net profit margin. This was the result of constant efforts by our teams to improve our run size mix and product mix, better our planning, and most importantly better collaboration with our sourcing verticals. It also demonstrated increasing acceptance in the market for our manufactured goods as part of the integrated value-chain.

Investing in the future

The PDS platform is focused on expanding its service offering and global footprint. During the year we added new business verticals focused on catering to new customers, new categories and new geographies which augments the PDS platform. Our investment in these areas lays down a strong foundation that will help us not only expand the ticket size of our existing relationships, but also bring new customers into the fold. These new verticals will be driven by leading industry professionals with strong domain expertise and customer relationships who have joined the PDS platform. While our investment towards these new verticals is currently being captured in our operating costs, these new verticals will generate value as they mature and grow within the PDS ecosystem.

PDS is also exploring avenues to strengthen its capabilities in geographies like Egypt, Jordan, Central and South America and Turkey to name a few. These will enable PDS to develop strong near-shore capabilities. Furthermore, with "China+1" and the Indian Government rolling out incentives for apparel manufacturing, India is also gaining prominence in our medium to long term strategy.

Sustainability drives our value-creation

Our focus on being a successful business comes from the back of being sustainable. Our approach to value-creation is underpinned by a commitment to building a long-standing business, that will drive not just shareholder value, but lasting stakeholder value. In the past five years, we have grown our topline by 1.8x, EBITDA by 8.5x and PAT by 15x.

As we move forward, we would continue to deliver more and deliver better for every stakeholder. Our \$2.5 billion revenue goal is only an indication of what the future has in store. With a dedicated team, growing scale, in-house expertise, solid network and a tech-led ecosystem, we are ready for the next leap. In achieving this, I request your sustained support and faith.

Best regards,

Sanjay Jain



FY 2021-22 Business Performance

Amplifying Prospects with Enhanced Operations

Over the last year, we have curated expert business teams to advance us on our proposed roadmap to success. Armed with their insight, we have also been able to onboard the right set of customers to further our ambitions. We have focused our efforts on scaling our business model, fostering strategic partnerships, and recalibrating our day-to-day functioning to transition into our next phase of growth.



New partnerships for Sourcing as a Service

Brands and retailers are increasingly focusing on their core business to drive earnings and are opting to outsource, to meet their sourcing needs. We have been quick to catch on this opportunity, by offering Sourcing as a Service to large brands and retailers, who are exploring outsourcing options exclusive to pre-agreed territories.

In FY 2021-22, our Germany-based subsidiary Techno Design signed an exclusive agreement with a leading German brand, s.Oliver. As part of this arrangement, Techno Design will have exclusive sourcing rights from India and Sri Lanka for the s.Oliver group. Under

this arrangement we also acquired their Indian operations. This partnership has the potential to translate into an annual merchandise value of ~\$50 million.

We have executed another key arrangement under Sourcing as a Service with Hanes Brands (USA) where we will operate as their sole and exclusive vendor for Bangladesh. The agreement further allows us to source merchandise from a factory network in Egypt, and India, on a non-exclusive basis. We have created an exclusive team along with an independent office infrastructure in Bangladesh, to provide services under this agreement. This

collaborative journey translates into an annual potential of \$400 million merchandise value scale-up opportunity over the next four to five years.

Post the initial success of our partnership with Hanes Brands and s.Oliver, we are initiating arrangements with other leading retailers and brands, providing them similar and customised solutions. These arrangements have the potential to churn \$1 billion worth annual merchandise value in next 4-5 years. These partnerships will be both exclusive and non-exclusive, and diverse in terms of geographies and brand associations.

Geography



Marquee Association

HANES Brands Inc

s.Oliver

RALPH LAUREN

Sainsbury's

TJX

Large European Supermarket

Territories

Exclusive:
Bangladesh
Non-Exclusive:
India | Egypt

Exclusive:
India | Sri Lanka

Non Exclusive:
Turkey

Exclusive:
Turkey

Non Exclusive:
Global

Exclusive:
Bangladesh | India

Consistent growth in the US and exploring the Australian market

We continue to lay emphasis on expanding our geographic footprint, deepening our presence in existing markets, and entering new locations. In line with our aspirations, we are already gaining momentum in the United States. Top line contribution from the US has nearly doubled in the past two years, with the possibility to go beyond 20% of topline in the near-term. PDS is also now making inroads in the Australian region.



FY 2021-22 Business Performance

Expanding our brand portfolio

Leveraging our design-to-market capabilities, we have curated a portfolio of in-house brands. These also include brands that are conceptualised in collaboration with retailers and influencers. Some of our recent launches include:



Reakt

Lounge and comfort wear brand launched in collaboration with Next, TkmMaxx, Zalando and Primark



Union Works

Denim wear brand, created in partnership with Sainsbury's

Raw Denim Altelier

Sustainable everyday workwear brand available through Next and TkmMaxx



-9° Peak

Athleisure outdoor brand in collaboration with Tesco



FW Bridge

Smart Casualwear brand
Exclusive to Tesco & Next



Kindred

Sustainable casual/loungewear brand in collaboration with Next & TkmMaxx

Lilly+Sid

Lilly+Sid was conceptualised as an antidote to the fast fashion industry, being a truly sustainable brand of clothing for kids. The brand works with a planet-friendly ethos that underlines quality organic clothing need not cost the earth.

Made from premium organic cotton fabrics, Lilly+Sid's unique collections are designed for kids and their planet. With timeless designs, full of colour, shapes and sweet prints these can be worn throughout the season, passed down to smaller friends and family and re-loved for many years to come.

Key differentiators of Lilly+Sid

Fabrics

95% of our garments are made from organic, GOTS-certified cotton, better for the farmers who grow it and the delicate skins wearing it. The remaining garments in the collection are made from eco fabrics such as the recycled nylon used in swimwear taking fabrics destined for landfill and repurposing for the new generation. Our dyes are Azo free, kinder to the environment and kinder to the wearer.

Factories

We have long-standing associations with our factories, and all of them adhere to our ethical trading stance. Our factories across the world are members of the ETI (ethical trading initiative), hold SA8000 accreditation (Social Accountability Accreditation) or are SEDEX certified.

Quality Assurance

Every garment out of our factory is independently and rigorously tested for safety and quality assurance.

Principles and Profit Focus

We do not focus on over buying or building on heavy discounting. We strongly believe in offering the best value products we possibly can from launch date and selling as many as we can at full price.

Thoughtful Design

We focus on maximising the lifecycle of our products through thoughtful design that are season-proof and timeless in their appeal. Our collections include reversible and mix and matchable, that amplify the utility and fashion of clothing.

Planet Friendly Packaging

We are committed to creating eco packaging solutions. Our mailing bags and boxes are made from paper and created at source wherever possible to reduce our carbon footprint. Each garment is packed in bags made from corn starch, which are fully compostable.



GOTS: Global Organic Textile Standard

Expanding portfolio focusing on high margin categories

Poetic Brands, our UK-based subsidiary, specialises in adults, kids and babywear licensed apparel and caters to multi-product ranges for Europe's largest retailers. In FY 2021-22, it entered into a binding agreement to acquire a 100% stake in Sunny Up Limited ('Sunny Up'), which holds the exclusive European license for Stan Ray and other distribution rights. With this acquisition, Poetic Brands which currently operates with a ₹260 cr (\$35 million) topline, will further expand its licensed portfolio. It is also slated to enter into a new long-term licensing agreement for the exclusive rights of the Stan Ray brand and other distribution rights. This deal is expected to positively impact the gross margins of the business. Additionally, Poetic Brands also has a portfolio of +200 licensed characters.

Manufacturing turned around to be profitable

In FY 2021-22, our manufacturing business turned profitable at an operating level, generating an EBITDA of \$1 million. We also nearly doubled our revenues, driven by higher capacity utilisation. This has also helped us narrow our PAT losses by 80% and in the full year and delivered positive PAT margins in the last quarter of FY 2021-22.

We have set in motion a multi-pronged approach to enhance efficiencies and accelerate our journey towards increasing profitability, which comprises improved run size mix, product mix, better planning, clear focus on operational initiatives, and maximisation of earnings per minute.



Financial Performance

Reaching New Heights with Agility

Our efforts to create an agile and profitable enterprise have already started to bear fruit. We achieved significant growth in FY 2021-22, having touched a new milestone in our revenue, while further integrating and expanding our operations. External challenges continued to create hurdles, but we remained steadfast in our endeavours and delivered our desired outcomes despite the market volatilities. Our sharp acumen and asset-light business model has enabled us to perform with prudence.

₹8,828 cr
(\$1,185 mn)
Revenue in FY 2021-22

3.7%
EBITDA margin in
FY 2021-22

3.3%
PAT margin in
FY 2021-22

Growing year on year (FY 2021-22 vs FY 2020-21)

42%
Revenue

40%
EBITDA

82%
PBT

97%
PAT

-ve ₹41 cr
(-ve \$5mn)
Net debt in
FY 2021-22

54%
Liquidity of ₹665 cr
(\$88 mn) in FY 2021-22

195%
Earnings per
share

51%
Dividend per
share

Achieving negative working capital days and improved RoCE and RoE

We implemented a cyclic and continuous process to improve our Net Working Capital (NWC) Days. This resulted in reduced NWC days, from 10 in FY 2019-20 and 5 in FY 2020-21, to -ve 3 in the current financial year. This is a true reflection of our business agility and integration capabilities, and we are keen on maintaining this status in the coming years. The reduction in net capital employed led by working capital management, together with a growth rate upwards of 40%, has significantly improved our return ratios, with RoCE at 38% and RoE at 31%.

Segment-wise performance

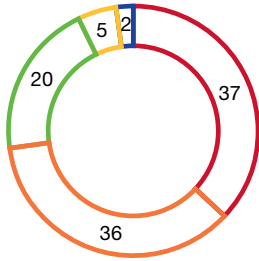
	Sourcing	Manufacturing	PDS Venture Tech Investments	PDS Consolidated
Revenue	₹8,507 cr (\$1,142 mn) (↑ 40% vs LY)	₹547 cr (\$73 mn) (↑ 92% vs LY)	₹2 cr (\$0.3 mn) Revenue captured in other income	₹8,828 cr (\$1,185 mn)
EBIT (Including other income)	₹311 cr (\$42 mn) (↑ 3% vs LY)	-₹15 cr (-\$2 mn) (↓ 85% vs LY)	₹43 cr (\$6 mn) Rental Treasury & Sale of Real Estate	₹339 cr (\$45 mn)
Gross Capital Employed (% of Total)	₹731 cr (\$96 mn) (↑ 47%)	₹539 cr (\$71 mn) (↑ 35%)	₹289 cr (\$38 mn) (↑ 19%)	₹1,559 cr (\$206 mn)
Net Capital Employed	—	—	—	₹895 cr (\$118 mn)
ROCE	43%*	-ve*	15%*	38%

*Segmental ROCE is based on Gross Capital Employed and Consolidated ROCE is based on Net Capital Employed
PDS Consolidated numbers are post eliminations



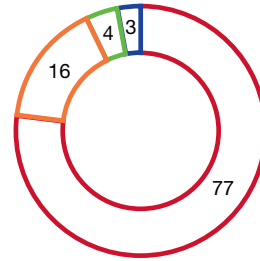
Financial Performance

Revenue breakup -
Category-wise share (%)



- Men's wear
- Women's wear
- Children's wear
- Essentials
- Others

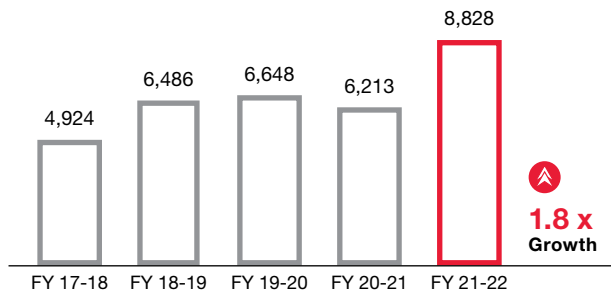
Revenue breakup -
Geography-wise share (%)



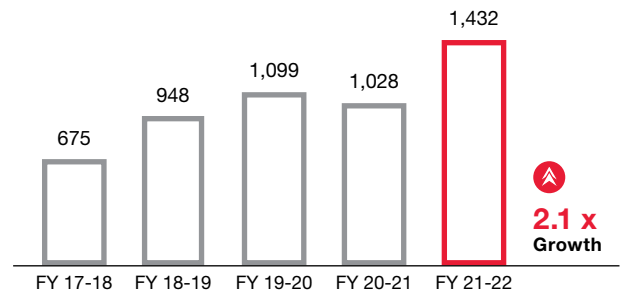
- UK and Europe
- North America
- Asia and Middle East
- Others

Historical performance trends

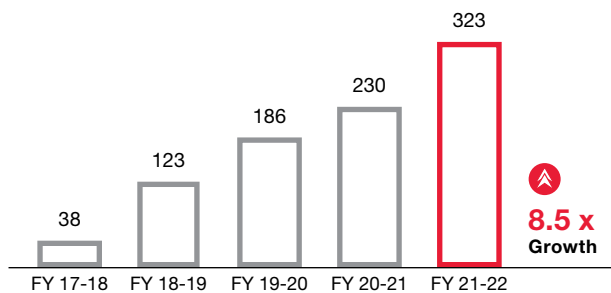
Sales (₹ in cr)



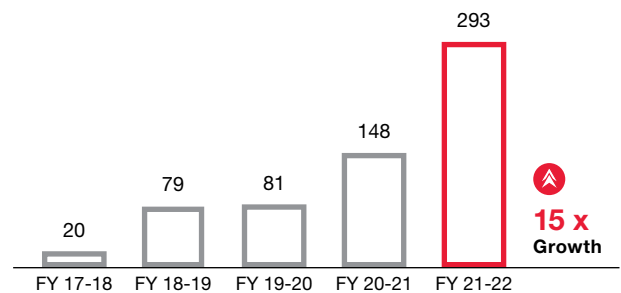
Gross profit (₹ in cr)



EBITDA (₹ in cr)



PAT (₹ in cr)



Growth (between FY 2018-22)

Awards and Recognition

Upholding our Winning Streak

Our work towards innovation imbibed with sustainability has been applauded and encouraged by our peers. During the year, we won several accolades, that recognised our business approach and our outstanding performance.



Mr. Pallak Seth, our Founder and Vice Chairman, was recognised as a Global Indian of the Year Consumers and Industry Research by United Research Services and Asia One magazine



Mr. Sanjay Jain, Group CEO, received 'CEO of the Year' at the 'Business Leader of the Year Awards', by World CSR Day and World Sustainability



PDS Limited was awarded the Prestigious Rising Brands of Asia 2021-22, held by Herald Global



Zamira Fashion Limited (a PDS subsidiary) received the award for design excellence in the textile category at the 'Designed in Hong Kong Awards 2021' for their biodegradable jeans, conceived as a 'made to last, built to disappear' product



Designed to Create Value





Strategic Roadmap

Driving the Next Phase of Growth and Profitability through a Strategic Play

At PDS, we are functioning in a highly dynamic environment, with changing consumer preferences, dynamic supply chain scenarios, and increasing focus on sustainable fashion. To thrive and grow in this context, we have specific focus areas and interventions, aligned to our long-term vision. Our five-year ambition is to cross the \$2.5 billion top line mark, powered by geographic expansion, operational excellence, strategic investments, collaborative partnerships and a high-margin, asset-light business model. As we go forward, we will continue to grow our profitability, improve our operating efficiencies, with a key focus on opex containment and negative working capital.

Our segments

Sourcing, Manufacturing, PDS Venture Tech Investments

Strengths and building blocks

- End to end capabilities
- Global scale
- Investing in the future
- Ethics & sustainability
- Financial strength
- Robust risk management
- Leadership team
- Digital solutions

Operating in an opportunity-rich environment

- Accelerating focus on sustainable fashion
- Demand from retailers for financially stable suppliers with multi-product and multi-geography capability
- Increased access to formal credit and growth capital for businesses with strong balance sheet
- Constantly evolving ESG goal post across the fashion supply chain
- "China+1" dynamic, trade agreements and changing regulations
- Resale market is growing 11x faster than traditional retail and expected to be \$77bn by 2025



Growing the PDS platform

We focus on both organic and inorganic avenues to power the growth of our sourcing vertical. Organically, we look at expanding our existing verticals, along with new or sub verticals. While pursuing inorganic growth, we follow a dual strategy of acqui-hiring teams, while deploying strategic capital in growth businesses. We invest in new businesses with the intent to help them grow. These avenues lead us to various growth drivers across new categories, new customers, new geographies, deeper customer engagement, and collaborations with existing businesses.

Delivering on strategic priorities

- Surpassed \$1 billion topline in FY 2021-22
- Driving a truly diversified portfolio – higher penetration with wider category offering
- Building Sourcing as a Service model driving long term exclusive agreements with marquee customers
- Investing in new teams to enable new category creation and expansion in new territories
- Expanding the North America business
- Enhancing efficiencies in own manufacturing facilities through longer run order

Our continuous focus areas

- Target long term exclusive contracts with customers /sourcing as a service model, enabling faster growth
- Encourage high volume + high margin businesses, along with operating excellence
- Continuously strengthening our risk identification and management capabilities
- Focus on being an asset-light company
- Driving value creation for all stakeholders

Roadmap for reaching US\$ 2.5 billion top line within the next 5 years

- Focus on growth, profitability and operating excellence
- Sales and profit maximisation in manufacturing, driven by operating efficiencies
- Unfolding of strategic sourcing tie-ups
- Positive contribution from new verticals focused on geography, category and customer
- Efficiently managing working capital
- Further strengthening digital capabilities and human capital



Way Forward

Our Key Future Focus Areas

Geographic Expansion

We are deepening our presence in the US, which is one of the top five apparel markets globally. We are already witnessing significant rise in our North American sales, contributing to ~16% of our topline, with a potential to cross 20% in the near-to-mid term. To facilitate this, we are strengthening our team in the US and are leveraging the Group network for servicing customers. To service the US markets, we are evaluating sourcing locations in Central and South America, aiming at achieving shorter design to market lead times.

Apart from the US, we are also focusing on Australia and New Zealand, and entering Scandinavia as a prospective market. Our global factory network enables us to cater to near shore and far shore sourcing requirements of our customers.

We are also expanding our sourcing footprint, which is at present, predominantly concentrated in Bangladesh. We are evaluating and increasing our presence in Vietnam, which is a good sourcing location, considering the availability of skilled and established workforce, vertically integrated vendor options, centralised location, competitive costs and complicated wash and dry process capabilities, along with a full range of sustainability offerings in washed products.

With an aim to strengthen our near-shore sourcing capabilities, we are focussing on further strengthening our capabilities in Turkey and surrounding regions including Jordan and Egypt. Our targeted categories would include jersey, knitwear, swimwear, woven, denim, casual, lingerie, seam free, home, activewear etc.

In India as well, we are evaluating opportunities presented by government initiatives such as the Production-Linked Incentive (PLI) scheme, and the realignment of global supply chains led by the "China+1" strategy of marquee brands and organisations.

Together, these will offer shorter lead times and increased speed and agility, lower freight costs, better predictability, and lower carbon footprint.

Category Expansion

We are deepening our relationship with existing customers by expanding into new categories, offering them variety, while increasing the scale of our proposition. Further, we are entering other categories such as home fashion and accessories, across our operating locations.

Margin and ROCE Expansion

We are expanding our brands and licensing portfolio to drive margin accretion. Further, we are collaborating with retailers to create in-house brands.

To enable expansion of consolidated margins, we are increasing our efficiency in manufacturing, and are continuously monitoring and optimising our operating costs.

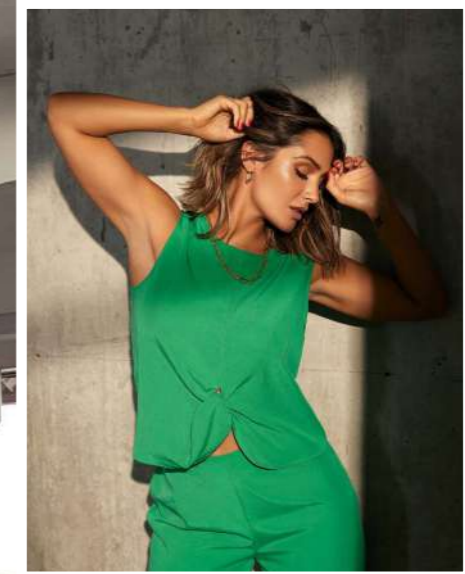
Balance Sheet Optimisation

Our asset-light model will continue to hold us in good stead. Our margin expansions would invariably lead to higher return on capital employed. Further, as we drive efficiencies in our manufacturing operations they would result in higher margins and improved returns on capital employed.





Designed to Innovate



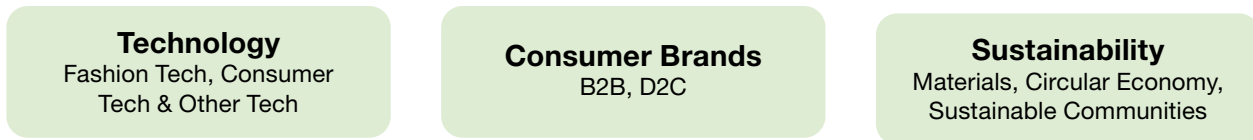


Investing in the Ecosystem

Designed to Innovate

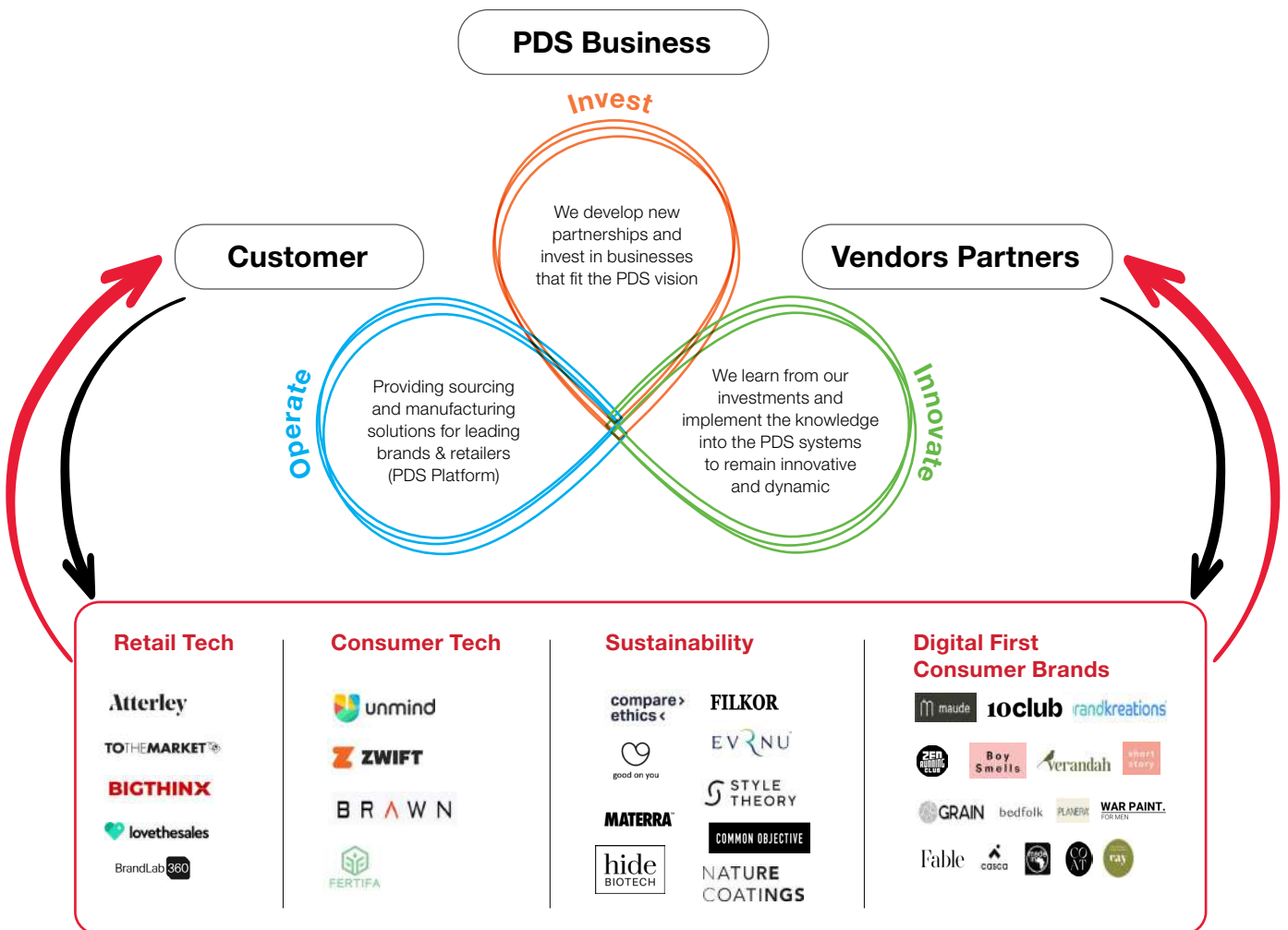
Our vision is to strategically align fashion, technology and sustainability to make way for a better, more inclusive future. We make early-stage investments, either directly or via collaborations, to foster the development of agile solutions for the future. Through our Venture Tech arm, we are investing in opportunities that are in sync with our focus areas, thus future-proofing our business and creating value for the long-term.

We pursue investment opportunities that enable us to strengthen our focus areas



Through these investments we enhance our value proposition for our customers, vendors, and stakeholders. Further, this enables us to nurture collaborations and synergies with the PDS ecosystem. We are also partnering with leading funds for co-investing in select opportunities.

PDS Ecosystem interplay with our Investment Portfolio



Contributing to the UN SDGs through PDS Venture Tech Investments

PDS Venture Tech portfolio focused on three prime areas derived from the United Nations Sustainable Development Goals (UN SDGs).



Sustainable Cities and Communities

Sustainable Communities

We invest in businesses that create and promote sustainable communities and platforms.



Responsible Consumption and Production

Materials

We extract natural resources for the raw materials required for our manufacturing and production processes. As a responsible Company, we focus on procuring sustainable raw materials and ensure that the production process is also aligned to achieve sustainability.



Climate Action

Circular Economy

In our efforts to contribute to climate action, we strongly believe that adopting a circular economy in the fashion business, will definitely lead to positive outcomes. To prevent clothes from ending up in a landfill and reduce GHG emissions, we practice recycling and reusability.

Investment Portfolio

Our portfolio investments lay unwavering focus on circularity, sustainability and innovative solutions in the fashion, tech and consumer space. The table below summarises some of the investments, we have made:



Materra

Planet-centric technology company working towards climate-resilient cotton agriculture.

USP

It provides farming solutions that enable:

- higher yields
- higher quality fibre
- higher resource efficiency in cotton farming

Products

- Cotton
- Natural fibres

Evrnu

Evrnu® is a textile innovations company that has invented an entirely new kind of engineered fibre made from discarded clothing.

USP

It can eliminate

- 30% of garment waste headed to landfills
- 80% of pollutant emissions
- 98% of the water required for virgin cotton production

Products

- Cellulosic fibres
- Recycled fibres

Unspun

Robotics and digital apparel company building custom jeans for each consumer, on demand.

USP

Works to reduce global carbon emissions by 1% through automated, localised and intentional manufacturing

Products

- Denim

Good on You

Uses consumer power to create a sustainable future – rating fashion brands for their impact on people, the planet and animals.

USP

- Comprehensive brand ratings system
- Online discovery platform for fashion

Products

- Campaigns to raise awareness
- Industry support
- Marketing & PR
- Sustainability Consulting



Designed to Sustain





Sustainability Approach

Embedding Sustainability in Everything we do

At PDS, we are focused on sustainability as a way of doing business and aspire to be the flagbearers of a sustainable fashion value chain. We are persistently working towards our relentless aim of minimising our environmental impact, while simultaneously future proofing our business. Towards this end, we have identified key pillars that form our sustainability mantra.

Read the PDS Group Sustainability Report 2022 at www.pdsmultinational.com/pds-platform/pds-edge/

It is our aspiration to provide our customers with 100% sustainably sourced products. Our increasingly climate conscious customers are also seeking to adopt sustainable solutions and greener choices, enabling us to be their preferred partner.

A significant number of our Group companies are certified by or are members of leading bodies and platforms, such as Higg Index, Oeko Tex, BCI, ISO, SMETA and LEED



Key Highlights of Environmental Initiatives



Climate risk

Solar energy generation at Norlanka (Sri Lanka)



Biodiversity

2/4 core sustainability pillars of PDS pertain to Biodiversity



Water Efficiency

Water saving measures and rainwater harvesting initiatives in manufacturing locations



Energy Efficiency

Deployment of energy saving measures in factories



Carbon Intensity

Plans to replicate Norlanka Solar model in other locations

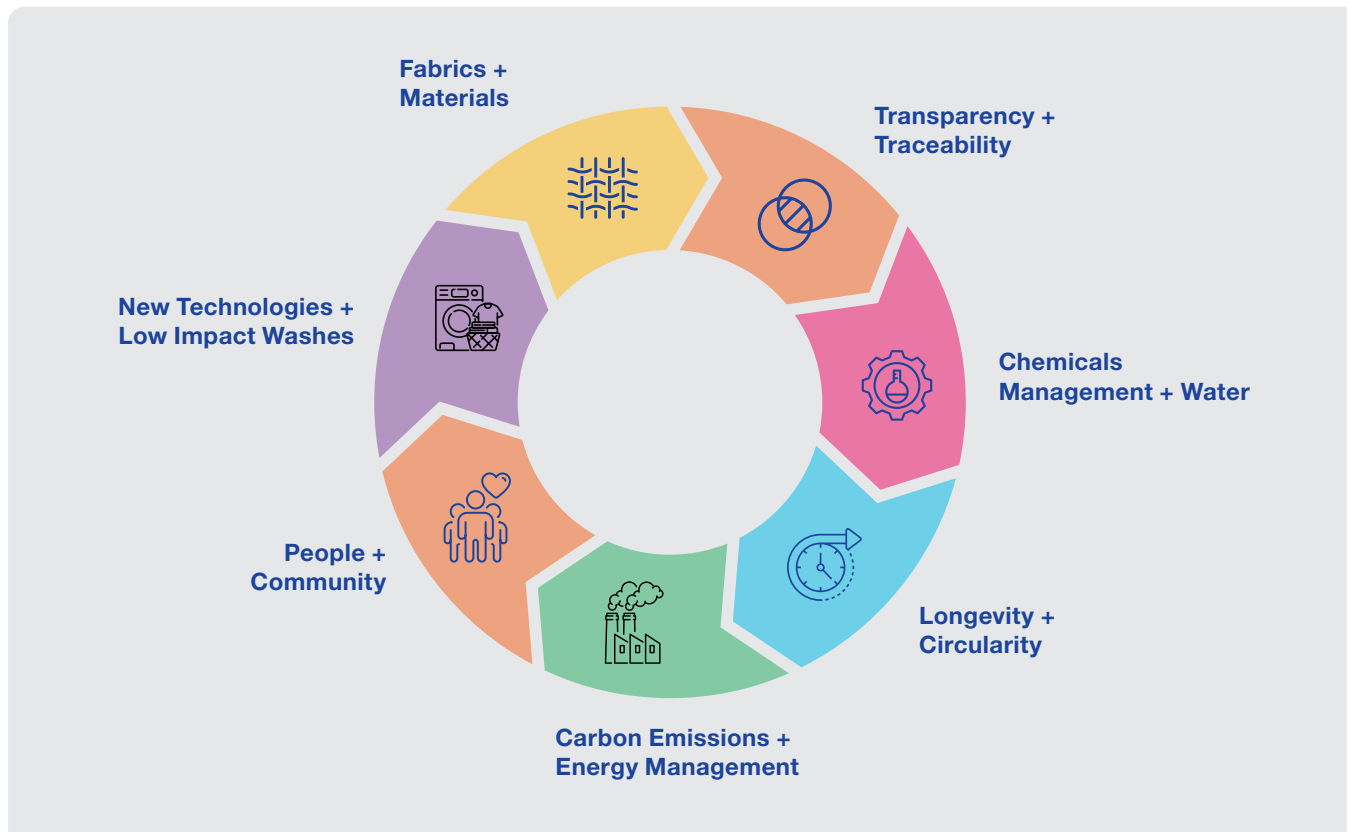


Environmental Management Systems

Driving partners and own manufacturing sites to get ISO 14001 certified

Sustainability Aspirations

At PDS, we have seven sustainability aspirations, that help contextualise what we are working towards.



Fabrics and Materials

Fabric sourcing and material selection comes at the outset of product development. Our design and fabric teams have great experience in researching, identifying and developing the most sustainable and quality fabrics.

Transparency and Traceability

We are driven by our commitment to ethical and sustainable sourcing, safe-to-wear products and complete supply chain transparency. The PDS Group has been at the forefront of auditing its core supply chain by Oeko-tex[®], STeP and introducing garments with Oeko-tex[®] Made in Green.

Chemicals and Water Management

We are a member of the Sustainable Apparel Coalition (SAC) and are committed to achieve Zero Discharge of Hazardous Chemicals, while significantly reducing water consumption in the

supply chain. Our main denim vertical has successfully eliminated the use of potassium permanganate from all productions, while still maintaining the authentic look of denim.

Longevity and Circularity

Yellow Octopus, a PDS Group company, is at the forefront of transforming the fashion industry into a circular economy, offering commercial sustainability solutions for fashion retailers. The PDS Group denim vertical (Zamira) is a member of 'The Jeans Redesign' by the Ellen MacArthur Foundation, which paves the way forward for a more circular denim supply chain.

Carbon Emissions and Energy Management

We are committed to a decarbonised future and started our journey towards a net zero supply chain in 2021. We have engaged with The Carbon Trust UK to accelerate this process and provide

solutions to reduce carbon emissions. Digitising the product design and development process, near-shoring of fabric supplies, investing in new eco-efficient machinery and renewable energy solutions, are examples of our initiatives to reduce emissions.

People and Community

We are committed to creating a sustainable future for our business, our people and the communities we serve. We have been the sponsor for Soham For Kids since 2015. This Initiative has provided:

- Free primary and secondary education for 300+ children in India and Bangladesh
- Free vocational training in English, IT, sewing for 200+ adults in Bangladesh



Sustainability Approach

Sustainability Pillars

We are striving to include sustainability into our decisions and our four sustainability pillars (given below) form the basis on which detailed business roadmaps and targets are outlined. Our sustainability strategy is aligned to these four pillars, together with traceability and transparency as encompassing principles. These pillars enable each business within the PDS ecosystem to derive their own goals and targets and further our Group-level sustainability aspirations.

P1

Respect Water

We aspire to continually source more sustainable materials to reduce the depletion of natural resources.

This aspiration allows for goals and targets to be set around the following:



Reducing raw materials extraction

(strategic preferred materials and fibres roadmap)



Wastewater management – HIGG FEM

(Facility Environmental Module)



Chemicals management



Water usage



Company lifestyle choices



Sanitation

Initiative

Outcome

At our Green Smart Shirts Limited (Bangladesh) facility, we undertook targeted water saving measures.

40% reduction in water consumption

Rainwater harvesting pond with 0.5 million gallons capacity

Use of harvested rainwater harvested landscaping

At Progress Apparels (Bangladesh) Limited we undertook specific initiatives to control and manage water consumption

53% reduction in water consumption, with water consumed including 3.3 lakh litres of harvested and reused water

Norlanka (Sri Lanka) rainwater harvesting programme recharging deep well freshwater source

5 million water harvesting capacity; the deep well is replenished by 75% of the amount of water that Norlanka extracts from the ground

P2

Build Community

Creating a sustainable future for our business, our people and the communities we serve.

We strive to achieve this through strict implementation and policing of our Social Compliance and Zero Tolerance policies. Our robust sustainability strategy helps us become an employer of choice, while our involvement in community ventures and projects enables us fulfil our social commitments.

At PDS we are looking into ways of taking a percentage of the revenue emanating from certain aspects of our sustainability actions to re-invest this in the communities that helped us generate the revenue. By continuously learning and consistently evolving, we look forward to contributing towards a better tomorrow.

Read more on our community initiatives in the Social section [→ Page 44](#)



P3

Think Circular

We are uniquely placed as a Design, Sourcing and Manufacturing business that makes a real difference.

This aspiration will drive the group business to develop goals and targets around:

- Low impact production, innovation and efficiency

- Zero waste production and operations
- Operate a fully digital product design and development process, reducing physical sampling by well over 50%

Our Yellow Octopus business within the portfolio accelerates our path towards circularity, through investment in ventures such as 'Reflaunt' (which supports the reselling of unwanted products into the second hand, i.e. pre-owned market) and 'Regain' (an app which supports the recycling

of clothing and footwear and therefore reduces waste-to-landfill). We are also associated with Common Objective (a Global Tech Solution for the fashion industry) and TO THE MARKET who help retailers and brands provide transparency in their supply chains. Together with our partners, we aspire to lead a circular economy in the fashion, apparel and home industry and eliminate waste at every stage of our value chain.

Sustainability through Product Innovation

- Zamira Fashion Limited, a subsidiary of PDS Limited, offers Zamira Denims, a premium selection of sustainability sourced fabrics ranging from organic cotton to anti-microbial infused fibres, with Better Cotton Initiative (BCI) Cotton infused into the fabrics.
- Each pair of jeans in the Reprieve® Our Ocean™ Jeans Series, has its polyester yarns transformed into durable Repreve® Our Ocean™ fibres from upcycled bottles that are at risk of entering the ocean.
- 100% of our fabrics are certified with Standard 100 by Oeko-Tex® which provides a Confidence in Textiles. Oeko-Tex® Made in Green made products are made with materials tested for harmful substances, made in environment friendly facilities and in safe and socially responsible workplaces.
- Plant based eco-friendly buttons - Corozo Buttons are used in our products.
- Zamira Fashion 'Plant Me Handtag' are provided with the products, containing easy steps for planting.
- Zamira Denim Lab has adopted an RE/FORM process.
 - Laser Technology – Up to 10 pairs of jeans can be completed compared to 3-4 pairs in an hour through manual process.
 - Green Chemicals – Certified chemicals are used with an aim to reach Zamira's target

of Zero Discharge of Harmful Chemicals (ZDHC).

- Low Water Usage – To lower impact of water usage, cutting-edge technology is used throughout the washing process

- A low amber score of 49 has been achieved for Environmental Impact Measuring (EIM) compared to 69 in conventional washing. This accounts for worker's health, water usage, chemical used and energy impact.

RE/FORM
We are proud to present RE/FORM by Zamira Denim Lab, our very own 100% sustainable, authentic denim garment label, produced with the latest in cutting-edge technology.

THE REGULAR PROCESS VS THE RE/FORM PROCESS

<p>MANUAL PROCESS Labour-intensive process can complete 3-4 pairs of jeans in an hour</p>	<p>LASER TECHNOLOGY Advanced laser finishing can complete up to 10 pairs of jeans with intricate designs in an hour</p>
<p>HARMFUL CHEMICALS Used high dosage of chemicals that are harmful to the environment and possibly, worker's health</p>	<p>GREEN CHEMICALS Certified chemicals are used with aim to reach Zamira's target of Zero Discharge of Harmful Chemicals (ZDHC)</p>
<p>HIGH WATER USAGE Extensive amount of water used throughout the washing processes</p>	<p>LOW WATER USAGE Use of cutting-edge technologies enables for a lower impact of water usage throughout the washing processes</p>
<p>HIGH IMPACT Conventional washing processes resulted in a high red zone on the EIM scores EIM 69</p>	<p>LOW IMPACT With the worker's health, water usage, chemicals used and energy impact considered for, a low amber score is achieved EIM 49</p>

zamira
Fashion Limited

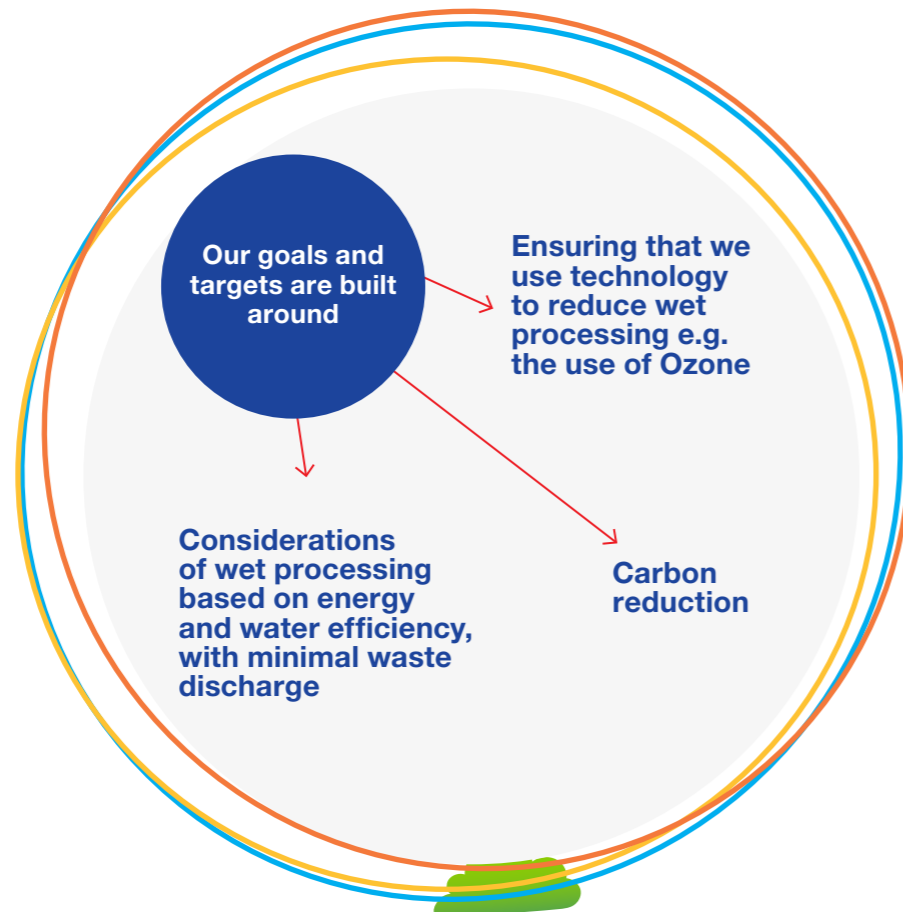


Sustainability Approach

P4

Reduce Emissions.

Within our industry, our emissions go beyond carbon-based discharges, including, water-based emissions such as wastewater from dye-houses and laundries (wash plants). At PDS, we aspire to lead the industry in low impact innovative and sustainable sourcing and manufacturing.



Carbon Neutrality at Norlanka (Sri Lanka)

A significant portion of Sri Lanka's energy needs are met by conventional and carbon-based energy sources. It contributes to the globally relevant climate crisis, caused by GHG emissions. At our Norlanka facility, we have taken a significant leap in doing our part to contribute to the globally relevant climate action. The team at Norlanka has executed a solar panel installation project, which generates more renewable clean energy than the consumed electricity, which in turn will reduce the organisation's carbon footprint. As part of the Company's ESG strategy, we are investing approximately \$1 million for sustainability projects in the near term, in order to contribute positively towards our environment and social responsibility.



60,000 kWh
Average monthly consumption

70,500 kWh
Average monthly renewable energy generation

397 Tons
Average annual carbon footprint savings (CO₂ e)*

*Carbon footprint is calculated using the grid emission factor data from Sri Lanka Sustainable Energy Authority.

Compliance and Beyond

At PDS, sustainability is integral to our success, and we endeavour to always behave in an ethical, transparent and responsible way. We also believe that as a responsible corporate citizen, we expect all of our business partners to do the same. Our Codes of Conduct and Compliance measures guide us and our partners to make our supply chain as sustainable as it can be.

PDS Group joined the Sustainable Apparel Coalition (SAC) in September 2021. Through this membership we would acquire access to the HIGG Essentials tools, which will help us realise our goal to have all our factories, sourcing businesses, registered, self-assessed and verified for the HIGG Facility Environmental Module (FEM) and where required, the Facility Social Labour Module (FSLM).



Sustainability Approach

Build Community

At PDS, our corporate citizenship is reflected in the way we focus on nurturing our community relations and empowering the society.

Education

We believe that quality education and wellbeing of children should be a non-negotiable priority for ensuring a bright future. Towards this end, we have directed our social responsibility efforts towards schooling of children in locations such as Hyderabad, India and Dhaka, Bangladesh

Soham Schools

Our primary education interventions are being undertaken under our umbrella initiative Soham.

Mission of Soham Schools

To bring smiles to children in the poorest areas by providing them access to quality education

Vision of Soham Schools

To use the power of quality education to eliminate extreme poverty

India

Soham India is running a high school and vocational training centre for underprivileged children in Mallapur, Hyderabad. 213 children from grade 1 to grade 10 are taught on a daily basis. They are provided with uniform, books, stationery etc. The students are equally well educated and well trained as they would be in Government schools. The curriculum includes Telugu, Hindi, English social, science, moral science and subjects covered in the standard

Government curriculum along with physical education. All forms of art and crafts are being taught to train the perseverance and focus of a child, making them absolutely essential in enhancing his or her cognitive and innovative development.

Purpose and track record of the programme

The students at the school are given education, training, nutritious food, uniforms, etc. Regular health camps are conducted in order to maintain a healthy environment. The school is also educating the parents with tailoring skills, good hygiene and other basic learning.

5-15

Age group of pupils

213

Pupils

9

Teachers

1:24

Teacher: Student ratio





Sustainability Approach

Bangladesh

Soham (HOPE worldwide) Bangladesh, has been running a primary school and vocational training centre for garment factory workers' children in Savar (Dhaka, Bangladesh) since 2015. 125 children from nursery group to 5th standard are taught here on a daily basis. They are also provided with uniforms, books, stationery, and a daily nutritious meal. Without the intervention, these children, would have otherwise remained unschooled, and unsupervised while their parents are at work.

While we follow the vernacular Bangla medium, emphasis is given on English as a key language, and various subjects needed for holistic learning are included as part of the curriculum. The programme is complementary to the mainstream school system, and is designed to help children cope with the syllabus, but more importantly to lay a firm foundation so that the children can get maximum benefit from the access to

the educational system that is available to them.

Purpose and track record of the programme

In its first seven years, the school has already demonstrated its effectiveness. Children are learning, they are given nutritious food, and they spend their day in a safe environment. The school is also educating the parents on health and hygiene issues, the value of education and keeping the children in school, including girls. The positive impact on the community is truly felt. As the children progress through the school, it is our goal to make sure they stay in the school system and get to the point where they can receive vocational training or move on to further education.

Benefits of the programme

We are realising both short and long term benefits of the programme. As an immediate and obvious outcome, all children enrolled will complete their

primary education, and possess basic reading and writing skills. This will also enable them to have a strong foundation on which they can pursue further education and career growth. Our counselling sessions also help parents play the necessary role they need to play in the growth and development of the children.

From a long-term standpoint, our interventions expose children to appropriate stimuli for the full development of their mental and neural development. Beside the academic curriculum, they participate in drama, music, computer programmes, all of which contribute to the all-round development of their personality. With the rise in number of children educated, the average age of marriage for girl children also goes up, and the children are not subjected to forms of child labour.

125
Pupils

5
Teachers

1:25
Teacher: Student ratio





Encouraging Girl Child Education

Abinta Kabir Foundation, an initiative of Poeticgem, (subsidiary of PDS) undertook the first project in Dhaka for an all-girls school. The vision is to create opportunity for the underprivileged girls to live a dignified life. It is aimed to provide holistic education through its uniquely designed curriculum. The guiding principles of Abinta imbibe strong sense of morals and values in the students' mind.

Improving Infrastructure of Schools

Poeticgem strongly believes in education for girls and their empowerment and aims to reduce child marriages. It has associated with Khandaker Abu Hossain Memorial Girl's School which is located in an area where girls have less access to education and eventually high rate of child marriages. Through this association, Poeticgem has identified key areas of improvisation and aims to develop the infrastructure of the school to encourage female literacy and prevent child marriage.

Major support has been provided in:

- Full phased toilets for girls with all necessary safe and hygienic facilities and accessories
- Protecting the school compound with high concrete walls to ensure safety and privacy.
- Preparation of playground by filling and levelling land to ensure all round development of girl students

Other Initiatives

Efforts to Reduce Infant Mortality

Bangladesh experiences high preterm birth rate at 14% which is responsible for nearly one-third of new-born deaths and deaths in children under the age of five. It has been observed that hypothermia is a major cause of such deaths.

International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR, B) has designed easy, affordable and cost-effective thermal jackets as a solution for increasing thermoregulation timing for Kangaroo Mother Care (KMC) recipient preterm to retain euthermic (36.5-37.50C) body temperature. PDS's UK based subsidiary Poeticgem has joined hands for a noble cause with ICDDR, B in the global effort of reducing preterm and low-birth-weight neonates, neonatal morbidity and mortality. It is co-developing these optimized thermal jackets and providing technical support in the selection of jacket material, design and manufacture.

Supporting Orphanages

Since December 2019, Norlanka (Sri Lanka based subsidiary) has pledged continuous support in uplifting of Usha – Infants Home in Prithipura in Sri Lanka as one of the CSR projects. It aims to build strong bonds and make them feel more connected. Norlanka has offered full maintenance of the home and has gladly provided ceaseless support even during the pandemic.

Norlanka is also associated with Prithipura Children's Orphanage home that supports 240 severely challenged children and adults by providing a loving home, rehabilitation, education, training and empowerment of the differently abled who have little or no family support.



People First Approach

Designed by Culture

“People First” is our core value to foster an engaging environment where our people are valued, treated with respect and empathy. Our diverse and inclusive workforce continue to be our strongest asset, enabling us to consistently innovate, set new benchmarks and outperform relentlessly.



It's said that “Culture eats strategy for breakfast”- Peter Drucker and at PDS we believe in that. We are unique as we imbibe the cultures of our 50 plus offices in 22 countries. What brings us together is the our values and strong ethics framework which is our guiding principle. PDS platform is represents cultures of many nationalities, ethnicities and professional and educational backgrounds – each team brings their unique aspect and perspectives and aligns well with the our overarching PDS Culture!

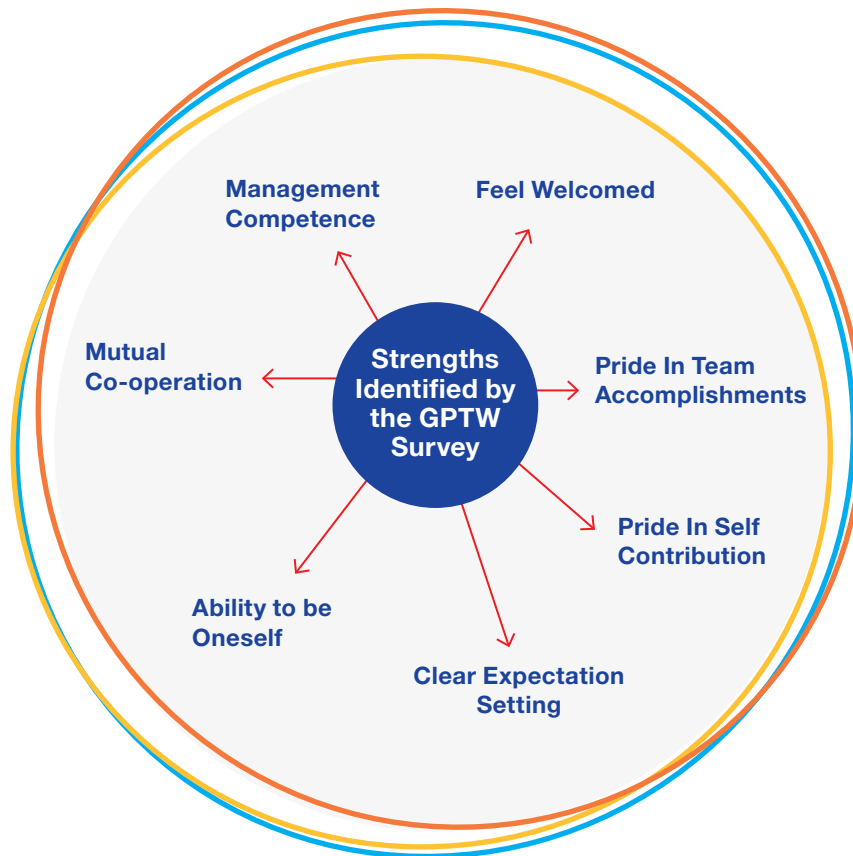
Our Human Resources framework supports hiring the best talent, helping the new talent assimilate within the organisation across business verticals and functions, strives to create a value-

based high performance and growth culture; where employees are rewarded not only for the business performance but also for living the values of the organisation.

PDS Leadership and management engages with all colleagues across the globe through regular communication, formal townhalls and informal meetings across the company thus creating a personalised connect which further helps in fostering the PDS ways of working and PDS belief systems, while actively listening to our colleagues to strengthen the fabric of the Company.

We partnered with the Great Place to Work Institute to conduct a global Employee Engagement Survey. We

witnessed great participation with 86% respondents across the world and our scores were higher than the industry average. For a diverse organisation like ours we have scored an overall 71 score on the Trust Index. This process has also helped us identify and define focus areas based on employee feedback on both our strengths and development opportunity as an organisation The employee voice highlighted “what we are good at” namely:



Diversity, Equity, Inclusion

Our DEI focus is integral to our growth, and powers innovation, variety of ideas and a truly global workplace. PDS strives to be the place where the BEST Talent works! We are proud to foster a diverse and inclusive working environment; focus is on making each individual successful in their respective roles and a place where each individual success is celebrated and failures are learnt from. We take pride in what we have built and we strictly guard against any bias towards employees or prospective employees, on any grounds.

PDS is an equal opportunity employer. We believe in compensating our talent in line with the roles they perform and the responsibilities they undertake. These are linked to qualifications and local market competitiveness.

Creating a Learning Culture- Our key pillar of growth

Learning Agility is integral to our Business and People strategy. We at PDS hire for attitude and train for skills and our entrepreneurial spirit allows each employee to take charge of their learning and career growth through regular conversations with the managers and HR team. We are focused on creating leaders by equipping employees with the right tools and opportunities to upskill themselves.

Our Learning focus and engagement helps our employees and managers to prepare themselves for tomorrow and create positive impact on our business and customer focus. The Learning and Development efforts are aligned with the business strategy and the outcome is measured through KPIs.

Our leadership development programmes are curated and conducted by world class learning and developments leaders, some of them professors of Ivy League universities such as Harvard Business School. We also conduct workshops by leading industry professional, who share their experiences through live market case studies. Management teams across the PDS Platform also have access to learning libraries such as IVY Platform.

30+

Nationalities represented across our network

+80%

Employee in our Bangladesh manufacturing facilities are women

~28%

Women across our Sourcing Teams with several in leadership roles

36 years

Average age of employees



People First Approach

Health, Safety and Welfare of Employees

Keeping with our People First Approach, the organisation strives to provide a healthy and safe workplace for all employees and factory associates, in line with certified safety standards.

In times of natural calamities, health and political crises, PDS endeavours to be swift to provide relief to our employees affected by these unfortunate incidents. From providing special relief packages to all associates based in Sri Lanka due to the economic turmoil, to launching Fair Price shops in our Bangladesh manufacturing facilities for easy access to essentials, PDS steps up and prioritises employee welfare.



Rewards and recognition

At PDS, we encourage and motivate people to perform to the best of their abilities through several initiatives that foster a deeper employee engagement. Our rewards and recognition programmes are an integral part of our people strategy.



Business Awards

We have devised a strong rewards and recognition mechanism for business verticals that deliver excellent results on multiple performance aspects.



Special Recognition Awards

Special awards are bestowed that recognise individual team member contribution. Such employees are nominated by our Group Chairman, Vice Chairman and Group CEO.



PDS Optimus Awards

Individuals that rise above and beyond to live PDS values and make a significant impact on business are nominated by their line managers. As ambassadors of our values, each nominated individual is rewarded on a bi-monthly basis.

Retention and Value Creation Initiatives

We provide various short-term and long-term incentives to retain high performers. The short-term incentives include variable pay linked to individual performance and rewards and recognition. During the year, the Board approved an employee stock option plan to incentivise business heads and key employees.

The grant of stock options is a valuable incentive and is a part of our long-term retention strategy for high performers. These stock options have a fixed vesting period, post which the employees are eligible to exercise their options. This would also complement our existing retention strategy of incentivising high performance through variable pay.

Thus, Stock options serve dual purpose of employee retention and ensuring continued high performance from employees who now have a direct stake in our performance. Eligibility for these options depend upon various factors including employee conduct aligned to Group values, performance excellence, and other criteria considered for performance evaluation. During the year, over 1.1 million stock options were granted to 100+ employees of PDS and its subsidiaries.





Governance

Powered by Responsibility

At PDS, good governance is a standard, and an imperative for our long-term success. Our corporate philosophy envisages attainment of the highest levels of integrity, accountability, performance, ethical behaviour and equity in all facets of our operations.

Corporate Governance Philosophy

We have an unwavering commitment to uphold strong corporate governance standards and conduct our business ethically and responsibly. Being a value driven organisation, PDS has always

worked towards building trust among stakeholders through high standards of internal governance practices.

We lay significant stress on ethical behaviour, individual accountability and transparent disclosures and this is enforced by our Board of Directors

and senior management. We have strengthened our governance structure over the years and continue to improve our processes related to transparency, disclosures, internal controls and promotion of ethics at workplace.

Code of Conduct, Ethics and Integrity

Our corporate code of conduct guides our behaviour and approach to business.

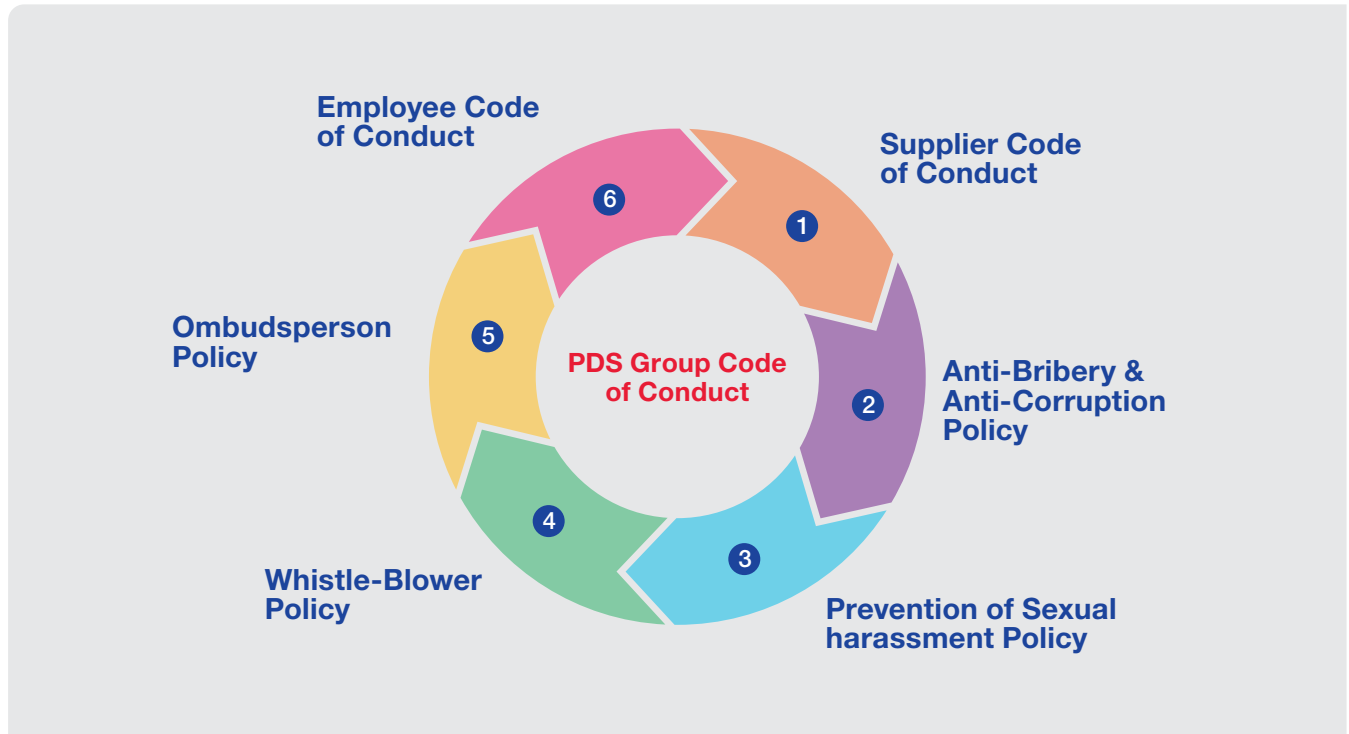


Refreshing our ethics programme

Our management has been committed to continuously assessing and elevating

our ethics programme and framework. In 2020, Deloitte Touche Tohmatsu India LLP was engaged for review of our ethical framework and code of conduct.

Further, in 2022, Deloitte again reviewed the compendium of policies. The Compendium included:



Intending to meet the requirements of changing business operations and making the policies future-oriented, PDS Group decided to refresh the Compendium. Deloitte was appointed to assist PDS in updating the existing Code of Conducts and Policies, to the extent required, by incorporating best practices and global standards, in alignment with the values of the PDS Group and preparing a summary of the salient aspects of the Code of Conduct which can be used as a handout for customers.

The compendium refresh started with stakeholder discussions with senior members of different business functions to obtain their inputs on the organisation and its requirements. Simultaneously a benchmarking of our existing Code of Conduct & Policies of PDS Group was undertaken, with those of peer companies, key customers and other large, listed companies. As per Deloitte's

study and the inputs from stakeholders, certain recommendations have been provided for edits to the existing code and policies, and structures were suggested.

Whistleblowing and ethics hotline

PDS Group and its subsidiaries (Group) are committed to comply with the applicable laws across the geographies where we operate. The Group is committed to abide by its Code of Conduct and Ethics and other policies to ensure that business is conducted with integrity. The Group's Whistleblower Policy is intended to lay down procedures to handle complaints received from the ETHICS HOTLINE available on the Company's website at www.pdsmultinational.com/ethics-hotline/ or via an email to the Chairman of the Audit Committee of the Company about any employee of PDS Group. All

relevant stakeholders are required to report to the Company any suspected violation of any law that applies to the PDS Group and/ or any suspected violation of the Company's Code of Conduct and Ethics.

We have customised ethics URLs on the Ethics Hotline for each business that report to the Company. This furthers the chances of employees or external parties to reach out more as they identify with the company name they are familiar with.

The Ethics Hotline is available for reporting violations of Company's Code of Conduct. It enables any person to report any possible illegal, unethical or improper conduct. This also enables options to callers to remain anonymous and those who choose to provide their name have their identity protected to the extent allowed by law.



Governance

Board of Directors



Mr. Deepak Seth
Group Chairman (Non-Executive and Non-Independent)

Mr. Deepak Seth is the Founder and Group Chairman of four well-known apparel manufacturing and sourcing and education groups with footprint across more than 20 countries – PDS Limited, Pearl Global Industries Limited, Lerros Moden GmbH and Pearl Academy of Fashions. He has also set up many philanthropic organisations dedicated to community service. He is one of the pioneers of apparel manufacturing business in India. Being a visionary, he identified the potential of the Far East region as a major hub to the garment industry worldwide and set up business units to provide a 'one stop' manufacturing and sourcing solutions to leading retail brands across the globe.

He is an active member of the 'Apparel Export Promotion Council' (AEPC) of India and held the post of 'Vice Chairman' of the Eastern Region of AEPC for 2 years. He is also an executive member of the 'Apparel Exporters and Manufacturers Association' (AEMA) and was awarded 'Udyog Ratna' Award by the Haryana Government in 2006 for his entrepreneurial skills.

He is an Economics graduate from St. Stephens College, Delhi University and holds an MBA degree from Jamnalal Bajaj Institute of Management Studies, Mumbai, India.



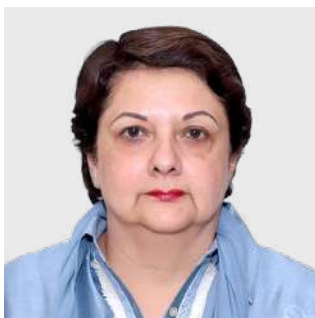
Mr. Pallak Seth
Vice Chairman (Non-Executive and Non-Independent)

Mr. Pallak Seth is a leading entrepreneur. At the age of 21, he started his entrepreneurial journey by setting up an apparel sourcing business in Hong Kong. In 1999, he established Norwest Industries, which has today diversified as PDS Limited. He supports ambitious founders to solve market frictions, leveraging technology as an angel investor alongside trusted partner. He had co-invested alongside many investors such as Sequoia Capital, Social Capital, Sherpa Ventures, Storm Ventures, Sierra Ventures and helped

entrepreneurs through customers, co-investors, and partner introductions.

He is also Executive Director on the Board of Lerros GmbH, Germany and External Advisor to Bain Advisor Network, Bain since 2019.

He has Bachelor of Arts Degree in Economics and International Business with Magna Cum Laude distinction from Northwestern University, USA. He is an alumni of Harvard Business School



Mrs. Payel Seth
Non-Executive and Non-Independent Director

Mrs. Payel Seth is associated with the PDS group as a Promoter Director since incorporation. She has rich experience in designing and retailing of Indian and western garments, jewellery and accessories. She is entrepreneurial by nature and has utilised her skills in the field of designing, general management, sales and marketing with business development and change

management for development of the organisation. Her retail initiatives include the establishment of retail stores in India. She has also been actively involved in the education and Corporate Social Responsibility initiatives of the Group.

Mrs. Payel Seth has graduated from the Pearl Academy of Fashion.



Ms. Yael Gairola
Independent Director

Ms. Yael Gairola is a C-Suite Executive with a track record of scaling, acquiring, and integrating Technology Companies and fashion Start-Ups. Her expertise is in Strategy, Change Management, Turnarounds, Scale-ups, Operations, Commercial, Digital Transformation, Acquisitions, and Post-Merger Integrations.

She is currently an Advisor to a number of digital-native start-ups in the space of sustainable fashion and circular economy. She is also a member of the Board of Directors of Finisterre, A UK-based B-Corp purpose-led outerwear and swimwear brand.

Previously, Yael was the Chief Operating Officer of Pangaia Materials Science, an impact-driven direct-to-consumer company bringing breakthrough innovations and patents into the world through lifestyle products.

Yael was also associated with Coats Digital as Managing Director, Coats PLC as Group Director of Strategy and M&A, and The Boston Consulting Group as Consultant.

Born in Israel, she holds a Bachelor of Laws from Hebrew University Law School (Israel) and Master of Laws from Columbia Law School (New York), and an MBA from INSEAD (Singapore/ France).



Mr. Robert Sinclair
Independent Director

Mr. Robert Sinclair was President Supply Chain of Global Brands Group (Part of Fung Holdings Limited Group). It is one of the world's leading branded fashion accessories, footwear, and apparel companies with wholesales of \$2.2 billion.

Prior to joining GBG, January 2016 until September of 2018, he was responsible for overseeing one of four business units within the newly restructured entity of Li & Fung Trading i.e., LFS SCS3 - a US\$4.9 billion (FOB) business with 40 plus customers located in Asia, Latin America, North America, and Europe.

Before taking on the role as President of LFS SCS3, he was the Chief Operating Officer for Li & Fung Sourcing from April 2013 to April 2016 where he oversaw Sourcing Operations (Offshore Sourcing offices globally), Business Development and Strategy for Li & Fung's agency business concerning apparel, footwear, and hard/soft goods. In July of 2011, he joined Li & Fung Sourcing as an Executive VP responsible for the Sports and Lifestyle

business unit, overseeing key customers such as Tommy Hilfiger, Calvin Klein Jeans, Timberland, DKNY Jeans, and several other accounts, totalling US\$1.4 billion at FOB.

Prior to this, he worked overseeing Sourcing responsibilities at VF Corporation and Global VP - Product Development at Ralph Lauren. He also founded a Hong Kong-based agency KOMPASS in 2002. It provides a design driven, value-added services to clients.

He is a founding member and current Chairman of GAFTI (Global Apparel and Footwear Initiative). He is also an active member of the American Chamber of Commerce in Hong Kong and served as an advisor to the Asia Industry Advisory Network for the College of Textiles, North Carolina State University.

Born and raised in Canada, Ottawa, Robert holds a Bachelor of Arts Degree in Political Science from the University of Carleton, Ottawa, Canada and has lived and worked in Hong Kong, Singapore, and New York.



Governance



Mr. Mungo Park has over forty years' experience in investment banking/ advisory. His industry specialisation is technology innovation and implementation in sustainability, health and information and communication technology. He is presently Chairman of Innovator Capital Limited ("ICL"), a London based investment bank, founded by him in 2003 and focused on sustainable technology innovation and health. He is Official Nominator for Prince William and

Katherine's Earthshot Prize and Senior Technology Adviser to the 44 Small Island Developing States. Prior to ICL, he was head of investment banking, globally, at Nomura, for the health and technology sectors. Prior to that he represented 4 American investment banks in London: Alex. Brown, Dillon Read, Wertheim and Cowen & Co. He launched the Gartner Group in Europe in 1981.

Mr. Mungo Park
Independent Director



Mr. Parth Gandhi is a senior investment professional with significant experience in India for over two decades. Previously, Mr. Gandhi was a Senior Partner and Managing Director at Apollo Global Managements, India joint venture with ICICI - AION. Mr. Gandhi serves on the International Advisory Board for Michigan State University, is a charter member of TIE

Global (The Indus Entrepreneurs) and an active member of The Explorers Club and ASSOCHAM (The Associated Chambers of Commerce and Industry of India). In his previous roles, Mr. Gandhi was a Managing Director at Navigator Capital Advisors Limited and prior to that was a Consultant with Ernst and Young.

Mr. Parth Gandhi
Non-Executive Non-Independent Director



Nishant Parikh is a Partner at Trilegal and serves on the firm's management committee. He has extensive 20 years of experience in the areas of corporate mergers and acquisitions, restructurings, equity and mezzanine investments, and contentious situations. He is widely acknowledged for his prowess in resolving complex matters, and advising on corporate transformations and strategic outcomes.

litigations and arbitrations. He regularly advises corporates and corporate boards, private equity funds, business groups, alternative investment managers, financial institutions, and banks. He also advises businesses on reputational risks, and government and regulatory investigations and actions.

Mr. Nishant Parikh
Independent Director

Mr. Parikh has worked on varied matters, including takeovers and buyouts, takeover defense, strategic combinations, restructuring of distressed businesses, structuring financial solutions, and business-critical corporate

Mr. Parikh holds the degree of BA LLB (Hons.) from the National Law School of India University. Mr. Parikh Ranked in the Chambers and Partners Asia Pacific Guide 2020-22, for restructuring, PE, and corporate M&A and appears in IBLJ A-List of India's Top 100 lawyers.

Leadership Team



Mr. Sanjay Jain
Group Chief Executive Officer

Sanjay Jain is a dynamic professional with rich experience in the Retail and Media & Entertainment industries. For close to three decades, he has been instrumental in leading transformation across various industry-leading conglomerates.

Before joining the PDS, Sanjay Jain was associated with the Future Group as the CEO of Future Retail Limited, and the Group CFO of Future Group.

Sanjay was earlier associated with the Zee Group and the Avantha Group, holding leadership positions in domestic and

international markets. Based in Belgium for one of his assignments, he was part of the senior team responsible for the integration of acquired companies, turning them around and putting them back on the growth agenda.

Sanjay Jain has been honoured as a 'Best CEO' and 'Best CFO' by esteemed organisations. He is a gold-medallist during graduation and has a Master's degree in Management. He is a Science Graduate with an MBA degree in Finance. He is also a certified Six Sigma Black Belt.



Mr. Ashish Gupta
Group Chief Financial Officer

Professional with over 26 years of experience. Ashish has diversified experience in field of manufacturing, infrastructure, consultancy, BFSI, education, Business advisory & assurance, etc. Areas of expertise includes business transformations, corporate strategy, business set ups, corporate finance & accounts, strengthening operations, financial reporting, strong governance & compliance framework, risk assessment & mitigation, corporate taxation, IT and audit, legal &

secretarial. Ashish has worked for some of the leading Indian and multinational groups such as Jindal Stainless Limited, Capri Global Capital Limited, Isolux Corsan, DHV B.V., SPML, PWC, Grant Thornton etc.

Ashish is a fellow member of the Institute of Chartered Accountants of India and holds B. Com (Honors) degree from Delhi University.



Mr. Abhishekh Kanoi
Head of Legal &
Company Secretary

Mr. Abhishekh Kanoi is a Fellow Member of the Institute of Company Secretaries of India and holds a Bachelor's Degree in Law. He is also an Associate Member of the Chartered Institute for Securities & Investments, United Kingdom and Commerce with (Hons.) in Accounts. He has a rich and diverse corporate experience of over 17 years in Legal and Commercial Spaces across various industries with wide array of specialization includes Legal Affairs, Corporate Secretarial, IPO & Listing, Regulatory Compliances, RBI & FEMA Matters, Merger & Acquisition, Listing Compliances (India & Overseas Entities), Venture Capital Investments, Cross Border and Domestic Transactions, Intellectual

Property Rights, Copyrights, Media and Entertainment Laws with special reference to emerging technology and convergence. Mr. Kanoi has earned the respect of the industry and adjudged as Chief Compliance Innovator of the Year by UBS Forum in the year 2019, Young Achiever of the Year by Legal Era in the year 2021, Awarded by LexTalk World 2022 for impactfully contributing to legal industry and Policy and Regulatory Lawyer of the Year by Legal Era in the year 2022. He has helped to develop a new global legal and governance framework for the company while ensuring its overseas expansion is brought into line with this centralized approach.



Governance

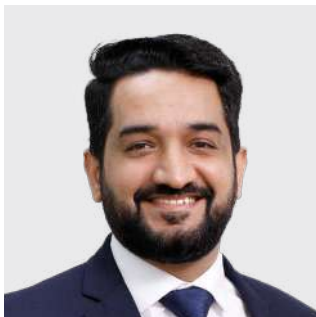


Mr. Raamann Ahuja

Group Chief Human
Resource Officer

With over 25 years of rich experience, Mr. Raamann Ahuja brings vast expertise in business partnering, leadership development, talent management, HR transformation, M&A, HR process, and organization culture building. Prior to PDS his last appointment was with the CK Birla Group as Senior VP - HR in

the Group Office. Driven by challenges, he has honed his skills across industries from FMCG, Banking, IT/ITES, Manufacturing to B2B business. He has a post-graduate Management degree in Human Resources and is a Chemical Engineering graduate from Panjab University, Chandigarh



Mr. Saurabh Saxena

Group Chief Information Officer

Saurabh Saxena is a seasoned professional with over 20 years of experience. Prior to joining PDS, Saurabh was with IBM for over 10 years. He was the Head of Analytics, Strategy, Insights & Operations (ASIO) for IBM Cloud (Data & AI, Automation and Security) business in the Middle East & Africa. He has extensive professional experience with management consulting & advisory, P&L ownership, operational leadership including various disciplines like data analytics & insights, project management, sales & business operations, enterprise solutions, and product management. Previously, he has consulted CXO's and entrepreneurs on data and AI solutions.

Saurabh is driving PDS Group's Digital and IT Transformation Agenda and focusing on Integrated Business Processes (SAP), Supplier Collaboration, Customer Engagement, Analytics, Product design & development-Commerce and IT operating model.

Saurabh holds an MBA (IT systems, Strategy and Marketing) and a B.E degree in Computer Science Engineering. He is a recipient of multiple awards and recognitions, including IBM BTLT (Business, Technology & Leadership Talent) and IBM Service Corps alumni – some of the highest levels of leadership recognitions in IBM.



Mr. Suresh Punjabi

Executive Director - Internal Audit,
Assurance & Risk Management

Suresh is a Chartered Accountant from India with experience in Retail, Fashion, Supply Chain, Logistics, Stock Exchange, Education, and Management Consultancy domains. He has a rich experience of over 25 years including international experience of over 12 years in the United Kingdom. In his previous assignment, he was Head of Internal Audit at Future Group and was leading the Internal Audit Function for over 10 years. He focuses on GRC frameworks (Governance,

Risk Management and Compliance). Design/improve integrated Internal Audit function, develop Internal Control frameworks, design policies, help design Standard Operating Procedures, Information Security, and develop enterprise risk mitigation strategies, optimize revenue, cut costs and enhance stakeholders value in a specific, measurable, achievable, realistic and time (SMART) bound manner.



Ms. Reenah Joseph

Head – Corporate Finance,
M&A & Chief Investor
Relations Officer

Reenah Joseph has over 15 years of experience across corporate finance, fundraising, strategy, and investor relations. Prior to joining PDS, she was with Future Group for 10 years and has led various fundraising transactions (equity, debt, structured, IPO) and has experience in end-to-end deal execution including due diligence, valuation, negotiation of agreements, taxation, structuring, amongst others. She has also led various strategic business collaborations with marque global organizations. She has been responsible for creating business plans, annual budgets, strategic planning

amongst others. Prior to Future Group, she was associated with Credit Suisse Investment Banking division for nearly 3 years. She has worked across sectors including retail, consumer, supply chain, insurance, and worked in the healthcare space during her early years.

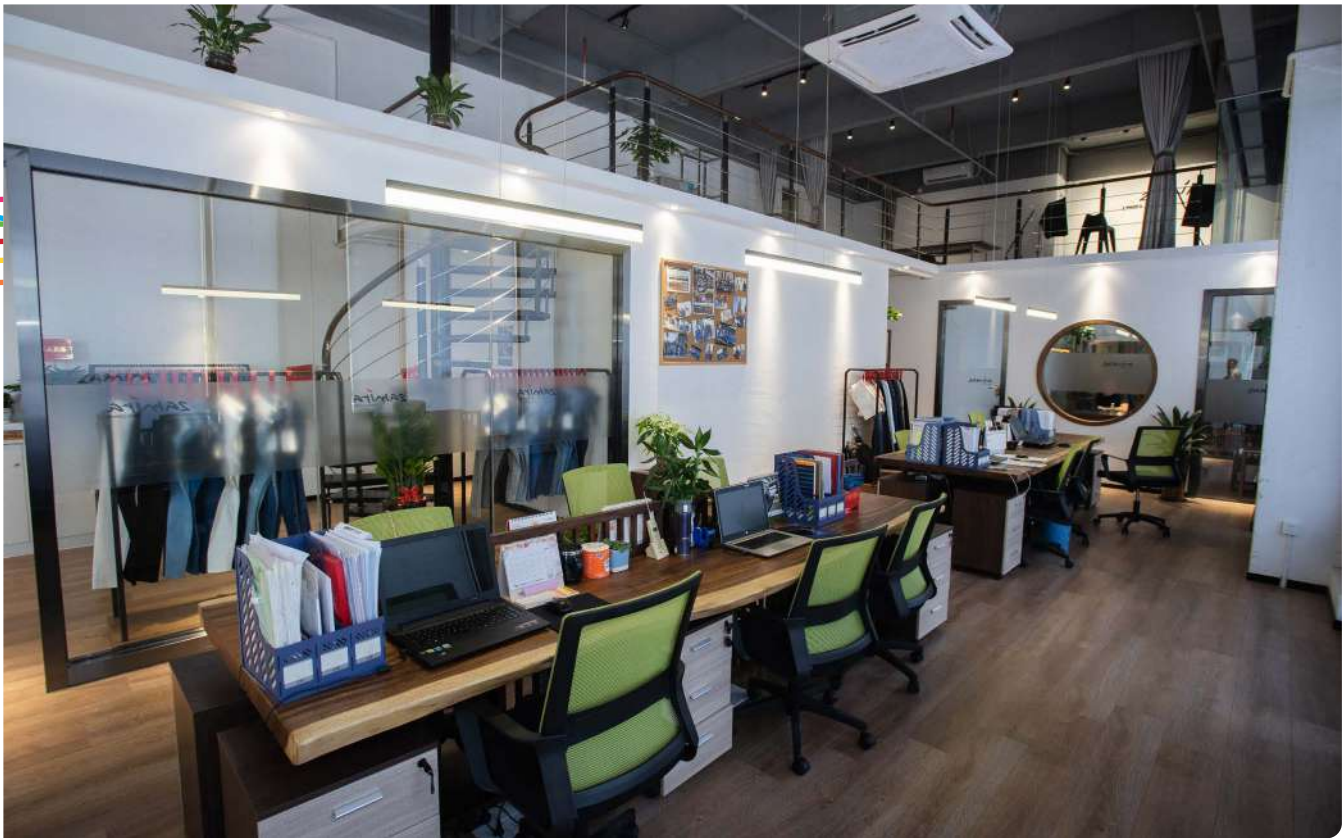
Reenah is a gold medalist in her MBA and she has completed a Mergers & Acquisitions Program with Harvard Business School & Advanced Program in Strategic Management from IIM Calcutta.

On Subsidiary Board

PDS is also further strengthening the Board of Directors of its subsidiaries. In FY 2021-22 we have on-boarded Mr. Sunil Srivastav as Director, Techno Design HK Limited, a subsidiary of PDS. We aim to gain from the expertise of such industry professionals as we charter our medium to long term growth strategy.



Management Discussion & Analysis



1. Economic Overview

1.1 Global Economy

Global growth is estimated to have surged to 6.1 percent in 2021—its strongest post-recession pace in 80 years, as a relaxation of pandemic-related lockdowns in many countries helped boost demand. With the successful rollout of vaccination across most major economies and continued fiscal and monetary support, economic activities steadily returned to pre-pandemic levels. Recent data point towards moderated global growth, after a de-growth in 2020. Output and investment in advanced economies are projected to return to pre-pandemic trends next year. Divergent growth is being observed across the world, from advanced economies such as the US, to emerging market and developing economies (EMDEs). Growth in most EMDE regions in 2022-23 is projected to revert to that of pre-pandemic years. However, rising inflation stemming from pandemic-induced supply chain disruptions continues to weigh on the recovery, further accentuated by the evolving

geo-political tensions. Global growth is expected to moderate to 3.6% in 2022 and expected to continue in 2023 (Source: IMF). Despite the slowdown, the projected pace of expansion will be sufficient to return aggregate advanced-economy output to its pre-pandemic trend in 2023 and thus complete its cyclical recovery. A solid rebound is projected for investment, based on sustained aggregate demand and broadly favourable financing conditions. The near-term global outlook is a touch below previous forecasts, with a modest downgrade to growth in both advanced economies and EMDEs. Supply bottlenecks and labor shortages are assumed to gradually dissipate through 2022, while inflation and commodity prices are assumed to gradually decline in the second half of the year. Wage pressures are assumed to moderate thereafter in advanced economies while remaining contained in most EMDEs.

World Economic Outlook Projections (Percent change)

Economy	2019	2020	2021	2022 (P)	2023 (P)
World Output	2.6	-3.4	6.1	3.6	3.6
Advanced Economies	1.7	-4.6	5.2	3.3	2.4
Emerging Market and Developing Economies	3.8	-1.7	6.8	3.8	4.4

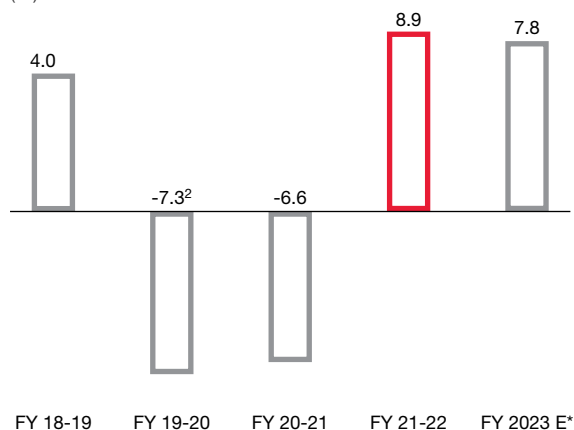
Source: World Economic Outlook, April 2022 by IMF <https://www.imf.org/en/Publications/SPROLLS/world-economic-outlook-databases#sort=%40imfdate%20descending>

1.2 Domestic Economy

The Indian economy grew by 8.9% during FY 2021-22, after recovering sharply from a degrowth of 6.6% in FY 2020-21 (Source: Ministry of Statistics and Programme Implementation). Despite facing a more severe second wave, India managed to largely sustain the recovery momentum, driven by its successful vaccination drive, and better preparedness against any external shocks.

The Reserve Bank of India (RBI) has maintained its accommodative policy stance, retaining the repo rate at 4%. Enhanced capital expenditure and higher government spending boosted overall sentiments. However, supply chain disruptions and higher crude prices remain a drag. For FY 2022-23, the RBI expects GDP to grow by 7.8%, without widening the fiscal deficit further, thanks to the government's pragmatic efforts to propel growth through focused spending.

India GDP Growth (%)



E – Estimate

Source: Ministry of Statistics and Programme Implementation (MOSPI), *RBI
² <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2020&locations=IN&start=2016>

Key Schemes and Programmes

The Ministry of Textiles, Government of India has launched various schemes for the promotion of textile industries in India over the years to help the country regain its lost share in the global market. While schemes such as Silk Samagra, Powertex India, Samarth are aimed towards enhancing and empowering economically weaker individuals and units and boosting its infrastructure, there are schemes undertaken to ensure sustainable fashion and promoting manufacturing facilities in India. Some of them include:

- Scheme for Capacity Building in Textile Sector (SAMARTH) - This programme seeks to address the skilled manpower requirement across textile sector and is formulated under the broad policy guidelines of "Skill India" initiative. This further aligns with the framework adopted for skilling programme by Ministry of Skill Development and Entrepreneurship. The scheme is approved for implementation till March, 2024.
- National Technical Textile Mission: With an outlay of ₹1,480 cr, the National Technical Textiles Mission (2020-21 to 2023-24) aims at developing usage of technical textiles in various flagship missions and programmes of the country including strategic sectors.

- Production Linked Incentive (PLI) Scheme - The PLI Scheme for textiles is expected to promote production of MMF apparel, MMF Fabrics and Products of Technical Textiles in India, and strives to create 60-70 global players, attract fresh investment of ~₹19,000 cr and generate ~7.5 lakh new employment opportunities.
- PM-MITRA: Instituted to attract investment for 'Make In India' initiative and to boost employment generation through setting up of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in greenfield and/or brownfield sites with world class infrastructure.
- Scheme for Integrated Textile Parks (SITP): The scheme provides support for creation of world-class infrastructure facilities for setting up of textile units.
- Integrated Processing Development Scheme (IPDS): To enable textile industry to comply with the various environmental standards and norms, the IPDS scheme was introduced. This scheme would support the development of new Common Effluent Treatment Plants (CETP)/upgradation of CEPTs in existing processing clusters as well as new processing parks specially in the coastal zones.
- Special Package for Textile and Apparel sector: ₹6,000 cr package was launched in June 2016 to boost employment and export potential in the apparel and made up segments.
- Various sectoral schemes to support traditional textile sectors such as handlooms, handicraft, silk and jute.
- Project SURE (Sustainable Resolution) has the objective of setting a safe course for fashion industry that contributes towards a clean environment in India. The project was launched jointly by the Union Textile Ministry along with the Clothing Manufacturers Association of India (CMAI), United Nations in India and IMG Reliance.
- Amended Technology Upgradation Fund Scheme (ATUFS) (up to March 2022) aims to promote business facilities in the country and exports by Make In India and Zero Impact and Zero Defect in manufacturing. It is a credit linked sector scheme and one-time capital subsidy is granted by nodal financial institutions for qualifying benchmarked machinery.

Rates and caps of subsidies under ATUFS

Segment	Subsidy Rate	Subsidy Cap
Garments and Technical Textiles	15%	₹30 cr
Weaving, manufacturing, jute, silk and handloom	10%	₹20 cr

Source: <http://texmin.nic.in/sites/default/files/Guidelines%20%20for%20ATUFS%20dated%2029.02.2016.pdf>

2. Industry Overview

2.1 Fashion Industry

The global fashion industry has gradually started to bounce back after nearly two years of disruptions, brought on by COVID-19. Despite ongoing headwinds, there were signs by mid-2021 that things were taking a turn for the better, particularly in markets where vaccination rates were high. Adapting to changing customer preferences has been a top priority for companies, as the pandemic led to a surge in e-commerce. Overall, the industry is witnessing a recovery and is expected to grow faster in the coming years, aligned to the various megatrends that have emerged. However,



short-to-mid term challenges such as supply chain disruptions, uneven demand and margin depletion due to inflation persist.

From a category review standpoint, discount and luxury fashion segments ended up outperforming the wider markets. Return-to-work and occasion styles topped consumer shopping lists and the sportswear industry saw a breakout year. Economic stability of the wealthier demographics ensured a steady demand for bags, luxury jewellery and ready-to-wear products, leading to luxury brands grabbing the position of top performers. As the market begins to revive, retailers need to tap into the consumer spending on wardrobe-refresh – something that is bound to go up in the post-pandemic era.

Looking ahead to 2022, in aggregate, McKinsey Fashion Scenarios suggest global fashion sales will reach 96 to 101 percent of 2019 levels in 2021 and 103 to 108 percent in 2022. Still, while overall sales are expected to make a full recovery next year, performance will vary across geographies, with growth likely driven by the US and China and Europe expected to bounce back even amid persistent challenges.

Despite widespread operational disruptions, the pandemic has done little to slow down the megatrends reshaping the industry. In fact, these have accelerated over the past year, with industry leaders making bold moves in digital, taking action on environmental and social priorities and focusing more sharply on diversity, equity and inclusion in response.

While overall fashion sales are expected to make a full recovery next year, performance will vary across geographies. The market environment will remain complex and inconsistent.

Overall, global fashion sales are on track to pick up momentum in 2022, as increasingly hopeful consumers unleash pent-up buying power, refreshing their wardrobes as social life begins to resume in many key markets around the world.

2.2 Growth Drivers

From a demand perspective, younger cohorts such as Gen-Z and wealthier consumers from middle-income groups and upwards are predicted to demonstrate the strongest appetite for leisure spend (including fashion, dining out, travel, entertainment, electronics, etc.) in the US through 2021 and beyond. Fashion is one of the top three categories on which they seek to splurge or treat themselves.

New Product Launches to Meet Emerging Fashion Trends

The last two years saw a sharp increase in consumers opting for sportswear, activewear, athleisure and loungewear products. Post-pandemic lifestyle changes, like work-from-home, attention to fitness and social distancing, influenced these consumer preferences. As the COVID situation starts to normalise, rebooting wardrobes will become essential, with people spending more on office wear and occasion-specific clothing. It is imperative for brands and retailers to introduce new products, based on these evolving trends.

Sustainability Becomes Mainstream

In a bid to reduce its environmental impact, the fashion industry is constantly innovating to imbibe sustainability in every stage of its business. The adoption of closed-loop recycling is an important step in this direction, as it limits the extraction of virgin raw materials and reduces industrial waste to a great extent. Brands have started using 'product passports' to enhance authenticity and recyclability of their products while boosting customer loyalty, owing to increased transparency.

Digital Offerings

Building Novel Virtual Experiences

The younger generations' fascination with the metaverse and virtual goods, point towards an untapped growth potential for fashion players. Exploring the uncharted avenues of Non-Fungible Tokens (NFTs), gaming and virtual fashion, can immensely boost community building and revenue generation, in a creative manner.

Prioritising Social Commerce

Shopping via virtual channels has witnessed a surge, as customers grow comfortable with advanced functional features that provide a seamless experience, from browsing to check-out. This paves the way for brands to experiment with emerging technologies, such as augmented reality try-ons and livestreaming, to create deeper customer engagement.

Size-inclusive Fashion

For years, retail stores reduced plus-sized clothing to just one or two racks in a corner, with heavy preference given to straight-sized fashion. But statistics reveal that plus-sized people are not a minority. In fact, 42% of US teenagers are obese and two-thirds of women in the UK wear size 18 or above (Source: Euromonitor). Wide-spread movements around body-positivity and 'fat acceptance' has made the fashion industry sit up and take notice. This has resulted in size-inclusive fashion gradually becoming mainstream, as brands rush to accommodate these changing trends.

Localised Supply Chains

Disruptions are expected to continue due to high fuel costs, bottlenecks at ports and other inflationary pressures. This presents an opportunity for fashion players with local and integrated supply chains to consolidate their position by catering to customer demands in their respective regions of operation.

2.3 Outlook

The fashion industry continues to evolve and grow aligned to newer consumer preferences and in more ways than one. The growth drivers indicate that the pandemic has weaved new opportunities into the industry and opened up newer avenues for fashion players. The fashion industry has picked up pace and is headed towards a steady recovery. Retailers and brands have closely monitored the changing dynamics of consumer behaviour and utilised the learnings from the pandemic-induced economic shocks, to better prepare for the 'next normal'. Consumers are poised to increase spending on back-to-work clothing as well as on attires fit for social gatherings. During the pandemic, consumers had no option but to turn to online shopping.

Leveraging this digital transformation, the industry has a huge scope to enhance the virtual shopping experience while enriching community building.

Resilience is not just a feature of the customers, companies too have been responding with unique solutions to logistical challenges owing to rising shipping costs, material shortages and bottlenecked ports. Several companies have reported difficulties in smooth handling of inventory flows and linked lower sales projections to the blockages of supply chains. Increased nearshoring, in-store supply stocking and agile operating models are quickly being adopted to mitigate the persisting operational disruptions (Source: State of Fashion 2022 by McKinsey & Co. & BoF).

2.4 Apparel Market

The global apparel market is projected to \$2 trillion by 2025 from \$1.2 billion in 2020 (Source: Wazir Analysis). China

is the largest exporter of apparels in the world while the European Union is the largest importer, followed by the US.

The US along with China, are expected to be major growth drivers in 2022. Supply chain bottlenecks do persist, but the growth of the apparel industry is soon expected to surpass pre-COVID levels. Rising per capita levels, favourable demographics, shift in consumer preferences to high-quality, branded products, and the evolving retail landscape across brands, are some of the key demand drivers. As consumers increasingly demand complete traceability, brands will have to focus on establishing higher degrees of transparency in their business approach. Sustainable production practices, ensuring fair labour wages and increased personalised engagement with consumers through digital channels will be the determining factors that redefine the apparel industry in the coming years.

Global Apparel Market Breakup (\$ billion, unless mentioned otherwise)

Region	2019	2020	Y-o-Y change (%)	2025 (P)	CAGR 2019-2025
EU	264	219	-17	280	1%
US	235	171	-27	265	2%
China	181	173	-4	340	11%
Japan	106	83	-21	110	0.5%
India	78	55	-29	135	10%
Brazil	48	34	-30	60	4%
Canada	33	27	-19	37	2%
Rest of World	690	517	-25	780	2%
World	1,635	1,280	-22	2,007	3.5%

Source: Wazir Advisors Annual Report - Indian Textile and Apparel Industry 2021

3. Business Overview

PDS Limited, referred to as "PDS", the "Company" (Formerly PDS Multinational Fashions Limited) is a global fashion infrastructure company that serves as a sourcing, manufacturing and supply chain platform, catering to 190+ fashion brands and retailers globally. Operating with a unique business model, we have established our presence with over 50 offices across 22 countries. Driven by a dedicated talent pool of employees and associates, including factory associates, we ship c.1 million garments daily, on a global scale. With a strong focus on delivering sustainable products and technologies to customers and suppliers, we continue to enhance our sourcing and manufacturing capabilities through innovative designs, to connect the right product to the right market through the right factory.

3.1 History and Evolution

The idea of PDS germinated with two flagship companies – Norwest Industries Limited in Hong Kong and Poeticgem Limited in the UK – launched by the promoter family in 1999. Starting out as a single entity, PDS gradually progressed into a hub and spoke model with a strategy to onboard entrepreneurs and their teams based on product specialisation, geographical advantage, or existing customer base. With our asset light business model, rather than acquiring companies, we partnered with them to ensure mutual growth. We then transitioned into a platform model where new partners were onboarded to the PDS Group in a plug and play format. This gave them the

opportunity to work closely with the biggest brands in the fashion industry and learn industry-best practices. This, in turn, accelerated our expansion process and strengthened our operational capabilities. Today, we have evolved to operate on a unique collaborative model, with refined processes and a solution-based approach. We continue to meet customer requirements using an efficient team and inter-business unit collaborations, to leverage our strengths and economies of scale. During FY 2022, we simplified our corporate name from PDS Multinational Fashions Limited to PDS Limited.

3.2 Business Verticals

We have three distinct business verticals:

1. Sourcing
2. Manufacturing
3. PDS Venture Tech Investments

3.2.1 Sourcing

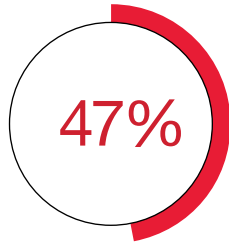
In recent years, the fashion industry has experienced tremendous transformation, especially in the way consumers perceive brands. As consumers put more emphasis on buying from sustainable businesses, brands have turned to sourcing operations in a conscious manner to practice sustainability. Being a reliable partner to several global brands and retailers, our sourcing business is equipped to manage the entire supply chain with a sustainable approach. Backed by our market expertise and technical know-how, we provide a one-stop solution for in-house



product development, design and sampling, through our designers located across London, Hong Kong, New York, Barcelona, Dusseldorf, New Delhi, Shanghai, Colombo, Santiago, and Brussels.

We majorly target pre-sold goods in this segment, helping us operate on an asset-light model, especially on inventories, making the sourcing business structure inherently risk-averse.

% of Gross Capital Employed



Sourcing Business Performance FY 2021-22

₹8,507 cr
(\$1,142 mn)
Revenues (Up 40%)

₹311 cr
(\$42 mn)
EBIT (Margin 3.7%)

43 %¹
ROCE

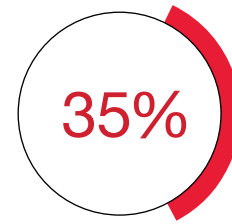
¹ Based on Gross Capital Employed

The sourcing business reported a topline growth of 40% and an EBIT growth of 3%. This reflects the following aspects which have impacted this year's profitability. The sourcing business operating margins were impacted by investments in new business verticals which are currently in gestation phase, increased freight costs due to increased sales to the US geography on landed basis, costs attributable to ESOPs and negligible high margin PPE business in FY22.

3.2.2 Manufacturing

To cater to the ever-rising and dynamic demands of our customers, we have manufacturing facilities in Bangladesh and Sri Lanka. Our manufacturing facilities are LEED Platinum and Gold certified, another testament to our commitment to sustainability.

% of Gross Capital Employed



Manufacturing Business Performance FY 2021-22

₹547 cr
(\$73 mn)
Revenues (Up 92%)

₹7 cr
(\$1 mn)
EBITDA (Margin 1.2%)

3.1%
Q4FY22 PBT Margin

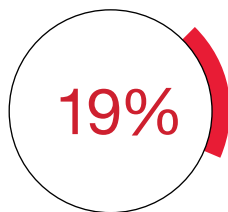
Our manufacturing segment reported a growth of 92% with an annual topline of ₹547cr. Further, even on a full-year basis, PBT losses have declined by 82% from ~₹104cr last year to ₹19cr this year. The Company's efforts over the last 12-15 months have finally started to show results with the business reporting PBT margins of 3.1% in Q4FY22 vs a loss of 11.8% last year in Q4FY21. The Company is focussing on increasing efficiencies, driving bulk orders, and disciplined execution.



3.2.3 PDS Venture Tech Investments

Our investments in emerging ventures are shaped by our drive for sustainable solutions backed by innovation and technologies. Our venture investments have well-defined goals that promote a circular economy, carbon neutrality, giving back to nature, elimination of waste, and making the planet greener. We prefer funding ventures in the seed stage, or pre-series/early-stage ventures. These investments enhance our value proposition for our customers and our vendor partners; help secure long-term growth. Some of our core investment areas include sustainability, technology including Artificial Intelligence (AI)/Machine Learning (ML), online marketplace, digital, retail services, and brands.

% of Gross Capital Employed



PDS Venture Tech Portfolio FY 2021-22

₹106 cr
(\$14 mn)

Treasury Investments

₹45 cr
(\$6 mn)

Real Estate and Others

₹138 cr
(\$18 mn)

Venture Tech Direct Investments

3.3 Business Performance

3.3.1 Operational Highlights

- In FY 2021-22, the Company set up an independent office infrastructure to act as an exclusive vendor for Hanes Brands Inc. in Bangladesh. This office has the potential to cater to \$400 million merchandise value annually over next 4-5 years
- We have also entered into a strategic collaboration with s.Oliver Group by acquiring their India operations, which has the potential to translate into an annualised ₹375 cr (\$50



million) sourcing opportunity, where we are responsible for exclusively sourcing merchandise for the s.Oliver from India and Sri Lanka

- In the initial quarters of FY 2021-22 the Company launched Lilly + Sid, an award-winning, sustainable kids wear brand from UK in the Indian market. This brand was launched with an exclusive tie-up with Reliance Retail's fashion marketplace Ajo.com, supplemented by the brand website lillyandsid.co.in
- The Company also launched 100% organic kids wear brand Turtledove London in India. The brand works only with SEDEX certified factories and procures Global Organic Textile Standard (GOTS) certified organic cotton, creating stylish unisex clothes, responsibly
- Geographic expansion with deeper penetration into North American market led to a 16% contribution in the revenue mix, from 8% in FY 2020-21
- Our sustainability-focused manufacturing facilities have reported bottom line profitability in Q4FY22 largely driven through higher capacity utilisation
- Entered strategic partnerships in Sri Lanka to increase manufacturing capabilities and deepening our commitment to apparel SMEs
- We have also become a member of Sustainable Apparel Coalition (SAC) to scale impact improvement

3.3.2 Financial Highlights

- Strong optimism, product and geographic diversification led to crossing of the \$1 billion revenue milestone. Revenue increased from ₹6,213 cr in FY 2020-21 to ₹8,828 cr in FY 2021-22, a growth of 42%
- EBIT margin grew by 62 bps, from 3.2% in FY 2020-21 to 3.8% in FY 2021-22.
- Profit Before Tax increased by 82% from ₹170 cr in FY 2020-21 to ₹310 cr in FY 2021-22
- Profit After Tax increased by 97% from ₹148 cr in FY 2020-21 to ₹293 cr in FY 2021-22
- During the year, the Company declared 238% dividend of ₹23.85 per share (subject to shareholder approval)
- Process efficiencies and rigorous monitoring resulted in reduction of working capital days to -ve 3 days in FY 2021-22 from 5 net working capital days in FY 2020-21



Consolidated Financial Review

(₹ in crores, unless mentioned otherwise)

Particulars	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Income from operations	4,924	6,486	6,648	6,213	8,828
Other income	24	16	27	37	86
Total income	4,948	6,502	6,675	6,250	8,914
EBITDA	38	112	186	230	323
EBITDA Margin (%)	0.8%	1.7%	2.8%	3.7%	3.7%
Profit before tax	24	69	91	170	310
Profit after tax	20	69	81	148	293
Profit after tax margin (%)	0.4%	1.1%	1.2%	2.4%	3.3%
Earnings per share (₹)	(3.01)	16.83	17.67	32.37	95.38
Cash flow from operations	58	213	281	379	403
Return on net worth (%)	3.6%	13.8%	13.3%	20.7%	31.3%

- Income from operations grew by 42% to ₹8,828 cr in FY 2021-22 vs ₹6,213 cr in FY 2020-21
- Total income of ₹8,914 cr in FY 2021-22 as compared to ₹6,250 cr in FY 2020-21
- EBITDA margin was flattish at 3.7% in FY 2021-22 when compared FY 2020-21, on account of negligible higher margin PPE business in FY2021-22 compared to last year, ESOP costs, impact of new business currently in gestation phase, and increased freight costs
- Profit before tax increased by 82% from ₹170 cr in FY 2020-21 to ₹310 cr in FY 2021-22. Profit after tax increased by 97% from ₹148 cr in FY 2020-21 to ₹293 cr in FY 2021-22. Net profit margin improved to 3.3% in FY 2021-22 from 2.4% in FY 2020-21
- Cash flows from operations stood at ₹403 cr in FY 2021-22 against ₹379 cr in FY 2020-21
- Basic earnings per share stood at ₹95.38 in FY 2021-22 as against ₹32.37 in FY 2020-21 growth of 195% vs last year

Key Financial Ratios

Sr No.	Particulars	FY 2020-21	FY 2021-22	Change
1	Interest coverage ratio ^a	7.76x	12.09x	4.33x
2	Current ratio	1.12x	1.11x	-0.01x
3	Debt equity ratio ^b	0.68x	0.67x	-0.02x
4	Operating profit margin (%) ^c	3.2%	3.8%	0.6%
5	Net profit margin (%) ^d	2.4%	3.3%	0.9%
6	Return on net worth (%)	20.7%	31.3%	10.5%
7	Debtors turnover ratio	6.83x	6.21x	-0.62x
8	Inventory turnover ratio	26.30x	24.23x	-2.07x
9	Return on capital employed (%) ^e	25.8%	37.9%	12.1%

- a) Interest coverage ratio is calculated as Earnings Before Interest, and Tax (including other income) over Interest. The change is attributable to 70% increase in Earnings Before Interest, and Tax vs. 9% increase in Interest.
- b) Debt equity ratio is calculated as Total Borrowings over Total Equity (including Non Controlling Interest) of the Company. The change is attributable to a increase in Total Debt and increase in Total Equity due to higher Profit After Tax.
- c) Operating profit margin is calculated as Earnings Before Interest and Tax (including Other Income) over Revenue from Operations of the Company. The change is attributable to increase in Other Income.
- d) Net profit margin is computed as Profit after Tax over Revenue from Operations. The change is attributable to increase in Earnings Before Interest and Tax.
- e) Return on capital employed is calculated as Earnings Before Interest and Tax over Total Equity plus Net Debt. The return on capital employed improved during the year because of increase in Earning Before Interest and Tax and reduction in net borrowing.

PDS has emerged stronger than before in FY 2021-22, through a strategic play of geographic and product diversification, along with strengthening our focus on customer-centricity. PDS has already leaped over the pre-COVID levels and the financial and operational milestones achieved this year are testimonies to it. Taking a targeted approach to double our growth with a strong commitment, fortifies the future and sets us apart in the industry.

4. Outlook

During FY 2021-22, COVID-related uncertainties petered out in geographies that made significant progress in vaccination levels, resulting in growth in these markets. However, global markets are expected to remain complex due to inflationary pressures, supply chain disruptions, logistical bottlenecks, manufacturing delays, and political uncertainties.

For the fashion industry, growth has resumed with the unleashing of pent-up demand for return-to-office and occasion-specific clothing. The global fashion growth will reach to 96-101% of 2019 levels in 2021 and to 103-108% of 2019 levels in 2022 (Source: State of Fashion 2022 by McKinsey & Co. & BoF).

At PDS, we are turning challenges into opportunities by learning from the last two years and strengthening our business model with agility. After achieving new milestones during the year, we are aiming higher and wider with our geographic and product category expansions, strengthened team, enhanced scale, and a greater focus on sustainability.

We continue to implement various cost-optimisation measures (e.g. choosing the right partner manufacturer for the right order) and efficient logistics to maximize returns. With the help of our asset-light model, maturing of our new business verticals over the next 2-3 years, and turnaround of manufacturing, we are set to generate higher returns on capital employed. We are expecting to enhance long-term value for our shareholders through our investments in sustainable and tech-backed ventures.

5. Technology and Infrastructure

Our experienced technology team keeps our information technology infrastructure running and has enabled our teams to work from home without any disruptions or security compromise. We implement cutting-edge technologies in our business to stay ahead of the curve. These include 3D design, sampling and fit to reduce lead times. Our virtual showroom helps us in reducing travel costs and sample freights. These initiatives also enable us to reduce our carbon footprint and further our sustainability agenda.

6. Risk Management

We have a well-defined risk management framework, which identifies relevant risks, defines and prioritises them and undertakes measures to mitigate the same.

7. Human Resource Management

With our 'People First' approach, we aspire to make PDS a 'Great Place to Work', where employees trust each other, take pride in what they do, and enjoy the company of the people they work with. During FY 2021-22, we partnered with Great Place to Work® Institute to conduct the Employee Engagement Survey.

The employees of the Company as of March 31, 2022 are 144. The total employees of PDS Group are c.3,300 and 5,800+ factory associates.

Please refer to [page 48](#) for a detailed discussion on our people practices.

8. Internal Audit and Controls

We have a robust system of internal controls, designed to ensure the reliability of financial and other information and records for preparing financial statements and other data, and for maintaining accountability of assets. This internal control system is supplemented by a comprehensive programme of internal audits, reviews by senior management and documented policies, guidelines, and procedures. The internal audit findings provide vital inputs for risk identification and assessment. Further, periodic assessment of business risks is carried out to identify significant risks to the achievement of our business objectives.

Disclaimer

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations are categorised as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include competition, employee cost and significant changes in the political and economic environment in India, environmental standards, tax laws, litigation and labour relations amongst other factors.



Board's Report

Dear Members,

PDS Limited
(Formerly PDS Multinational Fashions Limited)

The Directors of your Company are pleased to present the 11th Annual Report together with the Annual Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2022.

Financial Highlights

(₹ in lakhs, unless mentioned otherwise)

Particulars	Standalone		Consolidated	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue from operations	11,582.72	4,611.89	8,82,821.38	621,286.84
Other income	6,185.88	4,208.98	8,602.74	3,739.54
Total Expenses	10,752.32	4,201.04	8,60,358.46	607,640.09
Profit from Operations Before Exceptional Item and Taxes	7,016.28	4,619.83	31,065.66	17,386.29
Share of loss of associates and joint ventures	-	-	(57.86)	(391.61)
Exceptional Item	-	-	-	-
Profit Before Tax	7,016.28	4,619.83	31,007.80	16,994.68
Tax Expense (including deferred taxes)	337.42	148.24	1,725.71	2,152.26
Profit After Tax	6,678.86	4,471.59	29,282.09	14,842.42
Other Comprehensive Income/(loss)	16.57	17.60	3,357.62	788.13
Total Comprehensive income	6,695.43	4,489.19	32,639.71	15,630.55
Earnings Per Share (₹)				
Basic	25.64	17.17	95.38	32.37
Diluted	25.30	17.17	94.38	32.37

Operational Performance of the Company

I. Standalone Financial Performance

The Revenue from Operations of the Company stood at ₹11,582.72 Lakhs for the year ended March 31, 2022 as against ₹4,611.89 Lakhs in the previous year. The Company reported a Profit after Tax of ₹6,678.86 Lakhs for the year ended March 31, 2022 as compared to ₹4,471.59 Lakhs in the previous year due to better realizations, cost optimization and better operational controls.

II. Consolidated Financial Performance

The Consolidated Revenue from Operations of the Company for the Financial Year ended March 31, 2022 is ₹8,82,821.38 Lakhs as against ₹6,21,286.84 Lakhs in the previous year. The Consolidated Profit after Tax for the Financial Year ended March 31, 2022 is ₹29,282.09 Lakhs as compared to ₹14,842.42 Lakhs in the previous year, registering an increase of 97.28 % due to better realizations, cost optimization and better operational controls.

Transfer to Reserves

Your Directors do not propose to transfer any amount to Reserve.

Dividend

The Directors have recommended Final Dividend of ₹23.85 per share as compared to ₹15.75 per share of the Face Value of ₹10/- each for the Financial Year 2021-22 and 2020-21 respectively. The Final Dividend on Equity Shares, if approved by the Members

at the 11th Annual General Meeting (AGM), would involve a total outgo of ₹6,224.07 Lakhs against total outgo of ₹4,102.36 Lakhs in the previous year and will be paid to those Members, whose names appear on the Register of Members/beneficial holders' list at the close of business hours on record date.

In view of the changes made under the Income-Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source.

The recommendation of the Final Dividend on aforesaid is in accordance with the Dividend Distribution Policy ("Policy") of the Company. The Policy is available on the website of the Company - at www.pdsmultinational.com.

Nature of Business and State of Affairs of the Company

During the year under review, there have been no changes in the nature of business of the Company. The information on the affairs of the Company has been covered under the Management Discussion & Analysis forming part of this Annual Report.

Deposits

During the year under review, the Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

Share Capital

During the year under review, the Shareholders at their 10th Annual General Meeting has approved the increase in the Authorized Share Capital of the Company from ₹270,000,000/- (Rupees Twenty-Seven Crores only) divided into 27,000,000 (Two Crores Seventy Lakhs) Equity Shares of Face Value of ₹10/- (Rupees Ten only) each to ₹28,00,00,000/- (Rupees Twenty-Eight Crores Only) divided into 2,80,00,000 (Two Crore Eighty Lakhs) Equity Shares of Face Value of ₹10/- (Rupees Ten Only) each.

The Issued and Paid-up Capital of the Company remained unchanged at ₹26,04,67,240 (Rupees Twenty-Six Crores Four Lakhs Sixty-Seven Thousand and Two-Forty Only) divided into 26,046,724 (Two Crores Sixty Lakhs Forty-Six Thousand Seven Hundred and Twenty-Four) Equity Shares divided into Face Value of ₹10/- (Rupees Ten) each.

As on the date of this Annual Report, the Issued and Paid-up Capital of the Company stands increased at ₹26,09,67,240 (Rupees Twenty-Six Crores Nine Lakhs Sixty-Seven Thousand and Two-Forty Only) divided into 26,096,724 (Two Crores Sixty Lakhs Nine-Six Thousand Seven Hundred and Twenty-Four) Equity Shares divided into Face Value of ₹10/- (Rupees Ten) each pursuant to allotment of Stock Options to the employee of the Company on April 4, 2022.

Your Company has neither issued any Equity Shares with differential rights as to dividend, voting or otherwise nor has issued any Sweat Equity Shares to the employees or Directors of the Company, under any scheme. Your Company has not issued any debentures, bonds or any non-convertible securities During the year under review.

Employee Stock Option Plan (ESOP)

During the year under review, the Shareholders at their 10th Annual General Meeting had approved an Employee Stock Options ("ESOP") namely, 'PDS Limited – Employees Stock Option Plan 2021 – Plan A ("PDS ESOP (A) 2021")', PDS Limited – Employees Stock Option Plan 2021 – Plan B ("PDS ESOP (B) 2021") and PDS Limited – Phantom Stock Units Plan 2021 ("PDS PSU 2021") for the Employees of the Company and its Subsidiary Companies and for granting of 5,82,410 stock options under PDS ESOP (A) 2021, 1,01,348 stock options under PDS ESOP (B) 2021 and 1,72,283 stock options under PDS PSU 2021 or issuing of shares to the aforesaid employees under the scheme equal to or in excess of 1% of the issued capital at the time of grant of options or shares (as the case may be) but in any case not exceeding 2% of the issued capital of the Company at the time of grant of options or shares (as the case may be).

The Nomination and Remuneration Committee administers the all the ESOP schemes including PDS Limited - Employee Stock Option Plan 2021 approved at Shareholders Meeting on February 25, 2021. The Shareholders at their 10th Annual General Meeting had approved amendment in the terms of the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 ('PDS ESOP 2021') that the maximum period within which the options granted under the PDS ESOP 2021 shall vest be increased from 3(Three) years to 4 (four) years.

The disclosures as required under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations") read with

SEBI Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 including the details of stock options granted during the year under review, is enclosed herewith as **Annexure-1** to this Annual Report hereto and is also available on website of the Company at www.pdsmultinational.com.

A certificate from the Secretarial Auditors certifying that all ESOP schemes has been implemented in accordance with SBEB Regulations and in accordance with the resolution(s) passed by the Members would be uploaded on website of Company www.pdsmultinational.com during the AGM for inspection by the Members.

PDS Incentive Plan 2021

During the year under review, the Nomination and Remuneration Committee and Board of Directors at their respective meetings held on May 27, 2021, had approved rewards under PDS Incentive Plan 2021 to key employees of the Company. The plan got approved at the Extra-Ordinary General Meeting held on February 25, 2021.

The purpose of the PDS Incentive Plan 2021 is to reward key employees of the Company and its subsidiaries for their performance and their contribution in delivering strong returns and creating value with respect to the investments made by the shareholders in the Company and to incentivize them in the future growth and profitability of the Company.

Credit Rating

During the year under review, your Company has no outstanding instruments for which the credit rating needs to be obtained.

Internal Financial Control Systems and its Adequacy

The Financial Statements of the Company comply with the Ind AS specified under Section 133 of the Companies Act, 2013.

Your Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale and complexity of operations and ensures compliance with various policies and statutes in keeping with the organization's pace of growth, increasing complexity of operations, prevention and detection of frauds and errors. The design and effectiveness of key controls were tested and no material weaknesses were observed. The Audit Committee reviews and evaluates the adequacy of internal financial control and risk management systems, periodically. Efficacy of Internal control systems are tested periodically by Internal Auditors with and Internal Control over financial reporting is tested and certified by Statutory Auditors. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by the Internal Audit Team.

During the year under review, no material or serious observation has been highlighted for inefficiency or inadequacy of such controls.

Subsidiary, Joint Ventures and Associate Companies

As on March 31, 2022, the Company has 88 (Eighty-Eight) subsidiaries, 10 (Ten) Joint Ventures, 4 (Four) Associates and



1 (One) Controlled Trust. During the year under review, the following companies were incorporated, acquired, liquidated or divested, if any:

- Acquisition of 100% stake in PDS Brands Private Limited to enter into expansion & create an opportunity in the Indian fashion & apparel business including but not limited to kids wear, inner wear and other categories of lifestyle.
- Acquisition of 7% stake in DIZBI Private Limited to carry on the business of design, development, marketing, sales, export and import and service of software and hardware products and solutions.
- Razamtaaz Limited ceased to be subsidiary of the Company.
- The details regarding changes to the group companies are set out in Note 2 of the Consolidated Financial Statements.

In accordance with Section 129(3) of the Companies Act, 2013 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), the Consolidated Financial Statements of the Company and all its subsidiary & associate companies have been prepared and are forming part of this Annual Report. A statement containing salient features of the Financial Statements of subsidiary and associate companies is stated in the prescribed Form AOC-1 as **Annexure-2**, which forms part of the Annual Report. The statement also provides details of the performance and the financial position of each of the subsidiaries and associates. The consolidated financial statements presented in this Annual Report include financial performance and financial position of the subsidiary and associate companies.

Board of Directors & Key Managerial Personnel

In accordance with the provisions of Section 152 of the of the Companies Act, 2013 ("the Act") read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Pallak Seth (DIN: 00003040), Non-Executive and Non-Independent Director of the Company retires by rotation at the ensuing AGM and being eligible, offer himself for reappointment. Your Board of Directors ("Board") recommends his appointment.

During the year under review, pursuant to the provisions of Section 161 of the Act and based on the recommendation of the Nomination and Remuneration Committee, Mr. Mungo Park (DIN: 09390792) and Mr. Robert Sinclair (DIN: 09390821) were appointed as an Independent Additional Directors of the Company with effect from November 9, 2021 by the Board of Directors in lieu of resignation tendered by Mr. Ashok Kumar Sanghi and Mr. Ashok Kumar Chhabra who resigned at the close of business hours on November 9, 2021 Further, Mr. Nishant Parikh (DIN: 07349640) and Ms. Yael Gairola (DIN: 08434509) were appointed as an Independent Additional Directors of the Company with effect from December 8, 2021 by the Board of Directors in lieu of resignation tendered by Mr. Ashutosh Prabhudas Bhupatkar who resigned at the close of business hours on December 8, 2021 Mrs. Saraswathy Venkateswaran has tendered her resignation as an Independent Director of the Company with effect from March 14, 2022.

Further, Members of the Company at the 10th AGM of the Company held on July 30, 2021 had approved appointment of Mr. Parth Gandhi as a Non-Executive Non-Independent Director of the Company. The Company by the way of postal ballot held on January 12, 2022 has approved the appointment of Mr. Mungo Park, Mr. Robert Sinclair, Mr. Nishant Parikh and Ms. Yael Gairola as an Non-Executive Independent Director, not liable to retire by rotation, for a term of 5 (Five) consecutive years with effect from November 9, 2021 and December 8, 2021 respectively.

All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

Key Managerial Personnel

During the year under review and compliance of Section 203 of the Act, Mr. Ashish Gupta was appointed as a Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. May 28, 2021 at the Board Meeting held on May 27, 2021. Mr. Ajai Singh has resigned as Chief Financial Officer of the Company at the close of business hours on May 27, 2021.

As date of this Report, Mr. Sanjay Jain, Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer and Mr. Abhishek Kanoi, Head of Legal & Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act.

Declaration of Independence by Independent Directors & Adherence to the Company's Code of Conduct for Independent Directors

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they meet the requirements of 'Independent Director' as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations.

Further, all the Independent Directors have affirmed that they have adhered and complied with the Company's Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than payment of sitting fees, commission and reimbursement of expenses, if any.

It may be noted that all the Independent Directors on the Board of the Company as on March 31, 2022 have been registered in the data bank of Independent Directors as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Further, in terms of Section 150 of the Act read with the Companies (Appointment & Qualification of Directors) Rules, 2014, Independent Directors are exempted and not required to undertake online proficiency self-assessment test as per aforesaid Rule.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

Board Meetings

During the year under review, 6 (Six) Meetings of the Board of Directors were held. Details about the Board Meetings and Committee Meetings are given in Report on Corporate Governance which forms part of this Annual Report.

Compliance with Secretarial Standard

Your Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

Constitution of Various Committees

During the year under review, the Board of Directors of the Company has following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

Details of each of the Committees stating their respective composition, terms of reference and other information are uploaded on website of the Company at www.pdsmultinational.com and are stated in brief in the Corporate Governance Report, forming part of this Annual Report.

Policies on Appointment of Directors and their Remuneration

The remuneration paid to the Directors is in line with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. Further, the Company has in place the orderly succession plan for the appointments at the Board and Senior Management level.

The Company's policy on directors' appointment and remuneration and other matters as provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of this Annual Report.

Policies

The Board of Directors of your Company, from time to time, has framed and revised various Policies as per the applicable Acts, Rules, Regulations and Standards for better governance and administration of your Company. The Policies are made available on the website of the Company at <https://www.pdsmultinational.com/code-conduct/>.

Annual Evaluation by the Board

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for effective evaluation of the performance of Individual Directors, Committees of the Board and the Board as a whole.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such

as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors held on March 14, 2022, performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

The evaluation process inter alia considers attendance of Directors at Board and Committee Meetings, acquaintance with business, communicating inter se Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual evaluation of the performance of the Board, its Committees and Individual Directors and Chief Executive Officer (CEO). The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee Members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the Individual Directors including CEO were reviewed by the Chairman of the Board.

Familiarization Program for Independent Directors

All new independent directors inducted into the Board are familiarized with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance Report.

Directors Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure has been made in following the same;
- b) appropriate accounting policies have been selected and applied consistently and judgements and estimates made 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) proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Act have been taken for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;



- d) the annual accounts have been prepared on a going concern basis;
- e) internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and are operating effectively; and
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors

1) Statutory Auditors and Auditor's Report

As per Section 139 of the Act and the Rules framed thereunder, Walker Chandio & Co LLP, Chartered Accountants (Firm Registration Number: 001076N/N500013), were appointed as Statutory Auditors of the Company at the 8th AGM held on November 13, 2019 to hold office from the conclusion of the 8th AGM till the conclusion of the 13th AGM. The Statutory Auditor has confirmed that they continue to remain eligible to act as the Statutory Auditor of the Company.

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors, in their Audit Report for the financial year 2021-22. The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

2) Secretarial Auditor

The Secretarial Audit Report for the financial year ended March 31, 2022, issued by MAKS & Co., Practicing Company Secretary, who were appointed as Secretarial Auditors to undertake the Secretarial Audit of the Company for financial year 2021-22, is enclosed herewith as **Annexure-3** and forms an integral part of this Annual Report. The said Secretarial Audit Report does not contain any qualification, reservation, disclaimer or adverse remark.

Annual Secretarial Compliance Report

Pursuant to Regulation 24A of the SEBI Listing Regulations, the Secretarial Compliance Report for the financial year ended March 31, 2022 has been submitted to the Stock Exchanges.

Further, in this regard, please note that the Company does not have any material unlisted subsidiaries incorporated in India during Financial Year 2021-22.

3) Cost Auditors

During the year under review, provisions of Section 148 of the Act, read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, relating to the Cost Audit are not applicable to the Company.

4) Details of Fraud Reported by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor of the Company have reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

Corporate Social Responsibility

During the year under review, the Company has adopted Corporate Social Responsibility ("CSR") Policy and initiated CSR activities as per Schedule VII of the Act. The Company works primarily through the Soham for Kids Education Society, Foundation towards promoting education. The Company's CSR Policy is available on the website of the Company at <https://www.pdsmultinational.com/investors/corporate-governance/#policies>. The Annual Report on our CSR activities is annexed as **Annexure-4**.

In terms of Section 135 of the Act read with Rules and in accordance with the CSR Policy and the Annual Action Plan, your Company has during the year 2021 -22 spent over two percent of the average net profits of your Company during the three preceding financial years. The details are provided in the Annual Report on CSR activities.

The Company also undertakes CSR initiatives outside of India, in various jurisdiction. The said initiatives are over & above the statutory requirement of the Company.

Risk Management

During the year under review, the Company has adopted a Risk Management Policy in terms of Regulation 21 of the SEBI Listing Regulations and the same is made available at the website of the Company at www.pdsmultinational.com.

The Risk Management Committee of the Company constituted by the Board with the responsibility of reviewing the risk management process in the Company and ensuring that the risks are brought within acceptable limits. The Risk Management Committee had evaluated risk management framework which identifies relevant risks including cyber security and undertakes measures to mitigate the same periodically.

Particulars of Employees

The statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules'), is annexed as **Annexure-5** and forms an integral part of this Report. As per second proviso to Section 136(1) of the Act and second proviso of Rule 5 of the Rules, the Report and Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Shareholder interested in obtaining such details may write to the Company Secretary of the Company at investors@pdsmultinational.com and the same will be furnished on such request.

The Board of Directors affirm that the remuneration paid to employees of the Company is as per the Remuneration Policy of the Company.

Related Party Transactions

The Board of Directors of the Company has formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act and SEBI Listing Regulations. The same is displayed on the website of the Company at <https://www.pdsmultinational.com/code-conduct/>. This Policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for review and approval.

During the year under review, all the related party transactions were entered in the ordinary course of business and on arm's length basis. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note No. 33 of Standalone Financial Statements.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no related party transactions that are required to be reported under Section 188(1) of the Act in the prescribed Form AOC-2.

Annual Return

The Annual Return of the Company as on March 31, 2022 in Form MGT - 7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.pdsmultinational.com/>.

Management Discussion and Analysis Report

In terms of the provisions of Regulation 34 of the SEBI Listing Regulations, Management Discussion and Analysis Report forms part of this Annual Report.

Corporate Governance

Your Company practices a culture that is built on core values and ethical governance practices. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. In terms of Regulation 34 of the SEBI Listing Regulations, the Report on Corporate Governance for the financial year ended March 31, 2022 along with the certificate confirming the compliance with regulations of corporate governance under the SEBI Listing Regulations is annexed as **Annexure-6** to this Annual Report.

Business Responsibility Report

As per Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Report is enclosed as **Annexure-7** and forms part of this Annual Report and can also be accessed on the Company's website at www.pdsmultinational.com.

Whistle Blower Policy/ Vigil Mechanism

Your Company has established a Vigil Mechanism Policy/ Whistle Blower Policy to deal with instances of fraud and mismanagement and to enable Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and to report incidents of leak or suspected leak of unpublished price sensitive information. The Company has also hosted on its website NAVEX hotline for stakeholders to report such instances under Vigil Mechanism. The said Policy ensures that strict confidentiality is maintained in respect of whistle blowers whilst dealing with concerns and also specified that no discrimination will be meted out to any person for a genuinely raised concern and has a provision of direct access to chairman of Audit Committee in case of emergency cases. The Policy on Vigil Mechanism/ Whistle Blower Mechanism can be accessed through website of the Company viz. www.pdsmultinational.com/code-conduct/.

During the year under review, 1(One) complaint pertaining to the Company was received under the Whistle Blower mechanism.

Disclosure under Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the requirements of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with the Rules thereunder, your Company has formulated and adopted a Policy on Prevention of Sexual Harassment at Workplace.

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment.

During the year under review, 1 (One) complaint was received from any of the employees of the subsidiary Company regarding Sexual Harassment at workplace which has been duly disposed off and no complaint was pending at the end of the year.

Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo under Section 134(3)(m) of the Companies Act, 2013

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of Energy

Your Company is into the business of trading of garments on wholesale basis and does not have manufacturing activity so it does not consume heavy electricity.

i. The Steps Taken or Impact on Conservation of Energy are-

- Replaced old office electrical items like Air Conditions, fans with energy efficient ones.
- Other measures like placing focused lighting systems and reducing lights wherever not needed.
- Effective utilization of work station for energy conservation.

ii. The Steps Taken by the Company for utilizing Alternate Sources of Energy are-

The production activity of the Company is not energy intensive. However, all measures are being taken for optimizing energy usage.

b) Technology Absorption

The Company plans to introduce various measures to help the production improvement as well as reduce the wastage further.

c) Foreign Exchange Earnings and Outgo

Details of Foreign exchange earnings and outgo for the financial year under review are as follows:



Foreign Exchange Earning:

₹10,394.58 Lakhs for FY 2021-22 as against ₹6,587.21 Lakhs in FY 2020-21

Foreign Exchange Outgo:

₹3,472.80 Lakhs for FY 2021-22 as against ₹903.33 Lakhs in FY 2020-21

Particulars of Loans, Guarantees or Investments

The details of loans and investments made by the Company under Section 186 of the Act during the year under review have been provided in Note 9 and Note 8 respectively to the Standalone Financial Statements.

Material Changes and Commitments Affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Annual Report which may affect the financial position of the Company.

Change of name of the Company

During the year under review, your Company name has been changed to 'PDS Limited' effective from January 28, 2022.

Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the going Concern Status and Company Operations in Future

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

Listing

Equity Shares of your Company are listed on National Stock Exchange of India Limited and BSE Limited. Your Company has paid the required listing fees to Stock Exchange for FY 2021-22.

Vice-Chairman & Non-Executive Director, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certificate

In terms of the SEBI Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Mr. Pallak Seth, Vice-Chairman & Non-Executive Director, Mr. Sanjay Jain, Chief Executive Officer and Mr. Ashish Gupta, Chief Financial Officer, for the Financial Year 2021-22 with regard to the Financial Statements and other matters. The said Certificate forms part of this Annual Report.

Cautionary Statement

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking

statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include changes in the government regulations, developments in the infrastructure segment, tax regimes and economic developments within India.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events relating to these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (including sweat Equity shares) to employees of the Company under any Scheme save and except Employee Stock Option Scheme referred to in this Annual Report.
3. No application was made, or any proceedings is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of the Company.

Acknowledgement

Your Directors acknowledge the support extended by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Registrar of Companies and all other governmental and regulatory authorities for the guidance and support received from them including officials there at from time to time.

Your Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders in large including investors, customers, banks, financial institutions, and well-wishers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by the employees of your Company and its subsidiaries at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

By & On Behalf of the Board of Directors **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Sd/-

Deepak Seth
Chairman & Non-
Executive Director
DIN: 00003021

Sd/-

Pallak Seth
Vice-Chairman & Non-
Executive Director
DIN: 00003040

Place: Mumbai, India

Date: May 16, 2022

Annexure-1

Disclosure Pursuant to Regulation 14 of The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the Financial Year 2021-22**General Disclosures**

- A. Relevant disclosures in terms of the 'Guidance Note on Accounting for Employee share-based Payments' issued by Institute of Chartered Accountants of India ("ICAI") or any other relevant accounting standards as prescribed from time to time.

All relevant disclosures have been made in the Financial Statements mentioned in the Annual Report 2021-22 which can be accessed through the website of the Company at www.pdsmultinational.com.

- B. Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard 33 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. – Earning Per Share

For details please refer to Note No. 44 to Standalone Financial Statements mentioned in the Annual Report which can be accessed through the website of the Company at www.pdsmultinational.com.

Scheme Specific Disclosures

Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 – Plan A	PDS Limited- Employee Stock Option Plan 2021 – Plan B*	PDS Limited – Phantom Stock Units Plan 2021**
1	Date of Shareholders Approval	February 25, 2021	July 30, 2021	July 30, 2021	July 30, 2021
2	Total No. of Options/Units approved under ESOP	5,31,565 Stock Options	5,82,410 Stock Options	1,01,348 Stock Options	1,72,283 Stock Units
3	Vesting Requirements	The Nomination and Remuneration Committee may specify certain vesting conditions pursuant to which the Options may vest with the relevant Eligible Employee. The specific vesting schedule and vesting conditions would be determined by the Nomination and Remuneration Committee and identified in the grant letter issued to the Option grantee.			
4	Maximum Term of Options/Units Granted	Options/Units granted shall be capable of being exercised within a period of 4(four) years from the date of vesting.			
5	Exercise Price or Pricing Formula	The Exercise price in respect of the Option/Units shall be determined by the Nomination and Remuneration Committee and shall be notified to the Option/Units Grantees in the grant letter. The Exercise Price may be equal to or less than the market price of the Equity Shares of the Company, as determined by the Nomination and Remuneration Committee from time to time but shall not be less than the face value of the underlying Equity Share.			
6	Source of Shares (Primary, secondary or combination)	Primary	Primary	Secondary	Primary
7	Variation in Terms of Options/Units	There have been no variations in the terms of the Options/Units.			
8	Method of Option Valuation	Indian Accounting Standards (Ind AS) has been adopted by Company in previous financial year and accordingly, the Company has accounted the stock Options/Units at Fair Value Method.			
9	Difference between the above and employee compensation cost that shall have been recognised if it had used the fair value of the Options/ Units (if method is Intrinsic Value Method)	Not Applicable			
10	Option movement during the Year				
	Number of Options/Units outstanding at the beginning of the period, i.e., April 1, 2021	Nil	Nil	Nil	Nil
	Number of Options/Units granted during the year	5,25,782	5,62,950	4,245 [#]	93,500
	Number of Options/Units forfeited/lapsed during the year	Nil	Nil	Nil	10,000
	Number of Options/Units vested during the year	Nil	Nil	Nil	Nil
	Number of Options/Units exercised during the year	Nil	Nil	Nil	Nil
	Number of Shares arising as a result of exercise of Options/Units	Nil	Nil	Nil	Nil



Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 – Plan A	PDS Limited- Employee Stock Option Plan 2021 – Plan B*	PDS Limited – Phantom Stock Units Plan 2021**
	Money realised by exercise of Options/ Units (Amount in ₹)	Nil	Nil	Nil	Nil
	Loan repaid by the Trust during the year from exercise price received	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Number of Options/Units outstanding as at March 31, 2022	5,25,782	5,62,950	4,245	83,500
	Number of Options/Units exercisable as at March 31, 2022	Nil	Nil	Nil	Nil
11	Weighted average exercise price of Options/Units granted whose				
	(a) Exercise Price equals market price				
	(b) Exercise Price is greater than market price	Refer Annexure I & Refer to Note No. 44 to Standalone Financial Statements			
	(c) Exercise Price is less than market price				
	Weighted average fair value of Options/Units granted during the year whose				
	(a) Exercise Price equals market price				
	(b) Exercise Price is greater than market price				
	(c) Exercise Price is less than market price				
	Weighted Average Information: The fair value of employee share Options/Units, see (A) above, has been measured using Black Scholes Merton Model. The fair value of the Options/Units and the inputs used in the measurement of the grant date fair values of the equity-settled share based payment plan are as follows:	Refer Annexure I & Refer to Note No. 44 to Standalone Financial Statements			
12	Employee Wise details of-				
	i) Options/Units granted to Key Managerial Personnel during the FY 2021-22	Mr. Sanjay Jain, Chief Executive Officer- 2,65,782 Stock Options at Exercise price of ₹400/-.	Mr. Ashish Gupta, Chief Financial Officer – 20,000 Stock Options at Exercise price of ₹1,095/- and 5,000 Stock Options at Exercise price of ₹1,354/-		-
			Mr. Abhishekh Kanoi, Head of Legal and Company Secretary – 10,000 Stock Options at Exercise price of ₹1,095/- and 5,000 Stock Options at Exercise price of ₹1,354/-		
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year;	-	-	-	-

Sr. No.	Details of ESOP	PDS Limited - Employee Stock Option Plan 2021 (PDS ESOP 2021)	PDS Limited- Employee Stock Option Plan 2021 – Plan A	PDS Limited- Employee Stock Option Plan 2021 – Plan B*	PDS Limited – Phantom Stock Units Plan 2021**
	iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Mr. Sanjay Jain has been granted 2,65,782 Stock Options which exceeds more than 1%. Approval of the aforesaid has been obtained in Shareholders' Meeting held on February 25, 2021.	-	-	-
13	A description of the method and significant assumptions used during the year to estimate the fair value of Options/Units.	Refer to Note No. 44 to Standalone Financial Statements			

#The Company has purchased 4,245 shares held by PDS Multinational Fashions ESOP Trust as on March 31, 2022

* Pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Vistra ITCL (India) Limited is trustee and Company has not disbursed any loan during the year.

** The Company's Stock Units are cash- settled.

By & On Behalf of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Sd/-

Deepak Seth

Chairman & Non-Executive Director

DIN: 00003021

Sd/-

Pallak Seth

Vice-Chairman & Non-Executive Director

DIN: 00003040

Place: Mumbai, India

Date: May 16, 2022



Annexure-I

Particulars	April 3, 2021	July 3, 2021	August 4, 2021	October 22, 2021	October 22, 2021	December 8, 2021	December 30, 2021	January 31, 2022
Grant date fair value, per share (in ₹)	₹294	₹451	₹686	₹768	₹555	₹763	₹784	₹844
Exercise price, per share (in ₹)	₹400	₹650	₹800	₹650	₹1,095	₹1,095	₹1,095	₹1,354
Assumptions used:								
Weighted average Volatility	31.51%	32.67%	34.04%	34.73%	34.73%	35.34%	35.68%	36.27%
Weighted average Expected lives (in years)	1.50	3.83	3.83	5.00	3.83	5.00	5.00	5.00
Weighted average Risk-free interest rate	4.67%	5.44%	5.32%	5.75%	5.38%	5.82%	5.99%	6.16%
Expected dividend yield rate	2.23%	1.50%	1.10%	1.12%	1.12%	0.95%	0.88%	0.84%

Reconciliation of outstanding share options

The number and weighted average exercise price under the stock option (PDS ESOP 2021 and Plan A) are as follows:

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price per share (INR)	Number of options	Weighted average exercise price per share (INR)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	10,88,732	837.28	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	10,88,732	837.28	-	-

Annexure-2

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

Part A-Subsidiaries

Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share holding**
1	Technician Fashions Private Limited	20.03.2019	NA	INR	5.00	246.97	1,325.36	1,073.40	-	1,679.73	192.11	43.58	148.53	-	55.00%
2	DIZBI Private Limited	10.07.2020	NA	INR	1.00	61.44	463.80	401.36	-	698.57	35.59	9.23	26.36	-	53.00%
3	Norlanka Brands Private Limited	01.02.2021	NA	INR	5.00	(99.80)	216.31	311.11	-	249.52	(74.72)	-	(74.72)	-	75.00%
4	Multinational Textile Group Limited	13.05.2014	NA	USD	16,633.76	23,217.82	51,345.05	11,493.48	396.91	27,102.99	21,213.79	684.07	20,529.72	-	100.00%
5	Norwest Industries Limited	13.05.2014	NA	HKD	3,011.09	57,793.17	38,354.50	(22,449.77)	7,015.23	55,057.86	14,373.42	(158.61)	14,532.03	-	100.00%
6	Multinational OSG Services Bangladesh Limited	13.05.2014	NA	BDT	930.25	(369.36)	690.07	129.18	-	18.38	(137.44)	(20.52)	(116.92)	-	97.00%
7	PDS Smart Fabric Tech Limited (Formerly known as Funky Brands Company Limited)	19.01.2009	NA	HKD	193.51	245.25	493.42	54.65	-	486.29	(470.37)	-	(470.37)	-	100.00%
8	PDS Smart Fabric Tech (UK) Limited	07.09.2020	NA	HKD	-	-	-	-	-	-	-	-	-	-	100.00%
9	Techno Design GmbH	14.02.2014	NA	EUR	83.87	(200.93)	7,882.16	7,999.22	137.77	18,385.10	(511.13)	6.85	(517.99)	-	55.00%
10	Blueprint Design Limited	30.06.2016	NA	HKD	7.53	(3,232.71)	1.28	3,226.46	-	-	(3.52)	-	(3.52)	-	100.00%
11	PDS Global Investments Limited	21.12.2016	NA	USD	37.89	(4.92)	32.97	0.00	-	-	-	-	-	-	100.00%
12	PDS Fashions Limited (Formerly Known as PDS Ventures Limited and PDS Vogue Limited)	03.07.2018	NA	GBP	871.22	(710.23)	942.57	781.58	-	5.73	(425.93)	-	(425.93)	-	100.00%
13	Twins Asia FZCO	17.01.2019	NA	AED	20.64	978.64	2,413.62	1,414.35	-	7,133.23	627.15	-	627.15	-	75.00%
14	Design Arc FZCO	17.01.2019	NA	AED	20.64	(282.66)	25.66	287.68	-	-	(48.56)	-	(48.56)	-	75.00%



Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share holding**
15	Kleider Sourcing FZCO	17.01.2019	NA	AED	20.64	749.40	5,575.27	4,805.23	-	27,135.65	1,526.36	-	1,526.36	-	41.00%
16	Spring Near East FZCO	17.01.2019	NA	AED	20.64	1,875.25	5,697.74	3,801.85	-	32,233.97	582.91	-	582.91	-	55.00%
17	Techno Sourcing BD Limited	22.10.2019	NA	BDT	84.84	311.10	475.20	79.25	-	803.39	305.40	77.41	227.99	-	49.00%
18	Clover Collections FZCO	20.02.2020	NA	AED	20.64	1,044.14	10,519.77	9,454.99	-	13,961.25	1,026.48	-	1,026.48	-	100.00%
19	PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited)	13.05.2014	NA	HKD	0.97	(322.29)	32.32	353.64	-	-	(18.18)	-	(18.18)	-	100.00%
20	Techno Design HK Limited	13.05.2014	NA	HKD	75.28	4,070.92	18,300.16	14,153.96	-	48,595.18	3,445.00	1.75	3,443.25	-	55.00%
21	PG Group Limited	13.05.2014	NA	USD	757.86	1,355.11	7,190.99	5,078.02	-	25,615.42	581.05	-	581.05	-	51.00%
22	PG Shanghai Manufacturer Co. Ltd	13.05.2014	NA	RMB	150.63	(100.02)	101.01	50.39	-	-	(0.26)	-	(0.26)	-	51.00%
23	PG Home Group Limited	13.05.2014	NA	USD	189.47	1,690.42	2,074.66	824.77	-	9,769.91	1,046.80	-	1,046.80	-	45.90%
24	PG Home Group SPA	13.05.2014	NA	CLP	2.89	(494.79)	226.47	718.37	-	-	14.80	5.49	9.31	-	45.90%
25	Grupo Sourcing Limited	15.03.2016	NA	HKD	75.28	453.67	795.56	266.61	-	1,318.65	206.75	-	206.75	-	51.00%
26	Grupo Sourcing Limited	15.03.2016	NA	BDT	260.12	(361.50)	243.68	345.05	-	3,172.77	(101.18)	22.87	(124.05)	-	50.99%
27	Zamira Fashion Limited	13.05.2014	NA	HKD	188.19	896.10	10,225.08	9,140.79	-	36,846.40	544.44	89.83	454.61	-	67.00%
28	PDS Brands Manufacturing Limited (Formerly known as 6Degree Manufacturing Limited and Zamira Denim Lab Limited)	24.10.2014	NA	HKD	7.53	-	3.61	(3.92)	-	-	4.77	-	4.77	-	67.00%
29	Zamira Fashion Limited Zhongshan	26.06.2015	NA	RMB	351.40	(220.37)	158.42	27.38	-	-	22.28	-	22.28	-	67.00%
30	Poetigem International Limited	13.05.2014	NA	HKD	32.62	596.67	26,670.44	26,041.15	-	98,269.97	1,677.50	-	1,677.50	-	100.00%
31	Kindred Fashion Limited	23.08.2016	NA	USD	0.01	(8.72)	15.04	23.75	-	-	2.53	-	2.53	-	100.00%

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Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share holding**
32	Simple Approach Limited	13.05.2014	NA	HKD	2,589.54	1,153.55	24,275.36	20,532.27	-	92,634.81	945.51	156.02	789.49	-	75.00%
33	Simple Approach (Canada) Limited	02.05.2013	NA	CAD	0.06	204.05	220.37	16.25	-	-	(20.07)	(1.53)	(18.55)	-	75.00%
34	PDS Asia Star Corporation Limited	13.05.2014	NA	HKD	225.83	2,021.60	6,000.76	3,753.33	-	40,444.61	690.56	-	690.56	-	60.00%
35	PDS Trading (Shanghai) Co. Ltd	13.05.2014	NA	RMB	717.22	(417.31)	701.67	401.76	-	2,079.12	(202.42)	-	(202.42)	-	60.00%
36	Casa Forma Limited	13.05.2014	NA	GBP	921.00	(906.24)	35.24	20.48	-	22.86	(15.05)	-	(15.05)	-	100.00%
37	PDS Sourcing Limited (Formerly known as Global Textiles Group Limited)	13.05.2014	NA	USD	3,021.80	273.01	3,817.74	522.93	-	6,443.67	2,450.34	-	2,450.34	-	100.00%
38	Green Apparel Industries Limited	15.03.2016	NA	HKD	150.55	(5,253.71)	17,689.50	22,792.65	-	8,890.66	(551.63)	-	(551.63)	-	75.00%
39	Green Smart Shirts Limited	04.05.2016	NA	BDT	7,877.32	499.68	20,996.08	12,619.07	-	24,990.51	21.47	71.88	(50.41)	-	74.99%
40	Progress Manufacturing Group Limited	17.07.2015	NA	HKD	7.53	(5,787.05)	27,534.66	33,314.18	-	18,647.08	(233.29)	-	(233.29)	-	97.00%
41	Progress Apparels (Bangladesh) Limited	12.07.2015	NA	BDT	6,859.63	(16,003.40)	21,102.66	30,246.42	-	27,629.93	(2,158.31)	(2.79)	(2,155.52)	-	96.99%
42	PDS Ventures Limited (Formerly known as MultiTech Venture Limited)	25.11.2015	NA	USD	13,830.98	(946.10)	13,347.54	462.65	-	-	(19.74)	-	(19.74)	-	100.00%
43	Poetic Brands Limited	15.01.2015	NA	GBP	49.78	1,601.24	7,681.99	6,030.96	-	26,025.36	1,002.54	170.90	831.64	-	100.00%
44	Poeticgem Limited	13.05.2014	NA	GBP	49.78	9,617.39	16,319.58	6,652.40	50.39	14,428.29	428.95	101.81	327.14	-	100.00%
45	Design Arc UK Limited	21.10.2016	NA	GBP	49.78	486.74	1,624.79	1,088.26	-	2,859.85	497.39	98.91	398.48	-	85.00%
46	FX Import Co. Ltd	13.05.2014	NA	GBP	25.09	(539.92)	312.36	827.19	-	-	57.45	-	57.45	-	100.00%
47	Poetic Knitwear Ltd	13.05.2014	NA	GBP	0.10	(706.71)	4.54	711.15	-	-	(2.07)	-	(2.07)	-	100.00%
48	Pacific Logistics Ltd	13.05.2014	NA	GBP	9.96	(408.97)	0.93	399.94	-	-	(5.28)	-	(5.28)	-	100.00%
49	Recovered Clothing Limited	24.07.2018	NA	GBP	49.78	(175.28)	958.37	1,083.87	-	699.49	134.53	25.45	109.08	-	100.00%
50	Techmo Design USA LLC	16.04.2020	NA	USD	-	(121.55)	-	121.55	-	-	(47.45)	-	(47.45)	-	55.00%



Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share holding**
51	360 Notch Limited	31.07.2015	NA	HKD	75.28	(2,485.18)	218.73	2,628.63	-	491.94	(179.80)	-	(179.80)	-	100.00%
52	Fareast Vogue Limited	13.05.2014	NA	HKD	7.53	436.24	145.65	(298.12)	-	16.01	269.24	-	269.24	-	60.00%
53	Casa Collective Limited	19.01.2018	NA	HKD	75.28	(1,725.41)	470.70	2,120.83	-	190.89	(1,382.67)	-	(1,382.67)	-	75.00%
54	Nor Lanka Manufacturing Limited	22.10.2008	NA	HKD	1.21	7,232.10	20,924.73	13,691.42	-	62,369.25	3,846.85	-	3,846.85	-	90.00%
55	Krayons Sourcing Limited	16.12.2014	NA	HKD	7.53	3,948.25	10,144.04	6,188.26	-	40,574.85	3,392.43	-	3,392.43	-	75.00%
56	Design Arc Europe Limited	13.05.2015	NA	HKD	75.28	(1,773.31)	1,157.76	2,855.79	-	2,332.21	49.39	-	49.39	-	70.00%
57	Kleider Sourcing Hong Kong Limited	01.10.2018	NA	HKD	7.53	650.13	997.30	339.64	-	78.49	52.92	6.08	46.84	-	51.00%
58	Kleider Sourcing	01.10.2018	NA	BDT	878.15	(360.86)	920.59	403.30	-	-	(6.91)	7.75	(14.67)	-	51.00%
59	PDS Far-East Limited	23.08.2016	NA	HKD	0.75	(2,159.86)	3,902.97	6,062.08	-	6,871.91	(1,635.66)	-	(1,635.66)	-	100.00%
60	Kindred Brands Limited	23.10.2018	NA	HKD	0.75	(15.88)	1.87	17.00	-	-	(2.47)	-	(2.47)	-	57.50%
61	Styleberry Limited	13.09.2016	NA	HKD	7.53	(983.57)	1,339.20	2,315.24	-	3,113.16	(476.72)	-	(476.72)	-	100.00%
62	PDS Far East USA, Inc.	11.07.2017	NA	HKD	37.64	59.35	3,720.52	3,623.53	-	12,426.20	79.34	-	79.34	-	100.00%
63	PDS Ventures Limited (Formerly Smart Notch Industrial Limited)	28.12.2017	NA	HKD	7.53	(245.98)	3,319.84	3,558.30	2,783.68	-	(1.72)	-	(1.72)	-	100.00%
64	Apex Black Limited (Formerly known as Fabric & Trims Limited)	28.12.2017	NA	HKD	7.53	(22.82)	1,413.54	1,428.83	1,402.03	-	(10.77)	-	(10.77)	-	65.00%
65	Jcraft Array Limited	12.04.2018	NA	HKD	37.64	335.53	373.61	0.44	-	2,242.37	191.65	-	191.65	-	85.00%
66	Rising Asia Star Hong Kong Co., Limited	13.05.2014	NA	HKD	7.53	(1,438.12)	20.85	1,451.44	-	-	24.94	-	24.94	-	100.00%
67	PDS Tailoring Limited (Formerly known as Nor India Manufacturing Company Limited)	13.05.2014	NA	HKD	7.53	(963.95)	282.04	1,238.46	-	756.50	(566.33)	-	(566.33)	-	100.00%

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Sl. No.	Name of the subsidiary	Date since when subsidiary was acquired	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency & Exchange rate as on the last date of Financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments*	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Extent of share holding**
68	Spring Near East Manufacturing Co. Limited	13.05.2014	NA	GBP	134.39	2,819.57	5,499.14	2,545.18	-	14,153.47	(147.71)	18.16	(165.86)	-	65.00%
69	Clover Collections Limited	13.05.2014	NA	HKD	150.55	552.09	2,891.57	2,188.92	-	27,965.67	2,022.60	-	2,022.60	-	100.00%
70	JJ Star Industrial Limited	01.10.2018	NA	HKD	37.64	(1,223.82)	837.80	2,023.98	-	3,977.12	(1,517.49)	-	(1,517.49)	-	57.50%
71	Twins Asia Limited	27.07.2015	NA	HKD	75.28	3,041.63	13,313.63	10,196.72	-	50,694.15	3,011.78	-	3,011.78	-	100.00%
72	Design Arc Asia Limited	18.12.2012	NA	HKD	75.28	4,476.12	21,059.92	16,508.52	-	71,566.79	5,868.36	-	5,868.36	-	100.00%
73	Sourcing Solutions Limited	31.05.2021	NA	HKD	7.53	(724.91)	3,712.82	4,430.20	-	8,064.01	618.42	-	618.42	-	100.00%
74	Smart Notch Ltd. (Shanghai)	20.04.2018	NA	RMB	59.77	30.54	107.01	16.70	-	363.11	7.72	0.54	7.18	-	100.00%
75	LilyandSid Ltd	10.03.2020	NA	GBP	0.10	183.59	1,263.82	1,080.13	-	2,173.94	(521.78)	(97.04)	(424.74)	-	55.00%
76	Nor Lanka Manufacturing Colombo Limited	13.05.2014	NA	USD	396.74	220.74	4,845.77	4,228.29	-	7,821.51	204.27	73.71	130.56	-	100.00%
77	Nor Europe Manufacturing SL	13.05.2014	NA	EUR	2.52	(161.20)	46.39	205.08	-	-	(14.06)	-	(14.06)	-	100.00%
78	Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited)	30.09.2020	NA	HKD	11.29	(12.10)	13.91	14.71	-	-	(10.83)	-	(10.83)	-	55.00%
79	Poetiagem International FZCO	01.02.2021	NA	AED	20.64	(128.99)	239.27	347.63	-	-	(126.81)	-	(126.81)	-	65.00%
80	PDS Multinational FZCO	01.02.2021	NA	AED	20.64	(67.37)	9,246.78	9,293.51	-	-	(66.23)	-	(66.23)	-	100.00%
81	PDS Manufacturing Limited	22.03.2021	NA	USD	0.08	(8.50)	0.55	8.97	-	-	(4.58)	-	(4.58)	-	100.00%
82	Norlanka Progress (Private) Ltd	20.10.2015	NA	LKR	-	-	-	(0.00)	-	-	-	-	-	-	100.00%
83	PDS Brands Private Limited	28.07.2021	NA	INR	1.00	(0.33)	0.67	-	-	-	(0.33)	-	(0.33)	-	100.00%
84	Spring Design London Limited	13.05.2021	NA	GBP	-	(420.85)	83.13	503.98	-	-	(430.33)	-	(430.33)	-	100.00%
85	PG Capital FZE	27.09.2021	NA	AED	20.64	45.04	90.85	25.18	-	-	51.68	-	51.68	-	100.00%
86	PDS Brands Manufacturing FZCO	01.01.2022	NA	AED	-	-	-	-	-	-	-	-	-	-	100.00%

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87	S.O.T Garments India Pvt Limited	01.12.2021	NA	INR	5.00	456.55	636.35	174.79	-	334.99	22.09	(0.33)	22.43	-	99.99%
88	Brand Collective Corporation Limited	29.11.2021	NA	GBP	-	(4.57)	9.96	14.52	-	-	(4.67)	-	(4.67)	-	100.00%

*Investment except investment in Group entities (Subsidiaries / Joint ventures / Associates).

** Extent of shareholding is the shareholding at PDS Group level. For further details, refer note 2 of consolidated financial statements

Notes:

- Names of subsidiaries which are yet to commence operations
PDS Smart Fabric Tech (UK) Limited
Poetigem International FZCO
PDS Multinational FZCO
PDS Manufacturing Limited

- There is one subsidiary, Razamtazz Limited, which has been sold during the year.

- Details of reporting currency and the rate used in the preparation of consolidated financial statements

Currency	For Conversion	
	Closing rate (in ₹)	Average rate (in ₹)
HKD	9.68	9.57
USD	75.79	74.51
GBP	99.57	101.81
RMB	11.95	11.61
AED	20.64	20.29
BDT	0.88	0.87
EUR	83.87	86.63
INR	1.00	1.00
CAD	60.60	59.43
LKR	0.26	0.36
CLP	0.10	0.10

- Winding up process has been initiated for Norlanka Progress Private Ltd and PDS Global Investments Ltd.

Part B- Joint Ventures / Associates

Sl. No. (1)	Name of Associates or Joint Ventures	Latest audited Balance Sheet Date (2)	Date on which the Associate or JV was associated or acquired (3)	Shares of Associate or Joint Ventures held by the company on the year end (4)		Description of how there is significant influence (5)	Reason why the associate/ Joint venture is not consolidated (6)	Networth attributable to shareholding as per latest audited Balance Sheet (7)	Profit or Loss for the year (8)	
				No.	Amount of Investment in Associates or Joint Venture				Extent of Holding (in percentage)*	Considered in Consolidation
Joint ventures										
1	Redwood Internet Ventures Limited	31-Mar-22	09.12.2015	5,000	USD 5,000	50.00%	NA	-	-	-
2	Digital Internet Technologies Limited	31-Mar-22	25.02.2016	10,000	USD 10,000	100.00%	NA	-	-	-
3	Digital Ecom Techno Private Limited	31-Mar-22	17.06.2016	63,17,990	₹6,31,79,900	100.00%	NA	-	-	-
4	Yellow Octopus EU Sp. Z.oo	-	27.09.2021	500	AED 41,477,010	50.00%	NA	333.56	51.21	-
5	Yellow Octopus EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)	-	27.09.2021	-	-	50.00%	NA	-	-	-
6	One Stop Shop Solutions EU Sp. Z.oo	-	27.09.2021	50	PLN 2,250	50.00%	NA	-	-	-
7	Yellow Octopus Ventures FZCO	-	27.09.2021	50	AED 50,000	50.00%	NA	-	-	-
8	One Stop Shop Solutions EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)	-	27.09.2021	-	-	50.00%	NA	-	-	-
9	Upcycle Labs Limited (Ertswile known as Filkor Ltd)	-	21.09.2021	GBP 500	GBP 500000	50.00%	NA	480.07	(25.62)	-
10	Yellow Octopus Fashion Limited	31-Mar-22	27.09.2021	GBP 5000	USD 10,000	50.00%	NA	-	-	-
Associates										
1	GWD Enterprises Limited	-	21.10.2010	100 A Shares and 25 B shares	USD 448,151	25.00%	NA	-	-	-
2	Loop Digital Wardrobe Limited	31-Mar-22	15.09.2021	GBP 200000	GBP 200,000	34.00%	NA	111.60	(34.62)	-
3	Reflaunt Pte Limited	-	27.09.2021	375029	USD 700,000	26.00%	NA	-	-	-
4	Sourcing Solution Europe BVBA	31-Mar-22	01.04.2018	USD 50000	USD 571,867	50.00%	NA	-	(157.97)	-

* Extent of shareholding is the shareholding at PDS Group level. For further details, refer Note No. 2 of Consolidated Financial Statements.

By & On Behalf of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Sd/-

Deepak Seth

Chairman & Non-Executive Director
DIN: 00003021

Sd/-

Pallak Seth

Vice-Chairman & Non-Executive Director
DIN: 00003040



Annexure-3

MR-3

Secretarial Audit Report

For the Financial Period Ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PDS Limited
(Formerly PDS Multinational Fashions Limited)
No. 758 & 759, 2nd Floor, 19th Main,
Sector - 2, HSR Layout,
Bengaluru – 560 102, Karnataka (“the Company”)
[CIN: L18101KA2011PLC094125]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **PDS Limited** (Formerly PDS Multinational Fashions Limited) [hereinafter referred as ‘the **Company**’]. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 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 period ended on March 31, 2022 (commencing from April 1, 2021 to March 31, 2022), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The Members are requested to read Secretarial Audit Report (“Report”) along with our letter dated May 11, 2022 an enclosed herewith to this Report as **Annexure – A**.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2022 according to the applicable 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, as 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, 2018 (Not applicable to the Company during the audit period as the Company has not issued any shares during the year under review);
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (or the erstwhile Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014);
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (or the erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008); (Not applicable to the Company during the audit period as the Company has not issued any debt securities during the year under review);
- 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 clients (Not applicable since the Company is not registered as Registrar to Issue and Share Transfer Agent during the period);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period as the Company has not delisted/ proposed to delist its equity shares during the year under review).
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period as the Company has not bought back/ proposed to buy-back any of its securities during the year under review);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. We have relied upon the representation made by the Company, its officers, and compliance reports from the management for systems and mechanism framed by the Company and basis that there are adequate systems and processes in the Company, commensurate with the size

and operations of the Company, to monitor and ensure compliance of other Act, Laws and Regulations specifically applicable to the Company.

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards; and

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations, Secretarial Standards and the Listing Agreements, as mentioned above.

5. We further report that compliance of applicable financial laws including direct and indirect tax laws and maintenance of financial records and books of accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

6. We further report that:

i) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors including woman directors. There is no Executive Director on the Board of the Company. Changes in the composition of Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice and Agenda with notes to Agenda of Board meetings was sent at least seven days in advance of the meeting except in certain cases where meeting was held at shorter notice and a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

iii) Decisions of Board/Committee were carried through majority. We have been informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

iv) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

v) We further report that during the audit period the Company had no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

For **M/s. MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

Mohit Maheshwari

Partner

Membership No.: F9565

COP No.: 19946

Peer View No.: 2064/2022

UDIN: F009565D000303421

Place: Noida

Date: May 11, 2022



Annexure –A to Secretarial Audit Report dated May 11, 2022

To,

**The Members,
PDS Limited**

(Formerly PDS Multinational Fashions Limited)
No. 758 & 759, 2nd Floor, 19th Main,
Sector - 2, HSR Layout,
Bengaluru – 560 102, Karnataka (“the Company”)
[CIN: L18101KA2011PLC094125]

The Secretarial Audit Report dated May 11, 2022 is to be read with this Letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to PDS Limited (Formerly PDS Multinational Fashions Limited) [hereinafter referred as ‘the Company’] is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. 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 followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit process.
5. We have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

Mohit Maheshwari

Partner

Membership No.: F9565
COP No.: 19946
Peer View No.: 2064/2022
UDIN: F009565D000303421

Place: Noida

Date: May 11, 2022

Annexure-4

Annual Report on Corporate Social Responsibility Activities

(Pursuant to the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the Company's CSR Policy of the Company:

We have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfill the needs and expectations of the communities around us. Our Corporate Social Responsibility ("CSR") is not limited to philanthropy, but encompasses holistic community development, institution-building and sustainability-related initiatives. Our CSR Policy aims to provide a dedicated approach to community development in the areas of supporting primary education and contribute to the sustainable development of society and environment, and to make our planet a better place for future generations.

2. The Composition of the CSR Committee as on March 31, 2022

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee during the year	
			Held	Attended
1.	Mr. Mungo Park	Non-Executive - Independent Director, Chairperson	1	1
2.	Mr. Pallak Seth	Non-Executive - Non Independent Director, Member	1	1
3.	Mr. Parth Gandhi	Non-Executive - Non Independent Director, Member	1	1

3. The web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board of Directors are Disclosed on the website of the Company.

The composition of the CSR Committee is available on the website, at <https://www.pdsmultinational.com/investors/board-of-directors-and-committees/>

The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Act. The CSR Policy of the Company is available on the website, at <https://www.pdsmultinational.com/investors/corporate-governance/#policies>

The Board of Directors at its meeting held on May 27, 2021, has approved the annual action plan / projects, the details of which are available on the website, at <https://www.pdsmultinational.com/pds-platform/pds-edge/>

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the Report)

Not applicable

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

Not Applicable.

6. Average net profit of the company as per section 135(5): ₹3,49,63,667**7. Prescribed CSR Expenditure:**

a)	Two percent of average net profit of the Company as per section 135(5) of the Act	₹6,99,273
b)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Nil
c)	Amount required to be set off for the financial year, if any	Nil
d)	Total CSR obligation for the financial year (7a+7b-7c)	₹6,99,273

8.a) CSR amount spent or unspent for the financial year:

Name of Director	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹7,90,000	-	-	-	-	-



b) Details of CSR amount spent against ongoing projects for the financial year

Not Applicable

c) Details of CSR amount spent against other than ongoing projects for the financial year

(1) Sl. No.	(2) Name of the Project	(3) Item from the List of activities in Schedule VII of the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the Project (in ₹)	(7) Mode of Implementation - Direct (Yes/ No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Child's Education	(ii)	Yes	Delhi	Delhi	₹7,90,000	No	Soham for Kids Education Society	CSR00009197

d) Amount spent in Administrative Overheads: Nil

e) Amount spent on Impact Assessment, if applicable: Not applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e) = ₹7,90,000

g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹6,99,273
(ii)	Total amount spent for the Financial Year	₹7,90,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹90,727
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹90,727*

*The Company has spent in excess of the mandatory requirement under the Act, but has decided not to be set-off.

9.a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
Not Applicable							

(The provisions of CSR is applicable from financial year 2021-22)

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

Not Applicable

10. In case of creation or acquisition of Capital Asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

a)	Date of creation or acquisition of the capital asset(s)	Nil
b)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Nil
c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Nil
d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Nil

No capital asset was created / acquired through CSR spent for Financial Year 2021-22.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

By & on Behalf of the Board of Directors
For **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Sd/-
Mungo Park
Independent Director,
Chairperson of CSR Committee
DIN: 09390792

Sd/-
Deepak Seth
Chairman & Non-Executive Director
DIN: 00003021

Place: Mumbai, India

Dated: May 16, 2022



Annexure-5

Details Pertaining to Remuneration as required under Section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for Financial Year 2021-22 along with percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the Financial Year 2021-22

The median remuneration of employees of the Company during 2021-22 was ₹8,50,000/- and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is provided in the table below:

Sr. No.	Name of Directors/ Key Managerial Personnel (KMPs)	Designation	Remuneration of Director/ KMPs for 2021-22 (₹ In Lacs)	Ratio of Directors Remuneration to Median Remuneration of Employees for 2021-22	% increase in Remuneration in the FY 2021-22 [#]
1	Mr. Deepak Seth	Non-Executive Director	Nil	NA	NA
2	Mrs. Payel Seth	Non-Executive Director	Nil	NA	NA
3	Mr. Pallak Seth	Non-Executive Director	Nil	NA	NA
4	Mr. Parth Gandhi [^]	Non-Executive Director	Nil	NA	NA
5	Mr. Ashok Chhabra (resigned w.e.f. close of business hours of November 9, 2021)	Independent Director	3.00	-	-
6	Mr. Ashok Sanghi (resigned w.e.f. close of business hours of November 9, 2021)	Independent Director	3.00	-	-
7	Ms. Saraswathy Venkatesh (resigned w.e.f. close of business hours of March 14, 2022)	Independent Director	6.00	-	-
8	Dr. Ashutosh Bhupatkar (resigned w.e.f. close of business hours of December 8, 2021)	Independent Director	4.00	-	-
9	Mr. Robert Sinclair (appointed w.e.f. November 9, 2021)	Independent Director	Nil*	-	-
10	Mr. Mungo Park (appointed w.e.f. November 9, 2021)	Independent Director	Nil*	-	-
11	Ms. Yael Gairola (appointed w.e.f. December 8, 2021)	Independent Director	Nil*	-	-
12	Mr. Nishant Parikh (appointed w.e.f. December 8, 2021)	Independent Director	Nil*	-	-
13	Mr. Sanjay Jain ^{^^}	Chief Executive Officer	324.78	38.20	8.26%
14	Mr. Ajai Singh (resigned w.e.f. close of business hours of May 27, 2021)	Chief Financial Officer	19.08	NA	NA
15	Mr. Ashish Gupta ^{^^} (appointed w.e.f. May 28, 2021)	Chief Financial Officer	105.85	NA	NA
16	Mr. Abhishekh Kanoi ^{^^}	Head of Legal & Company Secretary	61.45	7.22	18%

*Mr. Robert Sinclair, Mr. Mungo Park, Ms. Yael Gairola and Mr. Nishant Parikh (Independent Directors) are being paid sitting fees from the Company's subsidiary.

[#]The % increase of remuneration is provided for only those Directors and KMPs who have drawn remuneration from the Company for full Financial Year 2020-21 & 2021-22.

[^] Mr. Parth Gandhi has been granted 25,000 Stock Options on October 22, 2021.

^{^^}The remuneration excludes performance-based incentive and stock options granted in accordance with the Employee Stock Option Plan for the financial year 2021-22.

Note :

1. The aforesaid details are calculated on the basis of remuneration for the Financial Year 2021-22 and include sitting fees paid to Directors during the Financial Year.
2. The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
3. There has been no change in the payment criteria for remuneration to non-executive / independent directors –

2) The Percentage Increase in the Median Remuneration of Employees in the Financial year:

The percentage change in the Median Remuneration of Employees in the FY 2021-22 was 79% as compared to FY 2020-21.

3) The number of permanent employees on the rolls of the Company:

There were 144 permanent employees on the rolls of the Company as on March 31, 2022.

4) 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 thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase/decrease made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 8.5 % whereas the increase/decrease in managerial remuneration for the financial year 2021-22 was 8 %.

The remuneration of Independent Directors consists of sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees etc., were taken into consideration.

5) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Nomination & Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

By & On Behalf of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Sd/-

Deepak Seth

Chairman & Non-Executive Director

DIN: 00003021

Sd/-

Pallak Seth

Vice-Chairman & Non-Executive Director

DIN: 00003040

Place: Mumbai, India

Date: May 16, 2022



Annexure-6

Report on Corporate Governance

The Report on Corporate Governance of PDS Limited (*Formerly PDS Multinational Fashions Limited*) (hereinafter referred as **“the Company”**) as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (**“the SEBI Listing Regulations”**) is given below:

Company’s Philosophy on Corporate Governance

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to Values. Good governance practices stem from culture and mindset of the organisation.

The Company strives to foster a corporate culture in which high standard of ethical behavior, individual accountability and transparent disclosure are ingrained in all its business dealing and shared by its Board of Directors, Management and Employees. Over the years governance process and systems have been strengthened at The Company. In addition to complying with the statutory requirements, effective governance system and practices towards improving transparency, disclosures, internal controls and promotion of ethics at workplace.

Your Company confirms compliance to the Corporate Governance requirements as enshrined in the SEBI Listing Regulations. The Company in its endeavor towards the best Corporate Governance and to provide transparency has initiated various measures.

Your Company is committed to all its Customers, Suppliers, Employees, Banks and financial institutions, government agencies and statutory authorities which are directly or indirectly concerned with the Company.

Board of Directors

Composition, Meetings and Attendance during the Year

a. The Company has an optimum combination of Non-Executive and Independent Directors. As on March 31, 2022, the composition of your Company’s Board comprises of 8 (Eight) Directors out of which 4 are Independent Directors, 3 are Promoter and Non-Executive, Non-Independent Directors and 1 Non-Executive and Non-Independent Director and Board composition is in conformity with the Companies Act, 2013 (**“the Act”**) and also Regulation 17 of the SEBI Listing Regulations.

- b. None of the Directors on the Board holds directorship in more than 10 (Ten) public companies. None of the Independent Directors serves as an Independent Director on more than 7 (Seven) listed companies. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors.
- c. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- d. During the year under review, 6 (Six) Board Meetings were held on May 27, 2021, August 4, 2021, November 9, 2021, December 8, 2021, January 31, 2022 and March 14, 2022. Further, approved 1 (One) routine business matter through Circular Resolution. The gap between two meetings has not exceeded one hundred and twenty days as per the compliance requirement due to safety measures and precautions. The directors participated in the meetings of the Board and Committees held during the year FY 2021-22 through video conferencing/ other audio-visual means due to safety measures and precautions. The meetings and agenda items taken up during the meetings complied with the Act and SEBI Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (**“MCA”**) and Securities Exchange Board of India (**“SEBI”**).
- e. The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting (**“AGM”**), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below :

Name and Designation of Director	DIN	Category	No. of Board Meetings Attended	No. of Directorship held in other Public entities [#]	No. of Board Committees of other Public Companies in which Director is Chairman(C)/ Member (M)		Attendance at last AGM	Name of the Other Listed entity & Category of Directorship in that entity
					C	M [@]		
Mr. Deepak Seth Chairman & Non-Executive & Non-Independent Director	00003021	Promoter & NED(NID)	5	3	-	-	Yes	Pearl Global Industries Limited – NED(NID)
Mrs. Payel Seth Non-Executive & Non-Independent Director	00003035	Promoter & NED(NID)	5	1	-	-	Yes	-

Name and Designation of Director	DIN	Category	No. of Board Meetings Attended	No. of Directorship held in other Public entities [#]	No. of Board Committees of other Public Companies in which Director is Chairman(C)/ Member (M)		Attendance at last AGM	Name of the Other Listed entity & Category of Directorship in that entity
					C	M [@]		
Mr. Pallak Seth Non-Executive & Non-Independent Director	00003040	Promoter & NED(NID)	6	-	-	-	Yes	-
Mr. Parth Gandhi ¹ Non-Executive & Non-Independent Director	01658253	NED(NID)	5	-	-	-	No	-
Dr. A. P. Bhupatkar ² Independent Director	00479727	NED (I)	4	-	-	-	Yes	-
Mr. Ashok Kumar Sanghi ³ Independent Director	00011207	NED (I)	3	-	-	-	Yes	-
Mr. Ashok Kumar Chhabra ³ Independent Director	06869497	NED (I)	3	-	-	-	Yes	-
Ms. Saraswathy Venkateswaran ⁴ Independent Director	01778608	NED (I)	6	-	-	-	No	-
Mr. Mungo Park ³ Independent Director	09390792	NED (I)	3	-	-	-	NA	-
Mr. Robert Sinclair ³ Independent Director	09390821	NED (I)	3	-	-	-	NA	-
Mr. Nishant Parikh ² Independent Director	07349640	NED (I)	2	-	-	-	NA	-
Ms. Yael Gairola ² Independent Director	08434509	NED (I)	2	-	-	-	NA	-

¹Mr. Parth Gandhi has been appointed as Non-Executive Non-Independent Director w.e.f. May 27, 2021.

²Mr. Nishant Parikh and Ms. Yael Gairola has been appointed as an Independent Director on December 8, 2021 in lieu of resignation tendered by Dr. A. P. Bhupatkar as an Independent Director of the Company on December 8, 2021 due to other business commitments and has given confirmation that no material reasons other than stated above.

³Mr. Mungo Park and Mr. Robert Sinclair has been appointed as an independent Director on November 9, 2021 in lieu of resignation tendered by Mr. Ashok Kumar Sanghi and Mr. Ashok Kumar Chhabra as an Independent Director of the Company on November 9, 2021 due to other business commitments and has given confirmation that no material reasons other than stated above.

⁴Ms. Saraswathy Venkateswaran has resigned as an Independent Director w.e.f March 14, 2022 due to other business commitments and has given confirmation that no material reasons other than stated above.

Note:

- (i) ED - Executive Director/ NED(I) - Non-Executive Director (Independent)/ NED- Non-Executive Director/ / NED(NID) - Non-Executive Non-Independent Director.
- (ii) [#]Foreign Companies, Bodies Corporate, Private Companies and Companies under Section 8 of the Act are excluded for the above purpose.
- (iii) Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in Listed Companies other than PDS Limited.
- (iv) [@]Member includes Chairman.
- (v) As on March 31, 2022, Mr. Deepak Seth, Mrs Payel Seth and Mr. Pallak Seth are related to each other. No other Directors are related inter se.

Shareholding of Non-Executive Directors

Name of Director	No. of Shares held	% of total share capital
Mr. Deepak Seth	31,55,734	12.12
Mrs Payel Seth	1,38,75,242	53.27
Mr. Pallak Seth	2,78,838	1.07
Mr. Parth Gandhi	7,127	0.02

Further, on an on-going basis, as a part of agenda of Board/Committee Meetings, presentations are regularly made to the Board including the Independent Directors on various matters inter-alia covering the Company's and its Subsidiaries/Associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of Independent Directors under various statutes and other relevant matters. The details of the familiarisation



programme for Directors are available on the Company's website at www.pdsmultinational.com

In the opinion of the Board, the Independent Directors on the Board of the Company fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. During the FY 2021-22, Mr. Ashok Kumar Chhabra, Mr. Ashok Kumar Sanghi, Dr. A. P. Bhupatkar and Ms. Saraswathy Venkateswaran, Independent Directors have resigned before expiry of their tenure. Reasons for their resignations are as follows:

S. No.	Name of Independent Director	Date of Resignation	Reason of resignation
1	Mr. Ashok Kumar Chhabra	09/11/2021	Due to other commitments and personal reason.
2	Mr. Ashok Kumar Sanghi	09/11/2021	
3	Dr. A. P. Bhupatkar	08/12/2021	
4	Ms. Saraswathy Venkateswaran	14/03/2022	

Further, all the above directors have confirmed that there are no other material reasons other than those provided in their resignation letters.

- f. During the year under review, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations has been placed before the Board for its consideration.
- g. During the year under review, an Independent Directors meeting was held on March 14, 2022. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Core Skills/ Expertise/ Competencies of Board of Directors

The Board of Directors of the Company comprises of qualified members who possess relevant skills, expertise and competence for the effective functioning of the Company. The Board of Directors have identified the following skills / expertise / competencies fundamental for the effective functioning of the Company:

Director	Area of expertise / skills /competence					
	Trading	Manufacturing of all type of garments	Finance	Legal	International Business	Human Resource
Mr. Deepak Seth (DIN: 00003021)	✓	✓	✓	✓	✓	✓
Mrs. Payel Seth (DIN: 00003035)	✓	✓	-	-	✓	-
Mr. Pallak Seth (DIN: 00003040)	✓	✓	✓	-	✓	✓
Mr. Parth Gandhi (DIN: 01658253)	✓	-	✓	-	✓	-
Mr. Mungo Park (DIN: 09390792)	✓	✓	-	-	✓	-
Mr. Robert Sinclair (DIN: 09390821)	✓	✓	-	-	✓	-
Mr. Nishant Parikh (DIN: 07349640)	-	-	-	✓	✓	-
Ms. Yael Gairola (DIN: 08434509)	✓	✓	-	✓	✓	-

Board Diversity

The Company has over the years been fortunate to have eminent persons from diverse fields to serve as Directors on its Board. Pursuant to the SEBI Listing Regulations, the Nomination & Remuneration Committee of the Board has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The Policy on diversity is available on the Company's website and can be accessed on web link at www.pdsmultinational.com.

Compliance with the Code of Conduct

The Company has adopted the "Code of Conduct for Directors & Senior Managerial Personnel (Code)". This Code is to be adhered to by the Senior Management of the Company and its Subsidiaries including Directors, Members of Management one level below the Directors and

all functional heads. The Code is available on the website of the Company. (web link: <https://www.pdsmultinational.com/>).

A declaration signed by the Chief Executive Officer confirming that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code during the year 2021-22 is placed at the end of this Annual Report.

Board Committees

The Board committees are set up by the Board and are governed by their respective terms of reference which exhibit their scope and responsibilities. Presently, the Board has 5 (five) committees, namely, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and

Risk Management Committee. The committees operate under the direct supervision of the Board. Generally, Committee meetings are held prior to the Board meeting and the chairperson of the respective committees report to the Board about the deliberations and decisions taken by the committees.

Audit Committee

Composition, Meetings and Attendance during the year:

During the year under review, 5 (Five) Meetings of the Audit Committee were held on May 27, 2021, August 4, 2021, November 9, 2021, January 31, 2022 and March 14, 2022. The Audit Committee was re-constituted at the Board Meeting held on December 8, 2021. The present committee comprises of Ms. Yael Gairola, Chairperson, Mr. Deepak Seth, Member, Mr. Mungo Park, Member and Mr. Nishant Parikh, Member of the Committee. The Chairperson of Audit Committee is Independent Director.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Dr. A. P. Bhupatkar*	Ex-Chairperson	5	3
Mr. Ashok Kumar Sanghi [#]	Member	5	3
Mr. Ashok Kumar Chhabra [#]	Member	5	3
Mr. Deepak Seth	Member	5	4
Ms. Yael Gairola*	Chairperson	5	2
Mr. Mungo Park [#]	Member	5	2
Mr. Nishant Parikh*	Member	5	2

[#]Mr. Mungo Park has been appointed as a Member of the Committee on December 8, 2021 in lieu of resignation tendered by Mr. Ashok Kumar Sanghi and Mr. Ashok Kumar Chhabra as Members of the Committee on November 9, 2021.

*Mr. Yael Gairola has been appointed as Chairperson of the Committee and Mr. Nishant Parikh has been appointed as a Member of the Committee on December 8, 2021 in lieu of resignation tendered by Dr. A. P. Bhupatkar as Members of the Committee on December 8, 2021.

The meetings of the Audit Committee were also attended by the Chief Financial Officer, Statutory and Internal Auditors as special invitees. The Company Secretary acts as a Secretary to the Audit Committee. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board. Members of the Audit Committee have requisite expertise in the field of Finance and Management.

Terms of Reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹100 cr or 10% of the asset size of the subsidiary,

whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

- Review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by Management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;



- 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;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 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;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., Chief Financial Officer or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Committee.

Internal Control System and their Adequacy

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations the Audit Committee reviews operations of Subsidiary Companies including their financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees, if any.

All recommendations made by the Audit Committee during the year under review were accepted by the Board.

Nomination and Remuneration Committee

Composition, Meetings and Attendance during the year:

During the year under review, 5 (Five) Meetings of the Nomination and Remuneration Committee were held on May 27, 2021, August 4, 2021, November 9, 2021, December 8, 2021 and January 31, 2022. Further, the Committee approved 4 (Four) routine business matters through Circular Resolution. The Nomination and Remuneration Committee was re-constituted at by Circular Board Resolution on December 4, 2021 and the Board Meeting held on December 8, 2021. The present committee comprises of Mr. Robert Sinclair, Chairman, Ms. Yael Gairola, Member and Mr. Parth Gandhi, Member.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Ashok Kumar Sanghi*	Ex-Chairman	5	3
Dr. A. P. Bhupatkar#	Ex-Chairman and Member	5	4
Mr. Ashok Kumar Chhabra*	Member	5	3

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Ms. Saraswathy Venkateswaran*	Member	5	4
Mr. Robert Sinclair*	Chairman	5	1
Ms. Yael Gairola#	Member	5	1
Mr. Parth Gandhi#	Member	5	2

*Mr. Robert Sinclair was appointed as a Chairman of the Committee on December 8, 2021 in lieu of resignation tendered by Mr. Ashok Kumar Sanghi and Mr. Ashok Kumar Chhabra as Members of the Committee on November 9, 2021.

#Ms. Yael Gairola and Mr. Parth Gandhi were appointed as Members of the Committee on December 8, 2021 and December 4, 2021 respectively, in lieu of resignation tendered by Dr. A. P. Bhupatkar Ex-Chairman and Member of the Committee on December 8, 2021. Ms. Saraswathy Venkateswaran ceased to be Member of the Committee w.e.f. December 8, 2021.

The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee. Minutes of the Nomination and Remuneration Committee are placed and discussed in the next meeting of the Board.

Terms of Reference:

The terms of reference of this Committee, inter alia covers all the matters specified under the scope and function of the Nomination and Remuneration Committee and is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the SEBI Listing Regulations and which is as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall carry out evaluation of every directors performance;
- recommend to the Board, all remuneration, in whatever form, payable to senior management.
- ("Senior Management" shall comprise all members of management one level below the chief executive officer/ managing director/whole time director/manager and shall specifically include company secretary and chief financial officer.)
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To act as the Compensation Committee under SEBI (Share Based Employee Benefits) Regulations, 2014 (including amendment thereof);
- Review the Company's ESOP Schemes and recommend changes as necessary;
- Oversee administration of the ESOP Schemes;

- Grant Options to eligible employees, in consultation with management and issue and allot shares when Options are exercised.

The Nomination and Remuneration Committee has been entrusted with role of formulating criteria for determining the qualifications, positive attributes and the independence of the Directors as well as identifying persons who may be appointed at senior management levels and also devising a policy on remuneration of Directors, Key Managerial Personnel and other senior employees.

All the members of the Nomination and Remuneration Committee are Non-Executive Independent Directors. The Chairperson of the Committee is Independent Director.

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149 of the Act. A format letter of appointment to Independent Director as provided in the Act has been issued and disclosed on website of the Company viz. www.pdsmultinational.com.

Nomination and Remuneration Policy

The Board of Directors of the Company has adopted Nomination and Remuneration Policy ('Policy') for the Company, inter-alia, to deal with the manner of selection of Board of Directors and KMP and their remuneration. The Policy is annexed as Annexure to this Report.

Director Remuneration

Sl. No.	Name of the Director	Sitting Fees for attending Board & Committee Meetings	Salary and Perquisites	Incentive/ Bonus	Total
1.	Mr. Deepak Seth	Nil	Nil	Nil	Nil
2.	Mrs. Payel Seth	Nil	Nil	Nil	Nil
3.	Mr. Pallak Seth	Nil	Nil	Nil	Nil
4.	Mr. Parth Gandhi	Nil	25,000 Stock Options	Nil	25,000 Stock Options
4.	Dr. Ashutosh Bhupatkar*	4,00,000	N.A	N.A	4,00,000
5.	Mr. Ashok Kumar Sanghi*	3,00,000	N.A	N.A	3,00,000
6.	Mr. Ashok Kumar Chhabra*	3,00,000	N.A	N.A	3,00,000
7.	Ms. Saraswathy Venkateswaran*	6,00,000	N.A	N.A	6,00,000
8.	Mr. Mungo Park#	Nil	N.A	N.A	Nil
9.	Mr. Robert Sinclair#	Nil	N.A	N.A	Nil
10.	Mr. Nishant Sinclair#	Nil	N.A	N.A	Nil
11.	Ms. Yael Gairola#	Nil	N.A	N.A	Nil

*Directors resigned during the Financial Year 2021-22.

#Appointed Independent Directors during the Financial Year 2021-22.

Independent Directors are not paid any Sitting fees except Sitting fee paid from subsidiary Company. The Company does not pay any other commission or remuneration to its Directors. No sitting fees is payable to Non-Executive and Non-Independent Directors. Save as except the Stock Options granted to NED as mentioned in this Annual Report.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company. Mr. Parth

- Attendance and contribution at Board and Committee meetings
- Knowledge on specific matters like finance, legal, marketing, internal controls, risk management, and business operations.
- Pro-active and positive approach with regard to Board and Senior Management particularly the arrangement for management of risk and the steps needed to meet challenges from the competition.
- Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.
- Capacity to effectively examine financial and other information on operations of the Company and the ability to make positive contribution thereon.

Gandhi, Non-Executive and Non-Independent Director has been granted 25,000 Stock Options on October 22, 2021 at a grant price of ₹650/-. All necessary approval has been taken by the shareholders in relation to stock options granted to Mr. Parth Gandhi, Non-Executive Non-Independent Director of the Company.

Performance Evaluation of the Board including CEO, Directors and Committees of the Board

The Company has devised Board Evaluation Policy as to carry out annual performance evaluation of the Independent Directors, Board, CEO, Committees and other individual Directors.



As per the Policy, a structured questionnaire was prepared for capturing various facets of the functioning of Board, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were assessed to find out knowledge/skills, contribution to the Board and their communication/relationship with the Board and senior management of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors were carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Stakeholders' Relationship Committee

Composition, Meetings and Attendance during the year:

During the year under review, 4 (four) Meetings of the Stakeholders' Relationship Committee were held May 27, 2021, August 4, 2021, November 9, 2021 and January 31, 2022. The Committee was re-constituted at the Board Meeting held on December 8, 2021. The present committee comprises of Mr. Parth Gandhi, Chairman, Deepak Seth, Member and Mr. Robert Sinclair, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Ashok Kumar Chhabra*	Ex-Chairman	4	2
Mr. Ashok Kumar Sanghi*	Member	4	3
Mr. Deepak Seth	Member	4	4
Mr. Parth Gandhi	Chairman	4	1
Mr. Robert Sinclair	Member	4	1

*Ceased to be Member w.e.f. November 9, 2021.

Mr. Abhishekh Kanoi, Company Secretary of the Company is the Compliance Officer. The number of shareholders' complaints received and resolved during the year 2021-22 is Nil [Previous Year: Nil].

Terms of Reference:

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations. This Committee is responsible for the redressal of shareholder grievances. The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

Risk Management Committee

Composition, Meetings and Attendance during the year:

During the year under review, 2 (two) Meetings of the Risk Management Committee were held November 9, 2021 and March 30, 2022. The Committee was re-constituted at the Board Meeting held on December 8, 2021. The present committee comprises of Mr. Nishant Parikh, Chairman, Mr. Parth Gandhi, Member, Mr. Deepak Seth, Member, Mr. Pallak Seth, Member, Mr. Sanjay Jain, Member, Mr. Ashish Gupta, Member and Mr. Suresh Punjabi, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Ashok Kumar Chhabra*	Ex-Chairman	2	-
Mr. Deepak Seth	Member	2	2
Mr. Pallak Seth	Member	2	1
Dr. Ashutosh Bhupatkar*	Member	2	1
Mr. Sanjay Jain	Member	2	2
Mr. Ashish Gupta	Member	2	2
Mr. Suresh Punjabi	Member	2	2
Mr. Nishant Parikh	Chairman	2	1
Mr. Parth Gandhi	Member	2	1

*Ceased to be Member w.e.f. November 9, 2021 and December 8, 2021

Terms of Reference:

The scope and function of the Risk Management Committee is in accordance with Regulation 21 read with Part D of Schedule II to the SEBI Listing Regulations. This Committee is responsible for the Risk Management Framework and measures to mitigate risks. The terms of reference of the Committee of our Company include the following:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Corporate Social Responsibility Committee

Composition, Meetings and Attendance during the year:

During the year under review, 1 (One) Meeting of the Corporate Social responsibility Committee was held on January 31, 2022. The Committee was re-constituted at the Board Meeting held on December 8, 2021. The present committee comprises of Mr. Mungo Park, Chairman, Mr. Pallak Seth, Member and Mr. Parth Gandhi, Member of the Committee.

The details of composition of the Committee and their attendance at the meetings are given below:

Name of Director	Position	No. of Meetings Held	No. of meetings attended
Mr. Mungo Park	Chairman	1	1
Mr. Pallak Seth	Member	1	1
Mr. Parth Gandhi	Member	1	1

Terms of reference:

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. This Committee is responsible for monitoring the Corporate Social Responsibility activities of the Company. The terms of reference of the Committee of our Company include the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- to recommend the amount of expenditure to be incurred on the CSR activities; and
- to monitor the implementation of the CSR Policy of the Company from time to time.
- To take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company.

General Body Meetings

Details of the Annual General Meetings held during the preceding 3 (Three) years and Special Resolutions passed thereat are given below:

Financial Year	Venue	Date and Time	Mode	Details of Special Resolution Passed
2020-21	No. 758 & 759, 2 nd Floor, 19 th Main, HSR Layout, Sector-II, Bengaluru-560102	30/07/2021 At 11.00 a.m.	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")	<ul style="list-style-type: none"> Approval for amendments in the terms of the PDS Multinational Fashions Limited - Employee Stock Option Plan 2021. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan A for the Employees of the Company. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan A for the Eligible Employees of the Company's subsidiaries. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan B for the Employees of the Company. Approval of the PDS Multinational Fashions Limited - Employees Stock Option Plan 2021 – Plan B for the for the Eligible Employees of the Company's subsidiaries. Authorisation to the PDS Multinational Fashions ESOP Trust to acquire equity shares of the Company from the secondary market in furtherance of the PDS Multinational Fashions Limited - Employees Stock Option Plan – Plan B.



Financial Year	Venue	Date and Time	Mode	Details of Special Resolution Passed
				<ul style="list-style-type: none"> Authorisation to the Company to grant a loan to the PDS Multinational Fashions ESOP Trust to acquire equity shares of the Company for implementation of the PDS Multinational Fashions Limited – Employees Stock Option Plan 2021 – Plan B.
				<ul style="list-style-type: none"> Approval of the PDS Multinational Fashions Limited - Phantom Stock Units Plan 2021 for the Employees of the Company.
				<ul style="list-style-type: none"> Approval of the PDS Multinational Fashions Limited - Phantom Stock Units Plan 2021 for the Eligible Employees of the Company's subsidiaries.
				<ul style="list-style-type: none"> Approval to provide Security on creation of Charge, Mortgage, etc. under Section 180(1)(a) of the Companies Act, 2013.
				<ul style="list-style-type: none"> Approval for increase in the limits for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate under Section 186 of the Companies Act, 2013.
2019-20	No. 758 & 759, 2 nd Floor, 19 th Main, HSR Layout, Sector-II, Bengaluru-560102	28/10/2020 At 11.00 a.m.	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")	None
2018-19	Clarks Exotica, Swiss Town, Hollywood Junction, Sadahalli Post, Devanahalli Road, Bengaluru, Karnataka.	13/11/2019 at 12.30 p.m.	Physical	None

Details of Resolution Passed Through Postal Ballot, the Persons Who Conducted the Postal Ballot Exercise and details of the Voting Pattern:

During the year 2021-22, under Section 110 of the Companies Act, 2013 read with Companies Management and Administration Rules, 2014, the Company passed the following Resolutions by postal ballot:

Postal Ballot No. 1

Date of Postal Ballot Notice: December 8, 2021

Date of Declaration of Result: January 13, 2022

Voting Period: December 14, 2021 to January 12, 2022

Date of Approval: January 12, 2022

Sl. No.	Resolutions	Votes cast in favour of the Resolution		Votes cast against the Resolution	
		No.	%	No.	%
1	Approval of change of Registered Office of the Company from 'State of Karnataka' to 'State of Maharashtra'	1,71,69,737	99.999	219	0.001
2	Approval of change of name of Company from 'PDS Multinational Fashions Limited' to 'PDS Limited'	1,71,69,737	99.999	219	0.001
3	Approval for Amendments in the terms of the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A	1,71,69,737	99.999	219	0.001
4	Approval for grant of 25,000 Employee Stock Options to Mr. Parth Gandhi, Non-Executive and Non-Independent Director under the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A	1,71,17,880	99.697	52,076	0.303
5	Approval of appointment of Mr. Mungo Park (DIN: 09390792) as a Director (Non-Executive & Independent) of the Company	1,71,69,737	99.999	219	0.001
6	Approval of appointment of Mr. Robert Sinclair (DIN: 09390821) as a Director (Non-Executive & Independent) of the Company	1,71,69,737	99.999	219	0.001
7	Approval of appointment of Mr. Nishant Parikh (DIN: 07349640) as a Director (Non-Executive & Independent) of the Company	1,71,69,737	99.999	219	0.001
8	Approval of appointment of Ms. Yael Gairola (DIN: 08434509) as a Director (Non-Executive & Independent) of the Company	1,71,69,737	99.999	219	0.001

Note: 1 (One) Shareholder holding 64 (Sixty Four) Equity Shares abstained from remote E-voting on the Resolution.

Mr. Mohit Maheshwari (FCS 9565), Practising Company Secretary was appointed as the scrutiniser for carrying out the Postal ballot process in a fair and transparent manner.

Procedure followed for postal ballot 1:

The Company issued the Postal Ballot Notice dated December 8, 2021 containing draft resolutions together with the explanatory statement as required under Section 102 of the Act setting out material facts and the reasons for the Special Resolutions through email to all the Members of the Company whose names appear on the Register of Members/list of Beneficial Owners as received from the Depositories, National Securities Depository Limited / Central Depository Services (India) Limited on the Cut-Off Date i.e. December 10, 2021 and who have registered their email addresses in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited for facilitating e-voting to enable the shareholders to cast their votes electronically instead of physical mode due to COVID-19 situation and in terms of the relaxations issued by the MCA vide various circulars. Further postal ballot notice was also made available on the website of RTA and was sent to the stock exchanges and placed on the website of the Company on the following link www.pdsmultinational.com ;

E-voting was allowed from December 14, 2021 (9.00 A.M. IST) to January 12, 2022 (5.00 P.M. IST)

The Company also published the Postal Ballot Notice in the newspapers declaring the details and requirements as mandated by the Act and Rules. Further, the newspaper publications of the Postal Ballot Notice was also placed at the Company website www.pdsmultinational.com

The voting rights were reckoned on the paid up value of the shares registered in the names of the Members / Beneficial Owner as on Cut-off Date. The results of the Postal Ballot were declared on January 13, 2022 and displayed on the notice board at the registered office of the Company. The date of receipt of approval i.e. January 12, 2022 of the requisite majority of shareholders by means of e-voting has been taken as the date of passing of the resolutions; The results of the postal ballot were published in Newspapers and were also placed at the website of the Company on the following path www.pdsmultinational.com being communicated to the Stock Exchanges and Registrar and Share Transfer Agent.

Means of Communication

The Company recognises the importance of two way communication with shareholders and of giving a proper reporting of results and progress and responds to questions/ issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year.

i. Website: Comprehensive information about the Company, and its business operations and investors information can be viewed at the Company website viz. www.pdsmultinational.com.

ii. Financial result: The quarterly, half-yearly and annual results are regularly posted by the Company on its website. These are also submitted to the Stock Exchanges in accordance with the SEBI Listing Regulations and is generally published in one English daily newspaper viz. Business Standard-all India Edition and in one Kannada (Regional Language) newspaper viz. Hosadigantha, within 48 hours of approval thereof.

iii. Annual Report: Annual Report containing inter alia Audited Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereof.

iv. Corporate Filing: Announcements, Quarterly Results, Shareholding Pattern, Analyst Presentations, etc. of the Company is regularly filed by the Company with National Stock Exchange of India Limited and BSE Limited and is also available on the website of the Company.

General shareholder information

Annual General Meeting	Venue
- Day	Friday
- Date	July 29, 2022
- Time	02:30 p.m.
- Mode	Video Conferencing ("VC") / Other Audio Visual Mean ("OAVM")
- Venue	No. 758 & 759, 2 nd Floor, 19 th Main, HSR Layout, Sector-II, Bengaluru-560102.
Financial year	April 1, 2021 to March 31, 2022
Date of Book Closure	July 23, 2022 to July 29, 2022 (both days inclusive)
Dividend Payment Date (subject to approval of shareholders)	By August 27, 2022
Financial Results Calendar:	(Tentative Schedule, subject to change)
- First Quarter results by	August 14, 2022
- Second Quarter results by	November 14, 2022
- Third Quarter results by	February 14, 2023
- Fourth Quarter results by	May 30, 2023
Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE)
	Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051
	BSE Limited (BSE)
	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
Stock Code	NSE – PDSL BSE – 538730
Corporate Identification Number (CIN)	L18101KA2011PLC094125
ISIN for Equity Shares	INE111Q01013

Note: Annual Listing Fees for the year 2022-23 has been paid to NSE and BSE.



Stock Market Price Data:

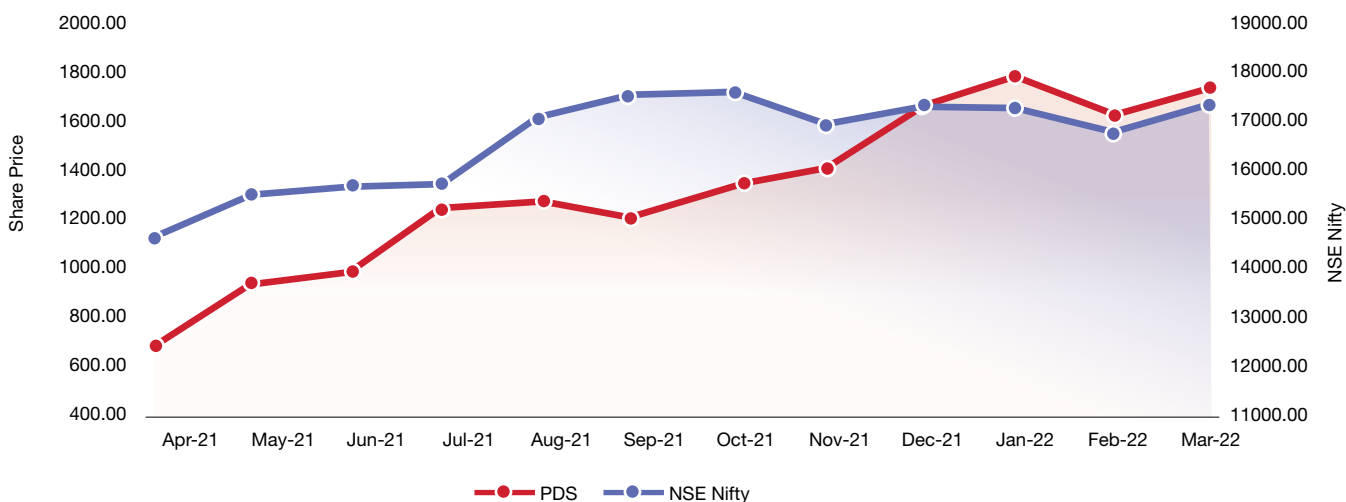
The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the year 2021-22 are as follows:

Month	BSE				NSE			
	PDSL		SENSEX		PDSL		NIFTY	
	High Price	Low Price	High	Low	High Price	Low Price	High	Low
Apr-21	749.95	655.05	50,375.77	47,204.50	723.95	654.85	15,044.35	14,151.40
May-21	1,001.10	681.00	52,013.22	48,028.07	1,003.85	679.00	15,606.35	14,416.25
Jun-21	1,049.25	876.15	53,126.73	51,450.58	1,043.90	871.55	15,915.65	15,450.90
Jul-21	1,369.00	988.95	53,290.81	51,802.73	1,318.05	986.15	15,962.25	15,513.45
Aug-21	1,548.00	1,133.95	57,625.26	52,804.08	1,550.00	1,106.55	17,153.50	15,834.65
Sep-21	1,440.00	1,170.10	60,412.32	57,263.90	1,389.95	1,180.00	17,947.65	17,055.05
Oct-21	1,450.35	1,175.10	62,245.43	58,551.14	1,477.45	1,173.00	18,604.45	17,452.90
Nov-21	1,665.00	1,260.55	61,036.56	56,382.93	1,699.90	1,332.05	18,210.15	16,782.40
Dec-21	1,901.00	1,408.00	59,203.37	55,132.68	1,799.00	1,398.00	17,639.50	16,410.20
Jan-22	2,099.95	1,556.00	61,475.15	56,409.63	1,900.00	1,569.00	18,350.95	16,836.80
Feb-22	2,009.90	1,475.95	59,618.51	54,383.20	2,024.80	1,470.30	17,794.60	16,203.25
Mar-22	2,074.20	1,500.00	58,890.92	52,260.82	1,898.00	1,489.10	17,559.80	15,671.45

Source: This information is compiled from the data available from the website of BSE and NSE.

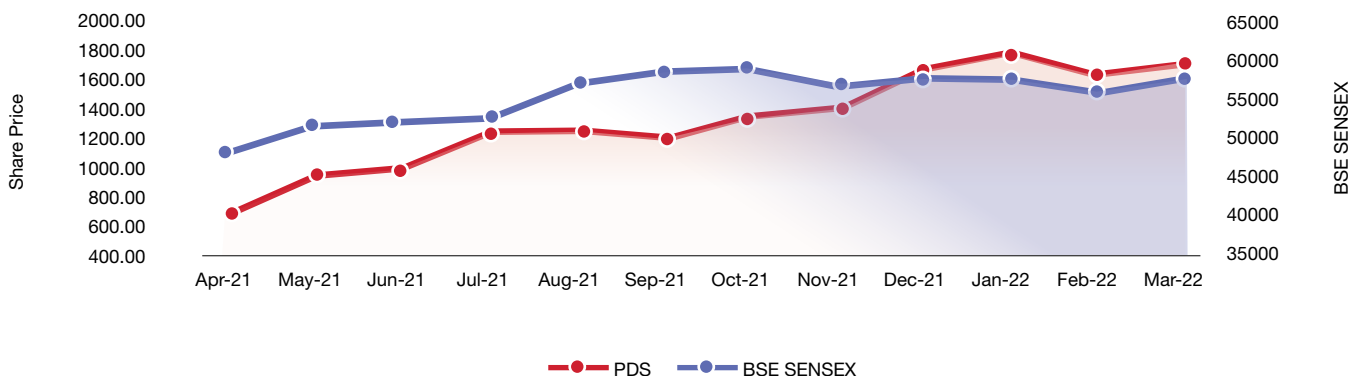
Share Price Performance in Comparison to NSE Nifty for FY 2021-22

The performance of your Company's shares relative to the NSE Nifty 500 Index is given in the chart below:



Share Price Performance in Comparison to BSE SENSEX for FY 2021-22

The performance of your Company's shares relative to the S&P BSE 500 index is given in the chart below:



Registrars and Share Transfer Agent (RTA)

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2 C-1 Block LSC, Near Savitri
Market Janakpuri, New Delhi-110058
Tel. No. : 011 - 41410592 - 94
Fax No. : 011 - 41410591
E-mail : delhi@linkintime.co.in

Shareholders are advised to send all correspondence related to equity shares of the Company to the RTA. However, for the convenience of the shareholders documents relating to shares received by the Company are forwarded to the RTA for necessary action thereon.

Investor Services

All share related services to the Company's investors are being provided by Link Intime India Pvt Ltd. Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, email ids, nomination and power of attorney should be given to Link Intime India Private Limited. Address for correspondence with the Company Link Intime India Private Limited is mentioned above. Members who hold shares in dematerialised form should correspond with the Depository Participant with whom they maintain their Demat Account/s for queries relating to shareholding, updation of change of address, updation of bank details for electronic credit of dividend, non-receipt of annual reports or on matters relating to the working of the Company should be addressed to the Company's RTA viz. Link Intime India Private Limited. Members who hold shares in physical form should also address their requests to the Company's RTA viz. Link Intime India Private Limited, for change of address, change in bank details, processing of unclaimed dividend, subdivision of shares, renewal/ split/ consolidation of share certificates, issue of duplicate share certificates and such requests should be signed by the first named member, as per the specimen signature registered with the Company. The RTA/Company may also, with a view to safeguard the interest of its members and that of the Company, request for additional supporting documents such as proof of identity and/or address as considered appropriate in addition to the requirement of certified copies of PAN cards. Members are requested to state their DPID & Client ID/ Ledger Folio number in their correspondence with the Company and provide their email address and telephone number to facilitate prompt response from the RTA/ Company. Members may please note that with effect from April 1, 2019, shares held in physical form cannot be transferred. Members in their own interest are requested to have their physical holdings dematerialised through a Depository Participant by opening a demat account.

Shareholding as on March 31, 2022

i. Distribution of shareholding as on March 31, 2022

Shares Range From - To	No. of Shareholders	Percentage of Shareholders	Number of shares	Percentage of Shares
1 - 500	13,855	96.50	8,13,667	3.12
501 - 1,000	222	1.54	1,60,502	0.62
1,001 - 2,000	87	0.61	1,28,481	0.49
2,001 - 3,000	32	0.22	77,666	0.30
3,001 - 4,000	16	0.11	55,579	0.21
4,001 - 5,000	28	0.20	1,28,919	0.50
5,001 - 10,000	39	0.27	2,76,492	1.06
10,001 & above	78	0.54	24,40,5418	93.70
Total	14,357	100.00	2,60,46,724	100.00

Share Transfer System

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to Company Secretary of the Company. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the certificate with Stock Exchanges.

Nomination facility for Shareholding

As per the provisions of Section 72 of the Act, facility for making nomination is available for the members in respect of shares held by them. Members holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's RTA or download the same from the Company's website. Members holding shares in dematerialised form should contact their Depository Participants (DP) in this regard.

Permanent Account Number

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of the transferor(s), transferee(s), surviving joint holders/legal heirs be submitted to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

Updation of PAN, KYC and Nomination details

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/ CIR/2021/655 dated 3rd November, 2021 has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at www.pdsmultinational.com

Reconciliation of Share Capital Audit

A Company Secretary in Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and held in physical mode with the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).



ii. Category of Shareholding as on March 31, 2022-

Category	No. of Shareholders	No. of Shares Held of face Value ₹10/- each	%age of Shareholding
Promoters & Promoter Group			
Indian	3	1,38,75,279	53.27
Body Corporate	2	50,035	0.19
Foreign	2	34,34,572	13.19
Total (A)	7	1,73,59,886	66.65
Public			
Alternate Investment Funds	2	1,55,116	0.60
Foreign Portfolio Investors	13	9,88,453	3.79
Financial Institutions/Banks	2	158	0.00
Individuals	13,205	52,60,216	20.20
NRI's	180	1,89,199	0.73
Bodies Corporate	114	16,53,091	6.35
Hindu Undivided Family	422	2,92,614	1.12
Trust	1	1,329	0.01
Unclaimed Shares	1	504	0.00
Clearing Members	35	5,181	0.02
Body Corp-Ltd Liability Partnership	16	1,36,732	0.52
Total (B)	13,991	86,82,593	33.34
Non promoter - non public			
Shares held by Employee Trust	1	4,245	0.01
Total (C)	1	4,245	0.01
Total (A)+(B)+(C)	13,999	2,60,46,724	100.00

Dematerialisation of Shares

The Company's shares are tradable compulsorily in the electronic form. Through Link Intime India Private Limited, Registrars and Share Transfer Agents, we have established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE111Q01013.

As on March 31, 2022, 99.59% of our shares were held in dematerialised form and the rest in physical form.

Shares held in demat and physical modes as on March 31, 2022 are as follows:

Category	Shareholders	Shares	% of total equity
Demat Mode			
NSDL	7,274	2,31,24,902	88.78
CDSL	6,019	28,14,028	10.80
Total	13,293	2,59,38,930	99.59
Physical Mode			
	1,064	1,07,794	0.41
Grand total	14,357	2,60,46,724	100.00

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialise their shares and update their bank accounts with the respective depository participants.

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

Not Applicable, since, the Company has not issued any GDRs/ADRs/Warrants etc.

Plant Locations:

Not Applicable, since the Company doesn't have plant at any location as on March 31, 2022.

Subsidiary Company/ Associate/ Consortium

During the year under review, your Company has 5 (five) material unlisted subsidiaries, namely, Multinational Textile Group Limited in Mauritius, Norwest Industries Limited, Simple Approach Limited and Poeticgem International Limited in Hong Kong and Poeticgem Limited in United Kingdom. Accordingly, the requirement of appointing an Independent Director of the Company on the Board of Directors of the material unlisted subsidiary company calculated as per Regulation 24 of the SEBI Listing Regulations has been complied with during the year. As on March 31, 2022, following independent directors of the Company are also on board of unlisted material subsidiaries of the Company.

The Audit Committee and Board reviews the financial statements, material significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board

The policy for determining material subsidiaries is available on your Company's website viz. www.pdsmultinational.com.

Address for Correspondence

Unit No. 971, Solitaire Corporate Park,
Andheri-Ghatkopar Link Road, Andheri East-93,
Mumbai, Maharashtra, India
E-mail: investors@pds multinational.com

Credit Ratings Obtained by the Entity

List of all credit ratings obtained by the Company along with any revisions thereto during the financial year, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad - Not Applicable.

Disclosures

Related Party Transactions

The Company did not enter into any material significant related party transactions, which had potential conflict with the interest of the Company at large. The register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed under Note no. 33 to the standalone financial statements in the Annual Report. Further, the details of the policy are also posted on the website of the Company viz. www.pds multinational.com.

Disclosure of Commodity Price Risk and Commodity Hedging Activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk. The Company has no foreign exchange receivable and payable as on March 31, 2022.

Penalties or Strictures

No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.

Code of Conduct for Prevention of Insider Trading

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons (including Directors, Key Managerial Personnel and employees) of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. The Code is also available at the website of the Company at www.pds multinational.com. There were certain violations of the Code by the Designated Persons which were duly intimated to Audit Committee and then to Exchanges in prescribed format by the Compliance Officer.

Vigil Mechanism/Whistle Blower Policy

The Whistle Blower Mechanism (Vigil Mechanism) in the Company enables all the Directors, employees and its stakeholders, to report concerns about unethical behaviour, report for leakage of Unpublished Price Sensitive Information (UPSI), actual or suspected fraud or violation of the Company's code of conduct

or ethics policy. The Company also has hosted on its website at www.pds multinational.com, Navex Hotline for its stakeholders for online reporting of any unethical behavior, leakage of UPSI etc. This mechanism has provided adequate safeguards against victimisation of Directors/ employees of the Company who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. No personnel have been denied access to this mechanism and to the Audit Committee.

The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at www.pds multinational.com.

Certificate on Corporate Governance

The Company has complied with all mandatory requirements of corporate governance norms as required under the Listing Regulations. The Company is also in compliance with the requirements stipulated under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and amendments thereto, as applicable, with regard to Corporate Governance.

A Compliance Certificate from MAKS & Co., Practicing Company Secretary, pursuant to the requirement of Schedule V to the SEBI Listing Regulations regarding compliance of the conditions of Corporate Governance is annexed.

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies. MAKS & Co., Practicing Company Secretary, has submitted a certificate to this effect and is attached herewith this report.

Total Fees Paid to Statutory Auditors

For the financial year under review, the Company has paid a consolidated sum of ₹53.12 Lakhs to M/s Walker Chandiook & Co LLP, the statutory Auditor and all its entities.

(Rupees in Lakhs)			
Category	By Company	By Subsidiaries	Total
Statutory Audit Fees	47.00	3.13	50.13
Tax Audit Fees	1.00	0.25	1.25
Out of pocket Expenses	1.74	-	1.74
Total	49.74	3.38	53.12

Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule V(c) of the SEBI Listing Regulations -

NIL

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

In terms of the schedule V of the SEBI Listing Regulation, the details of unclaimed shares lying in suspense account which were issued to the Shareholders of the Pearl Global Industries Limited in pursuant to Scheme of Arrangement approved by



the Hon'ble High Court of Delhi and in name of PDS Limited are given below:

Particulars	No. of cases	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year i.e. as on April 1, 2021.	533	56,684
Number of shareholders who approached to the Issuer / Registrar for transfer of shares from suspense account during the FY 2021-22.	Nil	Nil
Number of shareholders to whom shares were transferred from suspense account during the FY 2021-22.	Nil	Nil
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year i.e. as on March 31, 2022.	533	56,684

The voting rights on the shares in the suspense account as on 31st March, 2022 shall remain frozen till the rightful owners of such shares claim the shares. The Company sends periodic reminders to the concerned shareholders advising them to lodge their claims with respect to unclaimed shares.

Further, the complete details of unclaimed shares lying in the suspense account has been uploaded on company's website www.pdsmultinational.com.

Unclaimed Sale Proceeds of Fractional Shares

It has been noticed by the Company that the some shareholders have not encashed/presented for payment their demand drafts issued with respect to the payment of sale proceeds of fractional shares. Since due date for presenting demand drafts expired, Shareholders are requested to write either to Company or RTA enclosing expired Demand Draft for issue of fresh Demand Draft.

It has been also noticed by the Company that few shareholders have approached to the Company/RTA for revalidation of their stale demand draft and the fresh demand draft were issued by the Bank in their favour. A list of shareholders who have not encashed their demand draft is available at the Company's website www.pdsmultinational.com. It is further informed to the shareholder pursuant the provisions of the Investor Education Protection Fund Authority Rules, 2016, any unclaimed amount lying with the Company shall be credited to the Investor Education Protection Fund after the expiry of seven years or more.

Details of Unclaimed Dividend:

Pursuant to Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that companies transfer dividend that has remained unclaimed / unencashed for a period of seven years from the unpaid dividend account to the Investor Education

and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF. The following table provides list of year for which unclaimed dividends and their corresponding shares outstanding as on March 31, 2022:

Type of Dividend	Dividend per share	Date of declaration	Due date for Transfer	Amount (₹)
Final Dividend (2020-21)	₹15.75/-	July 30, 2021	October 5, 2028	27,40,050

Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at https://www.pdsmultinational.com/investors/corporate_governance/#statement_of_unclaimed_dividend.

Reminders are, *inter alia*, sent to Shareholders for registering their PAN, KYC & Nomination detail and unclaimed dividend and transfer of shares thereto.

Details of Utilisation of Fund:

During the year under review, your Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) the SEBI Listing Regulations.

Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the Company received 1(one) complaint in this regard of Subsidiary Company. Which was duly disposed off during the year and there was no complaint outstanding at March 31, 2022

Internal Control System and their Adequacy

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditor who audits the adequacy and effectiveness of the internal controls as laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors periodically review the audit plans, internal audit reports and adequacy of internal controls and risk management.

Disclosure of Accounting Treatment

The Company has prepared its Standalone & Consolidated Financial Statements in accordance with Indian Accounting Standards as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Loans and advances given by the Company and its Subsidiaries in the nature of loans to firms/companies in which directors are interested, as referred in Financial Statements annexed to this Annual Report.

The Company has inter-alia complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Corporate Governance Report of the Company for the FY 2021-22 or as on 31st March 2022 are in compliance with all applicable requirements of SEBI Listing Regulations.

Details of Compliance with Mandatory requirements and adoption of Non-mandatory/ Discretion Requirements

The Company has complied with all the mandatory requirement of the SEBI Listing Regulations, which is being reviewed by the Board from time to time.

The status of adoption of the non-mandatory requirements pursuant to Regulation 27(1) read with Part E of Schedule II to the SEBI Listing Regulations is as under:

a. Board and Separate Post of Chairman of the Board and Chief Executive Officer (CEO)

The position of the Chairman of the Board of Directors and the Chief Executive Officer are separate. Mr. Deepak Seth is the Chairman of the Company and Mr. Sanjay Jain is Group CEO of the Company. Mr. Sanjay Jain is not related to promoter and promoter group.

b. Shareholders Rights

Your Company follows a robust process of communicating with the shareholders which have been elaborated in the Report under the heading 'Means of Communication'.

c. Audit Qualifications

During the year under review, there is no audit qualification in your Company's Financial Statements nor has there been a matter of emphasis made during the year.

d. Reporting of Internal Auditor

The Internal Auditor of the Company reports to the Chairman of the Audit Committee and has direct access to the Audit Committee.

Vice-Chairman and Non-Executive Director, Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

The Chief Executive Officer and Chief Financial Officer of the Company give annual certificate on financial reports and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations, and the said certificate is forming part of this Annual Report. The Vice-Chairman & Non-Executive Director, CEO and CFO issued a quarterly compliance certificate on financial results and place the same before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.



Annexure to Report on Corporate Governance

Declaration of Compliance with the Code of Conduct

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2022.

Date: May 16, 2022

Sanjay Jain
Chief Executive Officer

Annexure to Report on Corporate Governance

Certification by Vice-Chairman & Non-Executive Director, Chief Executive Officer and Chief Financial Officer

[Compliance Certificate under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors**PDS Limited**

(Formerly PDS Multinational Fashions Limited)

We, Pallak Seth, Vice Chairman & Non-Executive Director, Sanjay Jain, Chief Executive Officer and Ashish Gupta, Chief Financial Officer of PDS Limited (Formerly PDS Multinational Fashions Limited), to the best of our knowledge and belief, certify that;

- A. We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2022 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 the 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 ended March 31, 2022 are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
- (1) there has not been any significant change in internal control over financial reporting during the year under reference;
 - (2) there has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (3) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

Pallak Seth

Vice Chairman & Non-Executive Director

Sanjay Jain

Chief Executive Officer

Ashish Gupta

Chief Financial Officer

Date: May 14, 2022



Annexure to Report on Corporate Governance

Certificate of Non-Disqualification of Directors

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

To,

The Members,

PDS Limited (Formerly PDS Multinational Fashions Limited)

No. 758 & 759, 2nd Floor,

19th Main, Sector - 2, HSR Layout, Bengaluru – 560 102, Karnataka, (India) (“**the Company**”)

We have examined the relevant registers, records, forms, returns and disclosures of the Directors of the PDS Limited (Formerly PDS Multinational Fashions Limited) having its registered office at No. 758 & 759, 2nd Floor, 19th Main, Sector - 2, HSR Layout, Bengaluru – 560 102, Karnataka, (India) (“**the Company**”), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status available at the portal of Ministry of Corporate Affairs(www.mca.gov.in) as considered necessary and explanations furnished to us 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 March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority as applicable.

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Deepak Seth	00003021	06/04/2011
2	Mr. Pallak Seth	00003040	06/04/2011
3	Mrs. Payel Seth	00003035	06/04/2011
4	Mr. Parth Dasharath Gandhi	01658253	27/05/2021
5	Mr. Mungo Park	09390792	09/11/2021
6	Mr. Robert Lloyd Sinclair	09390821	09/11/2021
7	Mr. Nishant Parikh Ravindra	07349640	08/12/2021
8	Ms. Yael Gairola	08434509	08/12/2021

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

For **M/s. MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

Mohit Maheshwari

Partner

Membership No.: F9565

COP No.: 19946

Peer View No.: 2064/2022

UDIN: F009565D000303573

Place: Noida

Date: May 11, 2022

Annexure to Report on Corporate Governance**Corporate Governance Certificate**

To,

**The Members
PDS Limited**

(Formerly PDS Multinational Fashions Limited)

We have examined the compliance of conditions of Corporate Governance by PDS Limited (Formerly PDS Multinational Fashions Limited) ("the Company"), for the financial year ended March 31, 2022 as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement of the Company with the stock exchanges.

The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the management of the Company including the preparation and maintenance of all the relevant records and documents. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

Mohit Maheshwari

Partner

Membership No.: F9565

Certificate of Practice No.: 19946

Peer Review Certificate No.: 2064/2022

UDIN: F009565D000303661

Place: Noida

Date: May 11, 2022



Annexure to Report on Corporate Governance

PDS Limited

(Formerly PDS Multinational Fashions Limited)

Nomination and Remuneration Policy

1. Objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and evaluate Skills and Expertise of Director including Independent Director
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan;

2. Definitions

- a. Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- b. Board means Board of Directors of the Company.
- c. Directors mean Directors of the Company.
- d. Key Managerial Personnel means
 - Chief Executive Officer or the Managing Director or the Manager;
 - Chief Financial Officer;
 - Company Secretary; and
 - such other officer as may be prescribed
- e. Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors.

3. Policy for appointment and removal of Director, KMP and Senior Management

a. Appointment Criteria and Qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director (including Independent Director), KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b. Term / Tenure

- Managing Director/Whole-time Director:
 - The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- Independent Director:
 - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
 - No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be

associated with the Company in any other capacity, either directly or indirectly.

However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he / she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

d. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

e. Retirement

The KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4. Policy relating to the Remuneration for the Whole-Time Director, KMP and Senior Management Personnel

a. General

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee or as per policies framed by the committee. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

• Fixed Pay:

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorised by the Board or the Committee.

• Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

• Provisions for Excess Remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c. Remuneration to Non- Executive / Independent Director:

• Sitting Fees:

The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

• Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.



5. Membership

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

6. Chairperson

- Chairperson of the Committee shall be an Independent Director.
- Chairperson of the Board may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

8. Committee Members' Interests

- A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

10. Voting

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. Nomination Duties

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of

appointment in accordance with the Guidelines provided under the Act;

- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Delegating any of its powers to one or more of its members or the Secretary of the Committee; and
- Considering any other matters, as may be requested by the Board.

12. Remuneration Duties

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board.

Succession Plan for Board of Directors, Key Managerial Personnel and Senior Managerial Personnel

1. The appointment, re-appointment or removal of Board, KMPs and Senior Management shall be in accordance with the applicable provisions of the Companies Act, the Listing Regulations and other laws as applicable to the Company.
2. The Committee shall periodically review and consider the list of Senior Management due for retirement or resignation within the year.
3. For a temporary change in senior leadership (due to illness or leave of absence for long time), the immediate junior officer, reporting to such official, shall take charge in place of his/her senior until the senior official re-joins the office or if he/she is not competent in the view of the Chairperson and Managing Director or the Committee.
4. The vacancy or fresh appointments at the Senior Management level shall be in line with the internal policy(ies) adopted by the management, keeping in view the organization's mission, vision, values, goals and objectives.

Annexure-7

Business Responsibility Report

[See Regulation 34(2)(f) of SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015]

SECTION A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L18101KA2011PLC094125											
2. Name of the Company	PDS Limited (Formerly PDS Multinational Fashions Limited)											
3. Registered address	<p>Registered Office Address: 758 & 759, 2nd Floor, 19th Main, Sector-2, HSR Layout, Bengaluru -560102, Karnataka, India.</p> <p>Corporate Office Address: Unit No. 971, Solitaire Corporate Park Andheri Ghatkopar Link Road, Andheri East, Mumbai – 400093, Maharashtra, India.</p>											
4. Website	www.pdsmultinational.com											
5. E-mail id	investors@psdmultinational.com											
6. Financial Year reported	April 1, 2021 to March 31, 2022											
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <thead> <tr> <th>Industrial Activity Code Description</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>NIC Code: 692</td> <td>Accounting, book keeping and auditing activities; tax consultancy</td> </tr> <tr> <td>NIC Code: 829</td> <td>Business Support Service Activities</td> </tr> <tr> <td>NIC Code: 46</td> <td>Wholesale trade, except of motor vehicles and motorcycles</td> </tr> <tr> <td>NIC Code: 77</td> <td>Rental and Leasing Activities</td> </tr> </tbody> </table>	Industrial Activity Code Description	Description	NIC Code: 692	Accounting, book keeping and auditing activities; tax consultancy	NIC Code: 829	Business Support Service Activities	NIC Code: 46	Wholesale trade, except of motor vehicles and motorcycles	NIC Code: 77	Rental and Leasing Activities	
Industrial Activity Code Description	Description											
NIC Code: 692	Accounting, book keeping and auditing activities; tax consultancy											
NIC Code: 829	Business Support Service Activities											
NIC Code: 46	Wholesale trade, except of motor vehicles and motorcycles											
NIC Code: 77	Rental and Leasing Activities											
8. List three key products/services that the Company manufactures/provides (as in balance sheet):	<ul style="list-style-type: none"> • Business Support Service Activities; • Wholesale trade, except of motor vehicles and motorcycles • Rental and Leasing Activities 											
9. Total number of locations where business activity is undertaken by the Company												
a. Number of International Locations (Provide details of major 5)	The Company has presence in Hongkong, United Kingdom, UAE and Bangladesh through its Subsidiary Companies.4(Four)											
b. Number of National Locations												
10. Markets served by the Company – Local/State/National/ International	The Company serves Markets in India and through its subsidiaries in Hong Kong, UK, UAE, Americas, Asia and Middle East											

SECTION B: Financial Details of the Company

1. Paid up capital	₹26,04,67,240
2. Total Turnover	₹11,582.72 Lakhs (Standalone) ₹8,82,821.38 Lakhs (Consolidated)
3. Total Profit After Taxes	₹6,678.86 Lakhs (Standalone) ₹29,282.09 Lakhs (Consolidated)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total spending of ₹7,90,000 on CSR is 2% of the average profit after tax of the past 3 years This is detailed in the Annual Report of CSR Activities, ANNEXURE – 4 to this Annual Report.
5. List of activities in which expenditure in 4 above has been incurred	Promoting Education. This is detailed in the Annual Report of CSR Activities, ANNEXURE - 4 to this Annual Report.



SECTION C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?	Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)?	No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	No

SECTION D: BR Information

1. Details of Director/Directors responsible for BR

(a) Details of the Director/ Director responsible for implementation of the BR policy/policies

DIN Number	Name	Designation
00003021	Mr. Deepak Seth	Chairman & Non-Executive Director

(b) Details of the BR head

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	Not Applicable
2	Name	Mr. Sanjay Jain
3	Designation	Chief Executive Officer
4	Telephone number	+91-022-41441100
5	E-mail id	investors@pdsmultinational.com

Principle-wise (as per NVGs) BR Policy/Policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are briefly as under:

Principle 1: Business should conduct and govern themselves with ethics, transparency and Accountability.

Principle 2: Business should provide goods and services that are safe and contribute to sustainability through their life cycle.

Principle 3: Business should promote the wellbeing of all employees.

Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Principle 5: Businesses should respect and promote human rights.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: Businesses should support inclusive growth and equitable development.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

2. Principle-wise (as per NVGs) BR Policy/Policies

(a) Details of Compliance (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes. All the policies are in compliance with applicable regulatory requirements.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.pdsmultinational.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Refer note (b)								

Notes:

- (a) The policies have been formulated based in accordance with the applicable laws and regulations and through appropriate consultation with relevant stakeholders and after considering the best practices adopted by the industry.
- (b) The policies are internally evaluated by various department heads, business heads and the management.
- (c) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task					N.A.				
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify):									

3. Governance Related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The BR performance is assessed Annually.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report (BRR) forms part of the Annual Report 2021-22 and is available on the Company's website at www.pdsmultinational.com.

SECTION E: Principle-wise Performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No.**

No, it covers Subsidiary Companies/ Joint Ventures/ Associate Companies also.

2. **Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

Yes. The Code of Conduct for Business Ethics policy of the company encapsulates our core values and beliefs that we expect all our employees to function ethically. Fair and just business dealings free from any extraneous consideration ought to be followed by all employees in their day to day work life. The policy applies to all employees.

Company also has a Whistle Blower Policy which seeks to empower employees and Directors to raise any genuine concerns within the group.

The company has always maintained open door policies and encouraged employees, even at the lowest level of the organisation to have their concerns conveyed to the concerned business heads.

3. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

No stakeholder concerns were received during financial year 2021-22.



Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The company believes that Sustainable Development is integral to its success, and it is committed to behaving in an ethical, transparent, and responsible way. The Company understands its obligations relating to social and environmental concerns and risks and opportunities. Accordingly, the company has devised the following processes and systems factoring social and environmental concerns:

- **Norlanka Renewable Clean Energy Generation Project:** The company has started installation project of 1500 solar panel at one of the manufacturing facilities in Sri Lanka. The project is designed to generate an average annual output of 912,000 kWh which is more than the electricity consumption of the factory. This project will produce a net positive renewable clean energy reducing our overall carbon footprint by 397 Tons annually. Around 30% of total energy generated for electric supply from coal & fuel oil burning.
- **3D Sampling Design Services:** Sampling is one of the crucial processes in the fashion supply chain. Every year, millions of samples are created, and physical samples are transported across the globe. By introducing the 3D design in the sampling process, the company is pioneering change in the industry by digitising the sampling process. Virtual sampling reduces the carbon footprint through lesser transportation and reduction in water as well as material consumption.
- The company is actively making investments in early-stage startups which offer sustainability solutions across the fashion supply chain. Some of the investments include a tech-driven approach to grow premium sustainable cotton with 80% less water and fertilizers; a brand rating platform that makes it easier for consumers to shop ethical & sustainable fashion and an intelligent business network that drives more sustainable business practices.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? Not Applicable.
- (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Not Applicable.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The company has started making concentrated efforts in sustainable sourcing. By the end of 2022, the company plans to implement the following initiatives:

- All factories to be registered on Higg Facility Environmental Module (Higg FEM)
- All manufacturing factories to be registered on HIGG FSLM.
- 95-100% fabrics sourced to be from Oexo-tex certified mills.
- Recycles cotton garment waste to create premium, renewable textile.
- Zero Discharge of Hazardous Chemicals (ZDHC) followed by all fabric mills.
- Sustainable regenerated cellulose (fibers/filaments) to be supplied with Forest Management certification
- 20% of Cotton product supplied to be from Organic Cotton.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Currently, about 10-20% of the Companies inputs are sourced sustainably from our partner factories

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Not Applicable

Principle 3: Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees

– 144 Employees

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis

– NIL Employees

3. Please indicate the Number of permanent women employees

– 34 Women Employees

4. Please indicate the Number of permanent employees with disabilities

– NIL

5. Do you have an employee association that is recognised by management

– No

6. What percentage of your permanent employees is members of this recognised employee association?

N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl. No.	Particulars	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

The Company has always believed that its employees are its most valued resource and hence, has always ensured their all-round development through regular training & leadership programs. There is Culture Management Department that ensures that employees are sufficiently trained in functional and behavioural skills to ensure high standards of service to internal and external stakeholders. These training programs are based on the needs identified, competency or job specific knowledge, skills and attitude gaps identified during the performance appraisal process and through discussions.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. The company has identified its internal as well as external stakeholders-

Stakeholders	Medium of Engagements
Government and regulatory authorities	Industry bodies/ forums
Employees	Meetings, e-mail communications, employee survey and trainings
Customers	Customer meets and personal/ telephonic interactions
Investors and shareholders	annual general meeting and annual report
Suppliers	Visits and personal/ telephonic interactions

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.

No

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

Not Applicable

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ Others?

The policy is applicable to the Company and its subsidiaries, Associates and other Joint Ventures

Respecting and understanding the Human Rights and addressing the potential human rights violation is important responsibility of any organisation. The Company has adopted several policies viz., Code of Conduct, Policy against Sexual Harassment, Whistle Blower Policy, etc., which ensures that there are no violation of human rights in its conduct of business.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year under review, the Company did not receive any complaint in the nature of human rights violation from any stakeholder.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.

The company's Policy on Safety, Health and Environment extends to its subsidiaries, Associates and other Joint Ventures

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

No, the company at present does not address global environmental issues.

3. Does the company identify and assess potential environmental risks? Y/N

No

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No, however the Company does not generate any hazardous waste.



5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The Company promotes ecological sustainability and green initiatives by use of energy efficient resources. The Company also encourages use of electronic means of communication which serves towards environmental protection and sustainable growth. The aforesaid actions of the Company will contribute towards saving environment by reduction in usage of resources.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. The Company complies with requisite environmental regulations in respect of its premises and operations.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

NIL. There were no show cause/ legal notices received from CPCB/ SPCB during the Financial Year 2021-22.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of Bangalore Chamber of Industry & Commerce.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No.

Principle 8: Businesses should support inclusive growth and equitable development.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof**

No.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organisation?**

N.A.

3. **Have you done any impact assessment of your initiative?**

N.A.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

NIL

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

No

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

NIL.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)**

N.A.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

No.

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Independent Auditor's Report

**To the Members of
PDS Limited (Formerly PDS Multinational Fashions Limited)**

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of PDS Limited (Formerly PDS Multinational Fashions Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. 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

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

12. 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.

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

Report on Other Legal and Regulatory Requirements

14. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

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

16. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
- 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 standalone financial statements dealt with by this report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2022 and the operating



effectiveness of such controls, refer to our separate report in Annexure II, wherein we have expressed an unmodified opinion; and

- g) 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, as detailed in note 41 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022.
 - iv. a. The management has represented that, to the best of its knowledge and belief, 16 May 2022, as disclosed in note 34 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The management has represented that, to the best of its knowledge and belief, 16 May 2022 as disclosed in note 34 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No. : 001076N/N500013

Aasheesh Arjun Singh

Partner
Membership No. : 210122
UDIN: 22210122AJBLHC1312

Mumbai
16 May 2022

Annexure I referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of PDS Limited (Formerly PDS Multinational Fashions Limited) on the standalone financial statements for the year ended 31 March 2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification/ material discrepancies were noticed on such verification which have been properly dealt with in the books of account.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (and Right of Use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has a working capital limit in excess of ₹500 lakhs, sanctioned by banks or financial institutions on the basis of security of current assets. However, pursuant to terms of the sanction letter, the Company is not required to file any quarterly return or statement with such banks or financial institutions.

- (iii) (a) The Company has provided loans to subsidiary as per details given below:

₹ in lakhs	
Particulars	Loans
Aggregate amount during the year	
- Subsidiary	350.00
Balance outstanding as at balance sheet date	
- Subsidiary	260.50

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has not granted any loans or advances in the nature of loan, which is/are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans, investments, guarantees and security, as applicable. Further, the Company has not entered into any transaction covered under Section 185.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/business activity.



Accordingly, reporting under clause 3(vi) of the Order is not applicable.

- (vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks/ financial institution and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.

- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No. : 001076N/N500013

Aasheesh Arjun Singh

Partner
Membership No. : 210122
UDIN: 22210122AJBLHC1312

Mumbai
16 May 2022



Annexure II to the Independent Auditor's Report of even date to the members of PDS Limited (Formerly PDS Multinational Fashions Limited) on the standalone financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the standalone financial statements of PDS Limited (Formerly PDS Multinational Fashions Limited) ('the Company') as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to

financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components

of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No. : 001076N/N500013

Aasheesh Arjun Singh

Partner
Membership No. : 210122
UDIN: 22210122AJBLHC1312

Mumbai
16 May 2022



Standalone Balance Sheet

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
Assets			
I Non-current assets			
(a) Property, plant and equipment	4	1,226.21	1,269.88
(b) Investment property	5	2,318.45	2,359.74
(c) Other intangible assets	6	14.79	12.10
(d) Intangible assets under development	7	11.04	9.08
(e) Financial assets			
(i) Investments	8	12,172.76	10,114.28
(ii) Other financial assets	9	-	46.08
(f) Non-current tax assets (net)	10	21.30	36.62
Total non-current assets		15,764.55	13,847.78
Current assets			
(a) Financial assets			
(i) Trade receivables	12	2,844.23	479.79
(ii) Cash and cash equivalents	13	1,876.24	4,516.67
(iii) Bank balances other than (ii) above	14	4,301.15	1.15
(iv) Other financial assets	9	352.27	253.11
(c) Other current assets	11	502.82	216.79
Total current assets		9,876.71	5,467.51
Total assets		25,641.26	19,315.29
II Equity and liabilities			
Equity			
(a) Equity share capital	15	2,604.25	2,604.67
(b) Other equity	16	17,591.01	12,991.45
Total equity		20,195.26	15,596.12
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	5.99	169.83
(ii) Lease liabilities		183.12	250.39
(iii) Other financial liabilities	18	-	63.24
(b) Provisions	19	147.64	131.87
(c) Other non-current liabilities	21	1.15	12.19
(d) Deferred tax liabilities (net)	22	231.70	140.79
Total non-current liabilities		569.60	768.31
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	871.02	617.66
(ii) Lease liabilities		97.59	105.50
(iii) Trade payables	20		
- Total outstanding dues to micro enterprises and small enterprises		7.90	1.72
- Total outstanding dues to parties other than micro enterprises and small enterprises		1,872.57	501.98
(iv) Other financial liabilities	18	591.93	245.00
(b) Other current liabilities	21	1,322.38	1,381.51
(c) Provisions	19	113.01	97.49
Total current liabilities		4,876.40	2,950.86
Total equity and liabilities		25,641.26	19,315.29

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

Pallak Seth
Vice Chairman & Non-Executive Director
DIN 00003040

Sanjay Jain
Chief Executive Officer

Ashish Gupta
Chief Financial Officer

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note no.	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	23	11,582.72	4,611.89
II Other income	24	6,185.88	4,208.98
III Total income (I+II)		17,768.60	8,820.87
IV Expenses			
(a) Purchases of stock-in-trade	25	5,399.34	1,543.12
(b) Employee benefits expense	26	3,661.55	1,531.70
(c) Finance costs	27	112.27	155.27
(d) Depreciation and amortization expense	28	323.02	270.95
(e) Other expenses	29	1,256.14	700.00
Total expenses		10,752.32	4,201.04
V Profit before tax (III-IV)		7,016.28	4,619.83
VI Tax expense:			
(a) Current tax	31	252.08	92.15
(b) Deferred tax charge		85.34	56.09
Total tax expense		337.42	148.24
VII Profit for the year (V-VI)		6,678.86	4,471.59
VIII Other comprehensive income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Re-measurement profit on defined benefit plans		22.14	23.52
(ii) Income tax on items that will not be reclassified to profit or loss		(5.57)	(5.92)
(B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax on items that will be reclassified to profit or loss		-	-
Other comprehensive income for the year, net of tax		16.57	17.60
IX Total comprehensive income for the year (VII + VIII)		6,695.43	4,489.19
X Earnings per share: (face value of ₹10 per share)	30		
1) Basic (amount in ₹)		25.64	17.17
2) Diluted (amount in ₹)		25.30	17.17
Summary of significant accounting policies and explanatory information thereon	3		

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
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Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
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Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022



Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at April 1, 2020	2,604.67
Changes during the year	-
Balance as at March 31, 2021	2,604.67
Treasury Stock	(0.42)
Balance as at March 31 2022	2,604.25

B. Other equity

Particulars	Reserve and surplus					Total Equity
	Capital Reserve	Retained earnings	Other comprehensive Income	Treasury Stock	Share options outstanding	
Balance as at April 1, 2020	8,078.07	424.19	-	-	-	8,502.26
Profit for the year	-	4,471.59	-	-	-	4,471.59
Other comprehensive loss, net of income tax	-	-	17.60	-	-	17.60
Balance as at March 31, 2021	8,078.07	4,895.78	17.60	-	-	12,991.45
Profit for the year	-	6,678.86	-	-	-	6,678.86
Other comprehensive, net of income tax	-	-	16.57	-	-	16.57
Share purchase through ESOP Trust (ref note 44)	-	-	-	(57.72)	-	(57.72)
Dividend paid	-	(4,102.36)	-	-	-	(4,102.36)
Employee stock compensation expense (refer note 26)	-	-	-	-	2,064.21	2,064.21
Balance as at March 31, 2022	8,078.07	7,472.28	34.17	(57.72)	2,064.21	17,591.01
Summary of significant accounting policies and explanatory information thereon	3					

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
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Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022

Standalone Statement of Cash Flow

for the period ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	7,016.28	4,619.83
Adjustments for:		
Depreciation and amortization expense	323.02	270.95
Finance costs	112.27	155.27
Loss on sale of property, plant and equipment	4.39	-
Stock Compensation expense	981.67	-
Unrealized foreign exchange fluctuation	-	(6.13)
Dividend income	(5,725.78)	(4,054.05)
Interest income	(50.84)	(0.05)
Gain on fair valuation of investment	(308.20)	-
Operating profit before change in working capital	2,352.81	985.82
Movement in working capital:		
Change in trade payables and other current liabilities	1,140.22	522.44
Change in other current financial liabilities	347.01	52.13
Change in other non-current financial liabilities	(63.24)	(17.06)
Change in provisions	53.43	(25.55)
Change in trade receivables	(2,364.44)	(399.87)
Change in non-current financial assets	46.08	(58.93)
Change in other current assets	(138.36)	87.74
Change in other current financial assets	168.31	(181.88)
Change in other non-current assets	-	2.12
Cash generated from operations	1,541.82	966.96
Direct tax paid (net of refund received)	(236.77)	(73.15)
Net cash flow generated from operating activities (A)	1,305.05	893.81
Cash flows from investing activities		
Purchase of property, plant and equipment, capital work in progress and investment property	395.11	(118.43)
Proceeds from sale of property, plant and equipment	-	151.60
Loan to subsidiary	(350.00)	-
Investment in subsidiaries	(1.00)	(4.28)
Purchase of investments	(500.00)	-
Loan repayments received from subsidiary	89.50	213.50
Investment in time deposits	(4,300.00)	-
Dividend received from subsidiaries	5,725.78	4,054.05
Interest received	43.87	16.42
Net cash (used in)/ generated from investing activities (B)	313.03	4,312.86
Cash flows from financing activities		
Repayment of long term borrowings	(481.50)	(289.49)
Proceeds from short term borrowings, net	571.02	(434.00)
Dividend Paid	(4,102.36)	-
Acquisition of own equity by a controlled ESOP trust	(58.14)	-
Interest paid on lease liabilities	(30.48)	(9.85)
Payment of principal portion of lease liabilities	(75.18)	(28.06)
Interest paid on borrowings	(81.87)	(159.42)
Net cash (used in) financing activities (C)	(4,258.51)	(920.82)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(2,640.43)	4,285.85
Cash and cash equivalents at the beginning of the year (refer note 13)	4,516.67	230.82
Cash and cash equivalent at the end of the year (refer note 13)	1,876.24	4,516.67
Components of cash and cash equivalents		
Cash on hand	-	0.03
With banks - on current account and deposits with banks	1,876.24	4,516.64
Cash and cash equivalent at the end of the year (refer note 13)	1,876.24	4,516.67



Standalone Statement of Cash Flow

for the period ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Non cash disclosure

Particulars	As at March 31, 2020	Cash flow			Non-cash	As at March 31, 2021
		Lease liability	Addition	Repayment	Others	
Borrowings	1,510.98	-	-	723.49	-	787.49
Interest accrued and due on borrowings	17.16	-	-	159.42	142.59	0.33
Lease liability	-	383.95	-	37.91	9.85	355.89
	1,528.14	383.95	-	920.82	152.44	1,143.71

Particulars	As at March 31, 2021	Cash flow			Non-cash	As at March 31, 2022
		Lease liability	Addition	Repayment	Others	
Borrowings	787.49	-	757.04	667.52	-	877.01
Interest accrued and due on borrowings	0.33	-	-	81.86	81.79	0.25
Lease liability	355.89	-	-	105.66	30.48	280.71
	1,143.71	-	757.04	855.05	112.27	1,157.97

Summary of significant accounting policies

The accompanying notes form an integral part of these Standalone financial statements

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Aasheesh Arjun Singh
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Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 1: Corporate information

PDS Limited (Formerly PDS Multinational Fashions Limited) is a Public Limited Company (hereinafter referred as 'the Company') domiciled in India and has its registered office at 758 & 759, 2nd Floor, 19th Main, HSR Layout, Sector-II, Bengaluru - 560102, Karnataka. The Company is engaged in trading of ready to wear apparels, providing services to group companies engaged in the export of ready to wear apparels and sourcing & distribution of their products. The Company is also engaged in the business of holding, owing, leasing or licensing real estate. The Company has its primary listings on the BSE Limited and the National Stock Exchange of India Limited.

The standalone financial statements of the Company for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 16, 2022.

Note 2: Statement of compliance

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

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. The financial statements are presented in ₹ and all values are rounded to the nearest Lakhs except otherwise stated.

Going concern

The Board of Directors have considered the financial position of the Company at March 31, 2022 and the projected cash flows and financial performance of the Company for at least twelve months from the date of standalone financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The Board of Directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

Recent accounting pronouncement

Standards issued but not effective on Balance Sheet date; 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 109 - Financial Instruments

The amendment clarifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

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 Group 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 Group has evaluated the amendment and there is no impact on its standalone financial statements.

Note 3: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements:

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Classification between investment properties and owner-occupied properties

The Company determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Company considers whether a property generates cash flows largely independently of the other assets held by the Company. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Company accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Estimates and Assumptions:

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

i) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

ii) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.

iv) Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes.

v) Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Company assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognized in the Statement of Profit and Loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) 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.

Liabilities:

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) 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.

c) Property, plant and equipment (PPE) and Investment property

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income or expense (as applicable).

Subsequent Costs: The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company

and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Decommissioning Costs : The present value of expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Depreciation: Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the useful lives of assets as per Schedule II to the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortized over the lease term or the remaining useful life of the assets whichever is lower.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life
Furniture and fixtures	10 years
Office equipment's	5 years
Vehicles	8 years
Electrical installations and equipment's	10 years
Building	60 years
Computers	3 years

Freehold land is not depreciated.

Investment property

(i) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property comprises freehold land and building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company measures investment property using cost based measurement and the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.

(ii) Depreciation

Depreciation on Investment Property (except freehold land) is provided, under the Straight Line Method, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013. Freehold land is not depreciated. (Refer table above)

d) Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization: Intangible assets, with infinite lives, are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Company for their use. In case of the trade mark capitalized, the Company is amortizing it over period of 5 years from the date of capitalization. Specialized softwares are amortized over a period of 5 years or license period whichever is earlier.

e) Borrowing costs

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

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

f) Foreign currency transaction

Functional and presentation currency

The Company's standalone financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company

operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in ₹ in lakhs except where otherwise stated.

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost are not retranslated.

g) Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Company will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Recognizing revenue from major business activities

(i) Rendering of services

Income from corporate and sourcing support services rendered to group companies are recognized as the services are rendered based on a cost plus mark-up in accordance with the terms of respective arrangements.

'Unbilled revenue' included in other financial assets represent revenue in excess of billings as of the Balance Sheet date. 'Unearned revenues' included

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

in financial liabilities represent billing in excess of revenue recognized.

(ii) Sale of goods

Revenue from the sale of goods is recognized at point in time when controls of promised goods are transferred to the customer (i.e. upon satisfaction of performance obligation).

Rental income

Rental income is recognized when services are rendered and same becomes chargeable. Service Income comprises amounts billed for leasing out the property and other support services rendered to entities in accordance with terms of agreements entered into with them.

Other income

- i) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- ii) Dividend income is recognized when the right to receive payment is established.
- iii) Any other income is recognized on an accrual basis.

Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

h) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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 recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease (that is the date

the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

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

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

(c) Short term leases

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Company allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. At the inception of a finance lease, the cost of the leased asset is capitalized at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalized finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

i) Employee's benefits

Short term employee benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages, bonus and ex-gratia etc. are recognized in Statement of profit and loss in the period in which the employee renders the related service.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund

and Employee State Insurance Schemes are defined contribution plans and contributions paid / payable are recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields available on Government bonds at the reporting date with a term that matches that of the liabilities. Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the Statement of Profit and Loss. All other expenses related to defined benefit plans are recognized in Statement of Profit and Loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

Other long term benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognized immediately in the Statement of Profit and Loss.

j) Share based payment/Cash-settled share-based payments

The Company has equity-settled share-based remuneration plans for its employees. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as employee benefits expense with a corresponding increase in liabilities, over the vesting period. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury stock. Own equity instruments that are reacquired (treasury stock) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve.

Where stock options are issued to employees of subsidiaries/ step down subsidiaries, and such subsidiary/ step down subsidiary does not have an obligation to settle the transaction, the transaction is treated as a parent's equity contribution to the subsidiary/ step down subsidiary and presented as 'deemed investment' under investment in subsidiaries.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and 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.

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 recognized as a finance cost.

Contingent liability is disclosed in the case of;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

l) Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset is initially recognized at fair value. In case of financial assets which are recognized at fair value through profit or loss (FVTPL), its transaction cost are recognized in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

(ii) Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial asset carried at amortized cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

• Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

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.

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income 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 at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

- **Equity investment**

Investments representing equity interest in associates/subsidiary are carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(b) Financial liabilities

Initial recognition and measurement Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, security deposits received etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories: - Financial liabilities at amortized cost - Financial liabilities at fair value through profit or loss.

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest rate (EIR) method. Income and Expense are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(c) Offsetting of financial instruments

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

m) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates

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for the year ended March 31, 2022

cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognized after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve-months ECL.

n) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

o) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (a) In the principal market for the asset or liability, or (b) In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is

significant to the fair value measurement as a whole: Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

p) Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognized amounts and there is an intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q) Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra ordinary items.

- i) Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- ii) For the purpose of calculating Diluted Earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

s) Segment reporting

The Company has the policy of reporting the segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Operating Decision maker is considered to make strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Electrical installations and equipments	Computers	Right to use assets	Total
Gross carrying value								
Balance as at April 1, 2020	425.95	59.22	55.36	40.15	797.24	177.37	-	1,555.29
Add: Additions during the year	-	-	70.51	1.51	-	14.64	396.81	483.47
Less: Disposals during the year	-	-	(24.54)	-	-	(115.24)	-	(139.78)
Balance as at March 31, 2021	425.95	59.22	101.33	41.66	797.24	76.77	396.81	1,898.98
Add: Additions during the year	68.49	-	85.58	47.30	13.37	25.75	-	240.49
Less: Disposals during the year	(8.40)	-	-	-	-	(1.49)	(0.18)	(10.07)
Balance as at March 31, 2022	486.04	59.22	186.91	88.96	810.61	101.03	396.63	2,129.41
Accumulated depreciation								
Balance as at April 01, 2020	120.14	33.08	22.10	16.13	230.54	103.01	-	525.00
Add: Depreciation charge for the year	40.94	4.15	8.95	7.88	75.06	26.22	42.59	205.79
Less: Disposals during the year	-	-	(20.63)	-	-	(81.06)	-	(101.69)
Balance as at March 31, 2021	161.08	37.23	10.42	24.01	305.60	48.17	42.59	629.10
Add: Depreciation charge for the year	49.85	4.17	20.59	12.90	78.70	15.55	95.99	277.75
Less: Disposals during the year	(3.22)	-	-	-	-	(0.44)	-	(3.65)
Balance as at March 31, 2022	207.71	41.40	31.01	36.91	384.30	63.28	138.58	903.20
Net carrying amount								
As at March 31, 2022	278.33	17.82	155.90	52.05	426.31	37.75	258.05	1,226.21
As at March 31, 2021	264.87	21.99	90.91	17.65	491.64	28.60	354.22	1,269.88

Note 5 : Investment property

Particulars	Freehold land	Building	Total
A. Gross carrying amount			
Balance as at April 1, 2020	68.81	2,452.86	2,521.67
Add: Additions during the year	-	-	-
Balance as at March 31, 2021	68.81	2,452.86	2,521.67
Add: Additions during the year	-	-	-
Balance as at March 31, 2022	68.81	2,452.86	2,521.67
B. Accumulated depreciation			
Balance as at April 1, 2020	-	120.65	120.65
Add: Depreciation charge for the year	-	41.29	41.29
Less: Disposals/adjustments during the year	-	-	-
Balance as at March 31, 2021	-	161.93	161.93
Add: Depreciation charge for the year	-	41.29	41.29
Balance as at March 31, 2022	-	203.22	203.22
C. Net carrying amount			
As at March 31, 2022	68.81	2,249.64	2,318.45
As at March 31, 2021	68.81	2,290.93	2,359.74
a) Fair value			
As at March 31, 2022	3,806.25	1,961.86	5,768.11
As at March 31, 2021	3,140.00	2,130.00	5,270.00



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 5 : Investment property (Contd.)

b) Information regarding income and expenditure of investment property

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rental income derived from investment property	333.55	326.16
Direct operating expenses	184.66	205.11
Profit arising from investment property before depreciation	148.89	121.05
Less: Depreciation charge	153.12	153.63
Loss arising from investment property	(4.23)	(32.58)

c) Minimum lease rent receivable: In respect of the property given on lease, the future minimum lease payments receivable for non-cancellable period is as under:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Not later than 1 year	103.45	245.75
Later than 1 year but not later than 5 years	-	83.70
Total	103.45	329.45

d) The Company's investment property comprises property situated at Udyog Vihar, Gurugram, Haryana, India. The Management has determined that the investment property consists of two class of assets - Land and building - based on the nature, characteristics and risks of the property.

e) The fair valuation of the said property is based on current prices in the active market for similar properties. The main input used are quantum, area, location, population, profile of surrounding developments, negotiations, connectivity and accessibility.

f) The fair value is based on valuation performed by an accredited independent valuer during the current year. Fair valuation of investment property is based on the sales comparable method for land and depreciated replacement cost method for built up structure. The fair value measurement is categorized in Level 3 of fair value hierarchy.

Note 6 : Other intangible assets

Particulars	Trade Marks	Computer Software	Total
Gross carrying amount			
Balance as at April 1, 2020	0.90	260.55	261.45
Add: Additions during the year	-	14.43	14.43
Less: Disposals / adjustments during the year	-	(197.24)	(197.24)
Balance as at March 31, 2021	0.90	77.74	78.64
Add: Additions during the year	-	6.65	6.65
Balance as at March 31, 2022	0.90	84.39	85.29
Amortization			
Balance as at April 1, 2020	0.62	133.50	134.12
Add: Amortization charge for the year	0.18	23.67	23.85
Less: Disposals/adjustments during the year	-	(91.43)	(91.43)
Balance as at March 31, 2021	0.80	65.74	66.54
Add: Amortization charge for the year	0.10	3.86	3.96
Balance as at March 31, 2022	0.90	69.60	70.50
Net carrying value			
Balance as at March 31, 2022	0.00	14.79	14.79
Balance as at March 31, 2021	0.10	12.00	12.10

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 7 : Intangible assets under development

Particulars	As at March 31, 2022	As at March 31, 2021
Intangible assets under development	11.04	9.08
Total	11.04	9.08

Particulars	1-2 years	2-3 years	Total
Projects in progress	1.96	9.08	11.04
Total	1.96	9.08	11.04

Note 8 : Non-current investments

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in subsidiaries		
Unquoted (at cost)		
2,19,48,270 (March 31, 2021: 2,19,48,270) equity shares of Multinational Textiles Group Limited, Mauritius of USD 1 each fully paid up	10,050.25	10,050.25
27,500 (March 31, 2021: 27,500) equity shares of Technocian Fashions Private Limited of ₹10 each fully paid up	2.75	2.75
8,800 (March 31, 2021: 5,300) equity shares of Dizbi Private Limited of ₹10 each fully paid up (refer note 'c' below)	0.88	0.53
10,000 (March 31, 2021: Nil) equity shares of PDS Brand Private Limited of ₹10 each fully paid up (refer note 'b' below)	1.00	-
37,500 (March 31, 2021: 37,500) equity shares of Norlanka Brands Private Limited of ₹10 each fully paid up (refer note 'a' below)	3.75	3.75
Deemed Investment on account of grant of ESOP to employees of Subsidiaries*	1,248.92	-
Total (A)	11,307.55	10,057.28
Investments at fair value through profit or loss		
Unquoted		
5,70,000 (March 31, 2020: 5,70,000) equity shares of Parc Designs Private Limited of ₹10 each fully paid up	57.00	57.00
Investment in WaterBridge Ventures - II Trust (refer note 'd' below)	808.21	-
Total (B)	865.21	57.00
Total (A+B)	12,172.76	10,114.28
Aggregate book value of unquoted investments	12,172.76	10,114.28

Information about investments

Name of the Company, country of incorporation, principal activities	% of equity interest	
	As at March 31, 2022	As at March 31, 2021
Multinational Textile Group Limited, Mauritius, holding of investments and provision of consulting services	100.00%	100.00%
Technocian Fashions Private Limited, India, management services and sourcing support services	55.00%	55.00%
DIZBI Private Limited, India, information technology support services (refer note 'c' below)	88.00%	53.00%
Norlanka Brands Private Limited, India, manufacturing, trading, e-commerce business of readymade garments (refer note 'a' below)	75.00%	75.00%
Parc Design Private Limited, India, manufacturing of readymade garments	19.00%	19.00%
PDS Brand Private Limited (refer note 'b' below)	100.00%	-



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

8 : Non-current investments (Contd.)

- (a) Acquired during the year ended March 31, 2021.
- (b) Acquired during the year ended March 31, 2022
- (c) During the year, the Company has purchased 3,400 shares of DIZBI Private Limited at par.
- (d) The Company has entered into an agreement where contribution has to be made to WaterBridge Ventures II Trust (the "Fund") and the contribution agreement has been executed between Vistra ITCL (India) Limited (the "Trustee Company"), WaterBridge Capital Management LLP (the "Investment Manager") and The Company (The "contributor").

*During the year Company has established share option plans that entitle key managerial personnel and senior employees of the group to purchase shares in the Company. The employee stock option plan is designed to provide incentives to the employees of the Company, its subsidiaries and step down subsidiaries (collectively referred to as 'the Group') to deliver long-term returns.

During the year company has granted 653,400 stock options to key managerial personnel and senior employees of the group. and routed through deemed investment as subsidiaries and associates does not have primary obligation to settle the transaction.

The list of subsidiaries and step down subsidiaries whose employees/ directors have been granted stock option and their related cost is stated below:

Name of the Company	As at March 31, 2022	As at March 31, 2021
Techno Design GMBH	34.81	-
Norwest Industries Limited	91.25	-
Nor Lanka Manufacturing Limited	41.96	-
Spring Near East Manufacturing Company Limited	18.45	-
Clover Collection Limited	4.03	-
Design Arc Asia Limited	8.61	-
Kleider Sourcing Hong Kong Limited	4.03	-
Krayons Sourcing Limited	56.73	-
Twins Asia Limited	8.05	-
Fareast Vogue Limited	9.22	-
PDS Far-east Limited	12.30	-
Styleberry Limited	9.22	-
Casa Collective Limited (Formerly known as Sourcing East West Limited)	12.30	-
Progress Manufacturing Group Limited	30.66	-
Green Apparel Industries Limited	49.91	-
Simple Approach Limited	382.42	-
Zamira Fashions Limited	36.62	-
Poeticgem International Limited	12.97	-
Grupo Sourcing Limited	10.07	-
Poeticgem Limited	353.97	-
Design Arc Limited	43.60	-
PDS Fashion Limited	5.89	-
Spring Near East FZCO	3.54	-
Norlanka Brands Private Limited	2.38	-
DIZBI Private Limited	5.92	-
	1248.91	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 9 : Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposits (unsecured, considered good) (refer note 'a' below)	-	46.08
Total (A)	-	46.08
Current		
Unbilled revenue (refer note 33)	33.86	41.04
Security deposits (unsecured, considered good) (refer note 'a' below)	49.47	1.37
Deposits with original maturity of more than 12 months (refer note 'b' below)	1.00	1.00
Interest accrued but not due on fixed deposits	7.44	0.46
Loans to related party (refer note 33 and refer note 'c' below)		
- Considered good - unsecured	260.50	-
Dues from related party (refer note 33)	-	209.24
Total (B)	352.27	253.11
Total (A+B)	352.27	299.19

- a) The Company has determined its security deposits are not in the nature of loans and accordingly have been classified as part of other financial assets.
- b) Fixed deposits with a carrying amount of ₹1.00 (March 31, 2021: ₹1.00) are pledged with the Government authorities.
- c) Loan receivable from Dizbi Private Limited as at 31st, March 2022 carries interest rate of 9.8% p.a.

Note 10 : Tax assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Advance income tax, net of provision for income tax	21.30	36.62
Total	21.30	36.62

Note 11 : Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Balance with government authorities	280.60	159.30
Deferred payment asset	0.02	-
Prepaid expenses	22.96	30.59
Advances to employees (refer note 33)	37.32	15.58
Advances to suppliers	158.79	11.13
Other advances	3.13	0.19
Total	502.82	216.79



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 12 : Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade receivable considered good - secured	-	-
(b) Trade receivable considered good - unsecured	2,844.23	479.79
(c) Trade receivable which have significant increase in credit risk	-	-
(d) Trade receivable - credit impaired	-	-
	2,844.23	479.79
Less: Allowance for expected credit loss	-	-
Total	2,844.23	479.79

- a) The Company has no receivables which have significant increase in credit risk.
- b) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
- c) Trade receivables due from related parties as at March 31, 2022 amounts to ₹71.31 (March 31, 2021: ₹56.71). (Refer note 33)
- d) Trade receivables are generally on terms of not more than 90 days.

Trade Receivable ageing schedule

Particulars	As at March 31, 2022	As at March 31, 2021
Less than 6 months	2784.21	479.79
6 months - 1 year	60.02	-
Total	2,846.75	479.79

Note 13 : Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
- Current account	1,876.24	4,516.64
- Cash on hand	-	0.03
Total	1,876.24	4,516.67

Note 14 : Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity of more than 3 months but less than 12 months	4,300.00	-
Earmarked balances with bank	1.15	1.15
Total	4,301.15	1.15

Note 15 : Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorized		
28,000,000 (March 31, 2021: 27,000,000) equity shares of ₹10 each*	2,800.00	2,700.00
	2,800.00	2,700.00
Issued, subscribed and paid up		
26,046,724 (March 31, 2021: 26,046,724) equity shares of ₹10 each*	2,604.67	2,604.67
Less : Treasury shares	(0.42)	-
Total	2,604.25	2,604.67

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 15 : Share capital (Contd.)

a) Reconciliation of issued and subscribed share capital:

Particulars	No. of shares*	Amount
Balance as at April 1, 2020	2,60,46,724	2,604.67
Changes during the year	-	-
Balance as at March 31, 2021	2,60,46,724	2,604.67
Changes during the year#	(4,245)	(0.42)
Balance as at March 31, 2022	2,60,42,479	2,604.25

b) The Company has not issued any bonus shares or any shares for consideration other than cash during five years immediately preceding March 31, 2022.

#, the Company has purchased 4,245 shares through ESOP trust during the year ended March 31, 2022.

c) Terms/ rights attached to equity shares:

- The Company has only one class of equity share having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares*	Holding %	No. of shares*	Holding %
Mrs. Payal Seth	1,38,75,242	53.28	1,38,75,242	53.27
Mr. Deepak Seth	31,55,734	12.12	31,55,734	12.12
Mr. Sanjiv Dhiresbhai Shah	16,18,366	6.21	16,18,366	6.21

* The number of shares are given in absolute numbers.

e) Details of shareholding of Promoters:

Particulars	As at March 31, 2022		
	Number of shares	% of total shares	% change during the year
Deepak Seth	31,55,734	12.12%	-
Pallak Seth	2,78,838	1.07%	-
Payal Seth	1,38,75,242	53.27%	-
Pulkit Seth	1	0.00%	-
Shefali Seth	36	0.00%	-
Pearl Global Industries Limited	49,999	0.19%	-
NIM International Commerce LLP	36	0.00%	-

Particulars	As at March 31, 2021		
	Number of shares	% of total shares	% change during the year
Deepak Seth	31,55,734	12.12%	-
Pallak Seth	2,78,838	1.07%	-
Payal Seth	1,38,75,242	53.27%	-
Pulkit Seth	1	0.00%	-
Shefali Seth	36	0.00%	-
Pearl Global Industries Limited	49,999	0.19%	-
NIM International Commerce LLP	36	0.00%	-



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 16 : Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Surplus in the Statement of Profit and Loss	12,991.45	8,502.26
Add : Profit for the year	6,678.86	4,471.59
Share options outstanding	2,064.21	-
Dividend Paid	(4,102.36)	-
Treasury stock	(57.72)	-
Remeasurement of defined benefit plan, net of income tax	16.57	17.60
Balance as at the end of the year	17,591.01	12,991.45

Note : For details, refer 'the Statement of Changes in Equity'

Details of dividend distributions proposed:

Particulars	As at March 31, 2022	As at March 31, 2021
Proposed dividend on equity shares:		
Proposed dividend : ₹23.85 per equity share of ₹10/- each (March 31, 2021: ₹15.75 per equity share)	6,223.67	4,102.36
Total proposed dividend on equity shares	6,223.67	4,102.36

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and had not been included as a liability in these standalone financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

Note 17 : Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Secured loan		
- Vehicle loan from bank	5.99	71.16
- Term loan from banks	-	416.33
Less: Current maturities of long term borrowings	-	(317.66)
Total (A)	5.99	169.83
Current		
Secured loans		
- From Banks	414.16	-
- Current maturities of long term borrowings	-	317.66
- Bank Overdraft	1.72	-
- Vehicle loan from bank	4.78	-
Import loan	450.36	-
Total (B)	871.02	317.66
Unsecured loans		
- From related parties (refer note 33)	-	300.00
Total (C)	-	300.00
Total (A+B+C)	877.01	787.49

a) For interest rate and liquidity risk related disclosures, refer note 37.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 17 : Borrowings (Contd.)

b) The nature of security for the loans are :

(i) Vehicle loan

- Vehicle loan of ₹57.35 taken by the Company, from BMW Financial Services, during the year ended March 31, 2021 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 7.50% per annum (March 31, 2021: 7.50% per annum). The loan is repayable in 60 monthly instalments. During the year company has repaid full amount with interest

- Vehicle loan of ₹27 taken by the Company, from Axis Bank, during the year ended March 31, 2019 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 8.8% per annum (March 31, 2021: 8.8% per annum). The loan is repayable in 60 monthly instalments.

c) In case of term loans from bank, the terms are as under: -

(i) Term loan of ₹1500 taken by the Company during the year ended March 31, 2015 and March 31, 2016 is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 7 years with 1 year moratorium period and it is repayable in 24 equal quarterly installments over the said tenor.

(ii) Term Loan of ₹300 taken by the Company during the year ended March 31, 2017 is also guaranteed by SBDC documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 6 years and it is repayable in 23 equal quarterly installments over the said tenor.

(iii) Term Loan carries rate of interest ranging from 8.50% to 10.25% per annum (March 31, 2021: 9.60% to 10.25% per annum)

(iv) Short term loan of ₹300 taken by the Company during the year ended March 31, 2022 is also is also guaranteed by SBDC documents of step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of short term loan is 4 months and is repayable on demand. The applicable rate of interest is 7.5% per annum

d) Unsecured loan from related party are repayable on demand and carries interest rate of 10% per annum (March 31, 2021: 10% per annum). The loan has been repaid during the year.

Note 18 : Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposit (refer to note 'a' below)	-	63.24
Total (A)	-	63.24
Current		
Security deposit (refer to note 'a' below) (refer note 33)	113.91	25.30
Employee dues	158.13	219.37
Share based payment liability	166.38	
Dues to related party (refer note 33)	153.25	-
Interest accrued but not due on borrowings		
- From bank	0.26	0.33
Total (B)	591.93	245.00
Total (A+B)	591.93	308.24

a) The Company has determined that its security deposits are not in the nature of borrowings and accordingly have been classified as part of other financial liabilities.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 19 : Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
- Gratuity (refer note 32)	147.64	131.87
Total (A)	147.64	131.87
Current		
- Compensated absences	109.00	93.95
- Gratuity (refer note 32)	4.01	3.54
Total (B)	113.01	97.49
Total (A+B)	260.65	229.36

Note 20 : Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
- Outstanding dues to Micro Enterprises and Small Enterprises (refer note 'b' & 'd' below)	7.90	1.72
- Others (refer note 33)	1,872.57	501.98
	1,880.47	503.70

- a) Trade payables are non-interest bearing and are normally settled on 60-day terms, except for Micro and Small Enterprises (if any) which are settled within 45 days.
- b) As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 and as certified by the management, the amount due to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
- the principal amount (March 31, 2022: ₹7.90, March 31, 2021: ₹1.72) and the interest (March 31, 2022: Nil, March 31, 2021: Nil) due thereon remaining unpaid to any supplier at the end of each accounting year;	7.90	1.72
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- c) The amount does not include any amount due to be transferred to Investor Protection and Education fund.
- d) Disclosure of payable to vendors as defined under the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 20 : Trade payables (Contd.)

Trade Payable ageing Schedule

Particulars	Accrued liabilities	As at 31 March, 2022		
		Less than 1 year	1-2 Years	More than 3 years
Trade Payable				
MSME	-	7.90	-	-
Others	195.85	1,665.87	10.85	-
Total	195.85	1,673.77	10.85	-

Particulars	Accrued liabilities	As at 31 March, 2021		
		Less than 1 year	1-2 Years	More than 3 years
Trade Payable				
MSME	-	1.72	-	-
Others	43.37	458.61	-	-
Total	43.37	460.33	-	-

Note 21 : Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred income on security deposit received	-	11.04
Others	1.15	1.15
Total (A)	1.15	12.19
Current		
Deferred income on security deposit received	60.59	60.87
Statutory dues	117.22	86.95
Advance from customers (refer note 33)	1,144.57	1,233.69
Total (B)	1,322.38	1,381.51
Total (A+B)	1,323.53	1,393.70

Note 22: Deferred tax

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	123.14	99.51
Deferred tax liabilities	354.84	240.30

Movement in deferred tax liabilities (net)

Particulars	As at April 01, 2021	Recognized in Statement of Profit and Loss	Recognized in Statement of Other Comprehensive income	As at March 31, 2022
Deferred tax assets relates to the following:				
Provision for employee benefits	57.59	(14.85)	(5.57)	37.17
Deferred income on security deposit received	18.10	(2.78)	-	15.32
Lease liability	23.82	46.82	-	70.65
	99.51	29.21	(5.57)	123.14
Deferred tax liability relates to the following:				
Property, plant and equipment	197.73	(2.86)	-	194.87
Others	42.57	117.41	-	159.97
	240.30	114.55	-	354.84
Total deferred tax assets/(liabilities) (net)	(140.79)	(85.34)	(5.57)	(231.70)



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 22: Deferred tax (Contd.)

Particulars	As at April 01, 2020	Recognized in Statement of Profit and Loss	Recognized in Statement of Other Comprehensive Income	As at March 31, 2021
Deferred tax assets relates to the following:				
Provision for employee benefits	63.36	0.15	(5.92)	57.59
Deferred income on security deposit received	20.88	(2.78)	-	18.10
Bought forward losses and unabsorbed depreciation	42.64	(42.64)	-	-
Others	0.64	(0.64)	-	-
Lease liability	-	23.82	-	23.82
	127.52	(22.09)	(5.92)	99.51
Deferred tax liability relates to the following:				
Property, plant and equipment	157.15	40.58	-	197.73
Others	49.16	(6.59)	-	42.57
	206.31	33.99	-	240.30
Total deferred tax assets/(liabilities) (net)	(78.79)	(56.08)	(5.92)	(140.79)

During the year ended March 31, 2020, the Group had decided to exercise the option permitted under Section 115BBA of the Indian Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. The Company has recognised provision for income tax and deferred tax for the years ended March 31, 2021 and March 31, 2022, on the basis of the rate prescribed in the said section.

Note 23 : Revenue from operation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
- Corporate and sourcing support services (refer note 33)	4,674.24	2,354.47
Sale of goods	6,574.93	1,931.26
Other operating income		
- Rental income (refer note 33)	333.55	326.16
Total	11,582.72	4,611.89

Note 24 : Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income		
- on fixed deposits	35.50	0.05
- on loan to related party (refer note 33)	15.35	-
Service tax credit	-	16.72
Unwinding of discount on deposits	2.42	3.54
Foreign exchange fluctuation (net)	-	28.24
Export incentives	82.72	89.22
Dividend from subsidiaries (refer note 33)	5,725.78	4,054.05
Gain on revaluation of investment	308.20	-
Miscellaneous income	15.91	17.16
Total	6,185.88	4,208.98

Note 25 : Purchase of stock in trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchase of stock-in-trade (refer note 33)	5,399.34	1,543.12
Total	5,399.34	1,543.12

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 26 : Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus (refer note 33)	2,522.23	1,440.32
Compensated absences	54.25	21.34
Contribution to provident and other fund (refer note 32)	37.70	27.25
Gratuity expense (refer note 32)	54.10	39.81
Staff welfare expenses	11.60	2.98
Stock based compensation expense (refer note 44)	981.67	-
Total	3,661.55	1,531.70

Note 27 : Finance cost

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
- on term loans	33.04	57.46
- on unwinding of discount on security deposit received	11.49	8.53
- on loan from related party (refer note 33)	22.98	30.06
- on loan from others	8.20	43.98
- on vehicle loan	6.08	2.56
- on lease obligation	30.48	9.85
- on others	-	2.83
Total	112.27	155.27

Note 28 : Depreciation and amortization expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property plant and equipment	181.77	163.21
Depreciation of investment property	41.30	41.29
Amortization of intangible assets	3.96	23.85
Depreciation on right to use of assets	95.99	42.59
Total	323.02	270.95

Note 29 : Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Electricity charges	56.97	33.54
Rent	0.25	3.28
Rates and taxes	27.03	17.56
Insurance	35.41	31.60
Repair and maintenance		
- Building	18.25	8.21
- Others	32.31	39.33
Recruitment expense	19.31	14.39
Security expenses	19.52	17.89
Sampling and designing	11.81	4.32
Advertisement and business promotion	42.44	5.89
SAP expenses	10.22	20.58
Legal and Professional Charges	274.70	210.46
Postage and courier	58.69	26.17
Commission and brokerage	205.03	-
Travelling and conveyance	115.31	29.65
Communication costs	15.34	15.70



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 29 : Other expense (Contd.)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Printing and stationery	18.50	8.38
Freight cost	120.12	46.67
Bank charges	16.18	55.69
License fees	42.13	18.22
Auditor's remuneration (refer note 'a' below)	49.74	50.10
Foreign exchange fluctuation (net)	8.90	-
Loss on sale of property, plant and equipment	4.39	-
Director sitting fees (refer note 33)	16.00	16.00
CSR expenses	7.90	-
Miscellaneous expenses	29.69	26.37
Total	1,256.14	700.00

a) Details of payment made to auditors is as follows: (excluding taxes)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
As auditor:		
- Statutory audit fee	20.00	20.00
- Limited review fee	27.00	27.00
- Tax audit fee	1.00	1.00
- Reimbursement of expenses	1.74	2.10
Total	49.74	50.10

Note 30 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year whereas diluted earnings per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributable to the equity holders	6,678.86	4,471.59
Weighted average number of equity shares for basic EPS	2,60,46,724	2,60,46,724
Basic and diluted earnings per share(in ₹) (face value ₹10 per share)	25.64	17.17
Profit attributable to the equity holders	6,678.86	4,471.59
Weighted average number of equity shares for diluted EPS	2,63,93,574	2,60,46,724
Basic and diluted earnings per share(in ₹) (face value ₹10 per share)	25.30	17.17

Note 31: Income tax

Income tax expense in the Statement of Profit and Loss

The major components of income tax expense for the years ended March 31, 2021 and March 31, 2022 are:

Statement of profit and loss:	Year ended March 31, 2022	Year ended March 31, 2021
Tax expense:		
a) Current tax	252.08	92.15
b) Deferred tax charge	85.34	56.09
Income tax expense reported in the Statement of Profit and Loss	337.42	148.24

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 31: Income tax (Contd.)

Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for March 31, 2022 and March 31, 2021

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before tax	7,016.26	4,619.83
At Company's statutory income tax rate of 25.168% (March 31, 2021: 25.168%)	1,765.85	1,162.72
Tax impact on permanent difference on dividend income	(1,441.06)	(1,008.83)
Others	12.63	(5.65)
At the effective income tax rate	337.42	148.24

Income tax recognized in other comprehensive income

Deferred tax related to items recognized in OCI during the year:	Year ended March 31, 2022	Year ended March 31, 2021
Net gain on remeasurements of defined benefit plans	(5.57)	(5.92)
Net amount charged to OCI	(5.57)	(5.92)

*During the year the company had received the dividend of ₹5,725.78 (FY21 ₹4,054.05) from its subsidiaries (which are under its control), which the Company has set aside for the purpose of distribution of dividend to the shareholders of the company. Accordingly, the Company is eligible for the deduction as prescribed under section 80M of The Income Tax Act, 1961.

Note 32 : Employee benefit plans

a) Defined contribution plans

The Company makes contribution towards Employees Provident Fund and Employee's State Insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company during the year recognized the following amounts in the Statement of Profit and Loss under Company's contribution to defined contribution plans.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to provident fund/ pension fund	37.68	27.16
Employer's contribution to employee state insurance	0.02	0.09
Total	37.70	27.25

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected unit credit method" was carried out, through which the Company is able to determine the present value of obligations. "Projected unit credit method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

i) Gratuity scheme

The Company has defined benefit gratuity plan. Gratuity is calculated as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 32 : Employee benefit plans (Contd.)

- c) The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and amounts recognized in the Balance Sheet for the defined benefit plan (viz. gratuity). These have been provided on accrual basis, based on year end actuarial valuation.

Particulars	As at March 31, 2022	As at March 31, 2021
Change in benefit obligation		
1) Opening defined benefit obligation	135.41	156.33
2) Acquisition/(transfer) adjustment	-	-
3) Add: Interest cost	9.21	10.63
4) Add: Current service cost	44.89	29.18
5) Add: Past Service cost	-	-
6) Less: Benefits paid	(15.72)	(37.21)
7) Add: Actuarial gain	(22.14)	(23.52)
Present value of obligation as at the end of the year	151.65	135.41

- d) The Company expects to contribute ₹79.77 during the financial year 2022-2023.

e) The following tables summarise the net benefit expense recognized in the Statement of Profit and Loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Service cost	44.89	29.18
Interest cost	9.21	10.63
Components of defined benefit costs recognized in statement of profit and loss	54.10	39.81
Actuarial losses on defined benefit plans	(22.14)	(23.52)
Components of defined benefit costs recognized in other comprehensive income	(22.14)	(23.52)
Total	31.96	16.29

f) Bifurcation of actuarial loss on gratuity:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Remeasurement due to:		
Effect of change in financial assumptions	5.46	-
Effect of experience adjustment	16.68	23.52
Total amount recognized in other comprehensive income	22.14	23.52

g) Principal actuarial assumptions at the Balance Sheet date are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Economic assumptions		
1) Discount rate	7.20%	6.80%
2) Future salary growth rate	5.50%	5.50%
Demographic assumptions		
1) Retirement age	58 years	58 years
2) Mortality rate	Indian Assured Lives Mortality (2012-14) (modified) ultimate	Indian Assured Lives Mortality (2012-14) (modified) ultimate
3) Employee turnover / attrition rate		
Ages up to 30	3.00%	3.00%
Ages from 31-44	2.00%	2.00%
Above 44	1.00%	1.00%

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 32 : Employee benefit plans (Contd.)

h) Net liabilities recognized in the Balance Sheet for benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	151.65	135.41
Net liability	151.65	135.41

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Discount rate		
0.5% increase in discount rate	(6.66)	(6.71)
0.5% decrease in discount rate	7.18	7.02
B. Salary escalation rate		
0.5% increase in salary escalation rate	6.93	6.63
0.5% decrease in salary escalation rate	(6.54)	(6.31)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to morality and withdrawals are not expected to be significant.

j) Description of Risk Exposures:

Salary increase	Actual salary increase will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Morality and disability	Actual details and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawals rates at subsequent valuations can impact defined benefit liability.

k) The weighted average duration of the defined obligation as at March 31, 2022 on an average is 15.72 years (March 31, 2021: 15.74 years)

l) Maturity profile of defined benefit obligation is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
1 year	4.00	3.54
2 to 6 years	38.09	36.37
More than 6 years	109.55	95.50

m) The estimates of future salary increases considered in actuarial valuation take account of factors, such as supply and demand in the employment market.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 33 : Related party disclosures

a) List of related parties

i) Parties where control exists:

Name of related party	Nature of relationship
Technocian Fashions Private Limited	Subsidiary Company
DIZBI Private Limited	
Norlanka Brands Private Limited**	
PDS Brands Private Limited***	Wholly owned subsidiary Company
Multinational Textile Group Limited	
Design Arc FZCO	Step down subsidiaries
Sourcing Solutions Limited*	
Spring Near East FZCO	
Kleider Sourcing FZCO	
PG Capital FZE***	
Twins Asia FZCO	
Poeticgem International FZCO**	
PDS Multinational FZCO**	
Clover Collections FZCO	
Techno Design HK Limited	
Techno Design USA LLC**	
Progress Manufacturing Group Limited	
Progress Apparels (Bangladesh) Limited	
Green Apparel Industries Limited	
Green Smart Shirts Limited	
PDS Asia Star Corporation Limited	
PDS Trading (Shanghai) Company Limited	
Simple Approach Limited	
Simple Approach (Canada) Limited (Formerly known as Poeticgem Canada Limited)	
Poeticgem International Limited	
Kindred Fashions Limited	
Zamira Fashions Limited	
Zamira Fashions Limited Zhongshan	
PDS Brand manufacturing Limited((Formerly known as 6Degrees Manufacturing Limited)	
PG Group Limited	
PG Home Group Limited	
PG Shanghai Manufacturer Co. Limited	
PG Home Group SPA	
Poetic Brands Limited	
Poeticgem Limited	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 33 : Related party (Contd.)

Name of related party	Nature of relationship
Techno Design GmbH	
Norwest Industries Limited	
PDS Smart Fabric Tech Limited (Formerly known as Funky Brands Company Limited and Full House Manufacturing Limited and Nor Delhi Manufacturing Limited)	
PDS Smart Fabric Tech (UK) Limited	
Casa Forma Limited	
PDS Sourcing Limited (Formerly known as Global Textiles Group Limited)	
Multinational OSG Services Bangladesh Private Limited	
360 Notch Limited (Formerly known as PoeticGem Australia Limited; GEM Australia Manufacturing Company Limited)	
Krayons Sourcing Limited (Formerly known as Sourcing Solutions HK Limited)	
Design Arc Asia Limited (Formerly known as Design Arc Limited / NOR France Manufacturing Co. Limited)	
Nor Lanka Manufacturing Limited	
Design Arc Europe Limited (Formerly known as Nor Europe Manufacturing Co. Limited)	
Kleider Sourcing Hong Kong Limited	
Kleider Sourcing Limited, Bangladesh	
Rising Asia Star Hong Kong Co., Limited (Formerly known as Techno Manufacturing Limited / Sino West Manufacturing Co Limited)	Step down subsidiaries
PDS Tailoring Limited (Formerly known as Nor India Manufacturing Company Limited)	
Spring Near East Manufacturing Company Limited	
Clover Collections Limited (Formerly known as PDS Manufacturing Limited / Designed and Sourced Limited)	
FX Import Company Limited	
Poetic Knitwear Limited	
Pacific Logistics Limited	
Nor Lanka Colombo Manufacturing Limited	
Nor Europe SPA	
PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited and FX Import Hong Kong Limited)	
PDS Ventures Limited (Formerly known as MultiTech Venture Limited) (Mauritius)	
Grupo Sourcing Limited	
JJ Star Industrial Limited	
Twins Asia Limited	



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 33 : Related party (Contd.)

Name of related party	Nature of relationship
Nor Lanka Progress (Private) Limited	
Blueprint Design Limited	
Design Arc UK Limited	
Grupo Sourcing Limited, Bangladesh	
Fareast Vogue Limited	
PDS Far-east Limited	
Kindred Brands Limited (Formerly known as NW Far-east Limited)	
Styleberry Limited	
PDS Global Investments Limited	
PDS Far East USA, Inc.	
PDS Fashion Limited	
Apex Black Limited (Formerly known as Fabric & Trims Limited)	
Casa Collective Limited (Formerly known as Sourcing East West Limited)	Step down subsidiaries
Smart Notch (Shanghai) Limited	
Jcraft Array Limited	
Recovered Clothing Limited	
PDS Ventures Limited (Formerly Smart Notch Industrial Limited)	
Techno Sourcing BD Limited (Formerly known as KIK Service Unit Limited)	
Lillyandsid Limited	
Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited)	
Spring Design London Limited***	
Brand Collective Corporation Limited***	
S.O.T Garments India Private Limited***	
PDS Brand Manufacturing FZCO***	
PDS Manufacturing Limited**	

iii) Party under common control where transactions have taken place:

Name of related party	Nature of relationship
Pearl Global Industries Limited	Enterprise over which KMP exercise control and significant influence.

iii) Other related party where transactions have taken place:

Name of related party	Nature of relationship
Digital Ecom Techno Private Limited	Joint venture

iv) Controlled trust:

Name of related party	Nature of relationship
PDS Multinational Fashions ESOP Trust%	Controlled trust

v) Key managerial personnel

Name of related party	Nature of relationship
Mrs. Payal Seth (Director)^	
Mr. Deepak Seth (Director)	
Mr. Pallak Seth (Director)	
Mr. Ashok Kumar Sanghi (Independent Director)^	
Mr. Ashutosh Prabhudas Bhupatkar (Independent Director)^	
Ms. Saraswathy Venkateswaran (Independent Director)^	
Mr. Parth Gandhi (Non Executive-Non Independent Director)^	
Mr. Nishant Parikh (Non Executive -Independent Director)^	
Mr. Mungo Park (Non Executive -Independent Director)^	
Mrs. Yael Gairola (Non Executive -Independent Director)^	

Key managerial personnel

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 33 : Related party (Contd.)

Name of related party	Nature of relationship
Mr. Robert Sinclair (Non Executive- Independent Director)^^^	Key managerial personnel
Mr. Ashok Kumar Chhabra (Independent Director)^^^	
Mr. Omprakash Makam Suryanarayana (Chief Executive Officer)^^^^	
Mr. Sanjay Jain (Chief Executive Officer)^^^^	
Mr. Ajay Singh (Chief Financial Officer)#	
Mr. Ashish Gupta (Chief Financial Officer)#	
Mr. Chandra Shekhar Reddy (Head of Legal & Company Secretary)##	
Mr. Abhishekh Kanoi (Head of Legal & Company Secretary)##	

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
Multinational Textiles Group Limited	Wholly owned subsidiary company	Management & support Service income	3,810.93	1,558.95
		Dividend income	5,672.70	4,008.40
Poeticgem International Limited	Step down subsidiary company	Service income	89.19	62.25
Blue Print Designs Limited	Step down subsidiary company	Service income	-	12.49
Design Arc Asia Limited	Step down Subsidiary company	Service income	569.61	573.09
Pearl Global Industries Limited	Enterprises owned or significantly influenced by KMP or their relatives	Interest expense	22.98	30.06
Technocian Fashions Private Limited	Subsidiary company	Rental income/ other charges	84.11	63.69
		Security Deposit received	16.40	-
		Dividend income	53.07	45.65
		Sale of asset	-	164.60
DIZBI Private Limited	Subsidiary company	IT Support Service	63.33	91.60
		Interest Income	15.35	-
		Loan Given	350.00	-
		Investment in shares	-	0.53
		Rental income	0.12	0.03
Norlanka Brands Private Limited	Subsidiary company	Rental Income	1.72	-
Green Smart Shirts Limited	Step down subsidiary company	Purchase of goods	139.73	-
Krayon Sourcing Limited	Step down subsidiary company	Sourcing Commission expense	81.13	-
Styleberry Limited	Step down subsidiary company		34.58	-
Jcraft Array Limited	Step down subsidiary company		37.53	-
Norlanka mfg. Limited., Hk	Step down Subsidiary company	Rental Income	0.75	-
Mr. Ashok Kumar Sanghi	Key managerial personnel	Director sitting fees	3.00	4.00
Mr. Ashutosh Prabhudas Bhupatkar	Key managerial personnel	Director sitting fees	4.00	4.00
Mr. Ashok Kumar Chhabra	Key managerial personnel	Director sitting fees	3.00	4.00
Ms. Saraswathy Venkateswaran	Key managerial personnel	Director sitting fees	6.00	4.00
Mr. Ashok Kumar Chhabra	Key managerial personnel	Employee stock compensation expense	3.74	-
Mr. Sanjay Jain	Key managerial personnel		748.93	-
Mr. Ashish Gupta	Key managerial personnel		24.67	-
Mr. Abhishekh Kanoi	Key managerial personnel		12.33	-
Mr. Ashok Kumar Sanghi	Key managerial personnel		3.74	-
Mr. Parth Gandhi	Key managerial personnel		52.48	-
Mr. Omprakash Makam Suryanarayan Setty	Key managerial personnel	Salary	-	64.52



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 33 : Related party (Contd.)

Name of related party	Relationship	Nature of transaction	Year ended March 31, 2022	Year ended March 31, 2021
Mr. Sanjay Jain	Key managerial personnel	Salary	324.78	63.66
Mr. Chandra Shekar Reddy	Key managerial personnel	Salary	-	31.19
Mr. Ashish Gupta	Key managerial personnel	Salary	105.85	-
Mr. Abhishekh Kanoi	Key managerial personnel	Salary	61.45	9.39

c) Year end payable balances of related parties

Name of related party	Relationship	Nature of transaction	As at March 31, 2022	As at March 31, 2021
Multinational Textile Group Limited	Wholly owned subsidiary company	Advance from customer	1,144.57	1,233.69
Pearl Global Industries Limited	Enterprises owned or significantly influenced by KMP or their relatives.	Loan outstanding	-	300.00
Technocian Fashions Private Limited	Subsidiary company	Security deposit	42.27	25.87
Green Smart Shirts Limited	Step down subsidiary company	Trade payable	76.29	-
Krayon Sourcing Limited	Step down subsidiary company	Due to Related Parties	81.13	-
Styleberry Limited	Step down subsidiary company	Due to Related Parties	34.58	-
Jcraft Array Limited	Step down subsidiary company	Due to Related Parties	37.53	-
DIZBI Private Limited	Subsidiary company	Towards SAP Service	39.81	-
Mr. Abhishekh Kanoi	Key managerial personnel	Salary payable	3.91	3.16
Mr. Ashish Gupta	Key managerial personnel	Salary payable	5.39	-
Mr. Sanjay Jain	Key managerial personnel	Salary payable	20.02	19.71

d) Year end receivable balances of related parties

Name of related party	Relationship	Nature of transaction	As at March 31, 2022	As at March 31, 2021
Technocian Fashions Private Limited	Subsidiary company	Accounts receivable	1.36	0.38
Digital Ecom Techno Private Limited	Joint venture	Accounts receivable	0.05	0.04
Poeticgem International Limited	Step down subsidiary company	Accounts receivable	11.33	8.18
DIZBI Private Limited	Subsidiary company	Other receivable	38.42	209.24
DIZBI Private Limited	Subsidiary company	Loan and interest thereon receivable	260.50	-
Mr. Abhishekh Kanoi	Key managerial personnel	Advance	29.50	-
Multinational Textile Group Limited	Wholly owned subsidiary company	Unbilled revenue	33.86	25.35
Design Arc Asia Limited	Step down subsidiary company	Accounts receivable	58.58	48.11
		Unbilled revenue	-	15.68

* During the year, the group purchase the remaining interest in Sourcing solutions limited on May 12, 2021. Therefore, it become wholly owned subsidiary thereafter. Earlier Sourcing Solutions Limited BVBA was a subsidiary of Sourcing Solutions limited which became associate after above acquisition.

** Incorporated during the year ended March 31, 2021.

*** Acquired during the year ended March 31, 2022.

^ Mrs. Payal Sethi is the controlling shareholder.

^^ The Board of Directors of the Company has appointed Mr. Parth Gandhi effective from May 27, 2021, Mr Mungo Park, Mr Robert Sinclair effective from November 09, 2021 and Mr. Nishant Parikh and Ms. Yael Gairola effective from December 08, 2021 as Independent Director and KMP of the Company. Mr. Ashok Kumar Chhabra, Mr. Ashok Kumar Sanghi has resigned as an Independent Director & KMP of the Company on November 09, 2021, Mr. Ashutosh Bhupatkar has resigned as an Independent Director & KMP of the Company on December 08, 2021 and Mr. Saraswathy Venkateswaran has resigned as an Independent Director & KMP of the Company on March 14, 2022.

^^^ The Board of Directors of the Company has appointed Mr. Sanjay Jain as Chief Executive Officer and KMP of the Company effective from January 15, 2021. Mr. Omprakash Makam Suryanarayana has resigned as Chief Executive Officer & KMP of the Company on January 14, 2021 and continues his association as Group Chief Operating Officer with effect from January 15, 2021. However, he has resigned from its position of Group Chief Operating Office effective from April 09, 2021.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 33 : Related party (Contd.)

Mr. Ashish Gupta was appointed as a Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. May 28, 2021 at the Board Meeting held on May 27, 2021. Mr. Ajai Singh has resigned as Chief Financial Officer of the Company w.e.f. close of business hours of May 27, 2021. However, he will continue his association with the Company as Executive Director – Treasury & Manufacturing w.e.f. May 28, 2021.

The Board of Directors of the Company has appointed Mr. Abhishekh Kanoi as Head of Legal and Company Secretary and KMP of the Company effective from January 11, 2021. Mr. Chandra Sekhara Reddy has resigned as Head of Legal and Company Secretary and KMP of the Company on January 10, 2021.

% The Company has created an Employee Benefit Trust for providing share-based payment to its employees. The Company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Company from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

e) Other transaction

The Company has taken unsecured loan from bank guaranteed by stand by documentary credit limit of its step down subsidiary namely Norwest Industries Limited - Hong Kong with HSBC Bank.

f) Terms and conditions of transactions with related parties: All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions.

g) In respect of figures disclosed above:

- (i) the amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortization.
- (ii) Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Company.

(h) There are no reportable transactions/balances as required under Regulation 34(3) of SEBI (Listing and Other Disclosure requirements) Regulations, 2015.

Note 34: Capital management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company's capital and adjusted net debt position is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (refer note 17)	877.01	787.49
Less: Cash and cash equivalents (refer note 13)	(1,876.24)	(4,516.67)
Less: Bank balances other than cash and cash equivalents (refer note 14)	(4,301.15)	(1.15)
Adjusted net debt (A)	(5,300.38)	(3,730.33)
Equity share capital (refer note 15)	2,604.25	2,604.67
Other equity (refer note 16)	17,591.01	12,991.45
Total capital (B)	20,195.26	15,596.12
Capital and net debt (A+B)	14,894.88	11,865.79

- a) No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.
- b) For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 34: Capital management (Contd.)

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

Note 35 : Fair value disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value.

The management assessed that fair value of these financial assets and liabilities significantly approximate their carrying amount.

a) Fair value of financial assets:

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets measured at amortized cost				
Investment in subsidiaries	11,307.55	10,057.28	11,307.55	10,057.28
Security deposits	49.47	47.45	49.47	47.45
Unbilled revenue	33.86	41.04	33.86	41.04
Loans receivable	260.50	-	260.50	-
Deposits with original maturity of more than 12 months	1.00	1.00	1.00	1.00
Other Advances			-	-
Interest accrued but not due on fixed deposit	7.44	0.46	7.44	0.46
Trade receivables	2,844.23	479.79	2,844.23	479.79
Cash and cash equivalents	1,876.24	4,516.67	1,876.24	4,516.67
Bank balance other than cash and cash equivalents	4,301.15	1.15	4,301.15	1.15
Dues from related party	-	209.24	-	209.24
Total (A)	20681.44	15,354.08	20681.44	15,354.08
Financial assets measured at FVTPL				
Investments	865.21	57.00	865.21	57.00
Total (B)	865.21	57.00	865.21	57.00
Total (A+B)	21546.65	15,411.08	21546.65	15,411.08

b) Fair value of financial liabilities:

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial liabilities measured at amortized cost				
Borrowings	877.01	469.83	877.01	469.83
Current maturity of long term borrowings	-	317.66	-	317.66
Trade payables	1,880.47	503.70	1,880.47	503.70
Security deposit received	113.91	88.54	113.91	88.54
Lease liability	280.71	355.89	280.71	355.89
Interest accrued but not due on borrowings from bank	0.26	0.33	0.26	0.33
Dues to related party	153.25	-	153.25	-
Employee payable	158.13	219.37	158.13	219.37
Total	3,463.74	1,955.32	3,463.74	1,955.32

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The fair value hierarchy of financial assets and financial liabilities as at March 31, 2022 is as follows

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Investments	865.21	-	808.20	57.00
Total	865.21	-	808.20	57.00

The fair value hierarchy of financial assets and financial liabilities as at March 31, 2021 is as follows

Particulars	As at March 31, 2021	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Investments	57.00	-	-	57.00
Total	57.00	-	-	57.00

i) Valuation technique used to determine fair value:

Investment in Parc design investment limited: The investment (19%) has been valued at fair value based on exit price as per Ind AS 113, Further, the value of investment is based on a firm commitment by a buyer, secured by an agreement.

Investment in Waterbridge Ventures II (Trust): The investment has been valued at NAV obtained from the Management of the trust

ii) There have been no transfers between level 1, level 2 and level 3 category during the years ended on March 31, 2022 and March 31, 2021.

Note 37: Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables, borrowings, current maturity of borrowings, lease liability, security deposit received, interest accrued, employees payable, dues to related party and capital creditors. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes investment in subsidiaries, security deposits, loan receivable, trade receivables, cash and cash equivalents and other bank balances.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior level personnel oversees the management of these risks.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 37: Financial risk management objectives and policies (Contd.)

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk applicable in case of the Company primarily includes interest rate risk and currency risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's interest bearing debt obligations.

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings	866.24	416.33
Fixed rate borrowings	10.77	371.16
	877.01	787.49

Particulars	Increase or decrease in basis points	Effect on profit before tax
March 31, 2022		
INR	+50	(3.21)
	-50	3.21
March 31, 2021		
INR	+50	(2.93)
	-50	2.93

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

ii) Foreign currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2022	As at March 31, 2021
Trade receivable	USD	1,746.78	255.84
Unbilled revenue	USD	33.86	41.04
Due to related parties	USD	(153.25)	-
Trade payable	USD	(1,225.25)	(355.37)
Net exposure	USD	402.14	(58.49)

Sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant.

Particulars	Change in FC exchange rate by	Impact on profit or loss and equity (in lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
USD sensitivity	5%	20.11	(2.92)	(20.11)	2.92

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 37: Financial risk management objectives and policies (Contd.)

B. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Company. The Company continuously monitors defaults of customers and other counterparties and incorporate this information into its credit risk control. The Company also uses expected credit loss model to assess the impairment loss in trade receivables and makes an allowance of doubtful trade receivables using this model.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The ageing analysis of trade receivables as of the reporting date is as follows:

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets is disclosed in note 35. The Company does not hold any collateral as security.

Particulars	Less than 30 days	30 to 90 days	More than 90 days	Total
Trade receivables as of March 31, 2022	2,219.03	107.01	518.19	2,844.23
Trade receivables as of March 31, 2021	124.37	260.77	94.65	479.79

The total impairment loss amounting to Nil (March 31, 2021: Nil) on trade receivables.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2022	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	871.02	5.99	-	877.01
Trade payables	1,880.47	-	-	1,880.47
Lease liability	97.59	183.12	-	280.71
Other financial liabilities	591.93	-	-	591.93
Total	3441.01	189.11	-	3,630.12

As at March 31, 2021	Less than 12 months	1 to 5 years	> 5 years	Total
Borrowings	617.66	169.83	-	787.49
Trade payables	503.70	-	-	503.70
Lease liability	105.50	332.16	-	437.66
Other financial liabilities	260.81	125.73	-	386.54
Total	1,487.67	627.72	-	2,115.39



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 38 : Segment reporting

In accordance with Accounting Standard Ind As 108 'Operating Segment', segment information has been disclosed in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Entity wide disclosures

a. Revenue by Geography

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
India	5,343.26	2,057.86
Outside India	6,239.46	2,554.03
Total	11,582.72	4,611.89

The Company is domiciled in India and all its non-current assets are located in/relates to India except following:

- (i) Investment in foreign subsidiary of ₹10,050.25 as at March 31, 2022 (March 31, 2021 : ₹10,050.25)

There was 1 customer during year ended March 31, 2022 and 3 customers during year ended March 31, 2021 who had contributed 10% or more to the Company's revenue.

b. Revenue by nature of products / services

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services		
- Corporate and sourcing services (refer note 33)	4,674.24	2,354.47
Sale of goods	6,574.93	1,931.26
Other operating income		
- Rental income (refer note 33)	333.55	326.16
Total	11,582.72	4,611.89

Note 39: Revenue from contracts with customers

(i) Disaggregated revenue information

In the following table, revenue is disaggregated by major products/service lines and timing of revenue recognition:

Particulars	Timing of revenue recognition	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services	Over time	4,674.24	2,354.47
Sale of goods	At point in time	6,574.93	1,931.26
Total		11,249.17	4,285.73

(ii) Contract balances

Assets and liabilities related to contracts with customers:

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables (refer note 12)	2,844.23	479.79
Contract asset - unbilled revenue (refer note 9)	33.86	41.04
Contract liability - advance from customers (refer note 21)	1,144.57	1,233.69

Trade receivables are non-interest bearing and are generally on terms of not more than 90 days. The Company has recognized Nil provision for expected credit loss on trade receivables during the year ended March 31, 2022 (March 31, 2021: Nil).

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 39: Revenue from contracts with customers (Contd.)

Contract assets primarily relate to the Company's right to consideration for work completed but not yet billed at reporting date for services rendered to customers. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Company's obligation to transfer goods or services to customer for which the Company has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognized as revenue as the Company performs under the contract.

Particulars	As at March 31, 2022	As at March 31, 2021
Contract assets at the beginning of the year	41.04	34.05
Revenue billed/ accrued revenue during the year	(7.18)	6.99
Contract assets at the end of the year	33.86	41.04
Contract liabilities at the beginning of the year	1,233.69	983.30
Advance received/(adjusted) from customers during the year, net	(89.12)	250.39
Contract liabilities at the end of the year	1,144.57	1,233.69

Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue as per contract	11,249.17	4,285.73
Revenue from contract with customers	11,249.17	4,285.73

Note 40: Leases

a) As a lessee

Assets taken on lease

The Company has taken leases for office building. The lease rent paid for short term lease is recognized as an expense in Statement of Profit and Loss during the year ended March 31, 2022.

As lessee

i) Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

Particulars	Office premises	Total
As at April 1, 2021	354.22	354.22
Depreciation expenses	(95.99)	(95.99)
Adjustment during the year	(0.18)	(0.18)
As at March 31, 2022	258.05	258.05

ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	Office premises	Total
As at April 1, 2021	355.89	355.89
Accretion of interest	30.48	30.48
Payment	(105.66)	(105.66)
As at March 31, 2022	280.71	280.71

iii) Maturity analysis of lease liabilities

Particulars	Amount
Not later than one year	141.90
Later than one year	241.38
Total	383.28

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 40: Leases (Contd.)

iv)	Amount recognised in Statement of Profit and Loss	Year ended March 31, 2022	Year ended March 31, 2021
	Depreciation on right of use assets	95.99	42.59
	Interest on lease liabilities	30.48	9.85
	Expenses relating to short term leases	0.25	3.28

b) As a lessor

The Company has entered into operating leases on its investment property located at Gurugram. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Refer note 5 for rental income and future minimum rentals receivable under non-cancellable operating leases as at March 31, 2022 and March 31, 2021.

Note 41 : Commitments and Contingencies

a) Commitments

(i) Capital commitment:

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	33.37

(ii) Other commitment:

The Company has entered into a Capital commitment agreement where contribution has to be made to WaterBridge Ventures II Trust (the "Fund") and the contribution agreement has been executed between Vistra ITCL (India) Limited (the "Trustee Company"), WaterBridge Capital Management LLP (the "Investment Manager") and The Company (The "contributor") in which the contributor has committed ₹1,000.00 which will be paid as per the terms of agreement. During the year, 50% of the amount i.e. ₹500.00 has been contributed based on the drawdown notice received from the fund.

b) Contingent Liabilities (to the extent not provided for)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against company not acknowledged as debt:		
- On account of stamp duty on demerger	148.20	148.20
Tenancy	15.00	-
	163.20	148.20

- Pending resolution of the respective proceedings, it is difficult to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

*- The Company has filed a Petition in the High Court of Delhi under section 9 of Arbitration and Conciliation Act for securing the our interest/rightful entitlement of due rent and maintenance Charges payable by the tenant. The case is under settlement process and hence the security deposit received from the tenant is considered as contingent liability.

- The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

- c) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Company has made provision for provident fund contribution from the date of order. The Company will evaluate its position and update provision, if required, after receiving further clarity in this regard.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 41 : Commitments and Contingencies (Contd.)

Note 42: Disclosures pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Particulars	As at March 31, 2022	As at March 31, 2021
a) Investments in subsidiaries & associates		
- Investment in wholly owned subsidiary : Multinational Textile Group Limited	10,050.25	10,050.25
- Investment in Subsidiary : Technocian Fashions Private Limited	2.75	2.75
- Investment in Subsidiary : DIZBI Private Limited	0.88	0.53
- Investment in Subsidiary : PDS Brand Private Limited*	1.00	-
- Investment in Subsidiary : Norlanka Brands Private Limited	3.75	3.75

* Acquired during the year ended March 31, 2022.

Note 43: Corporate Social Responsibility The Company has spent an amount of ₹7.90 lakhs (31 March 2021: NIL) during the year as required under section 135 of the Companies Act, 2013 in the areas of education, healthcare, woman empowerment and environment. The amount was spent by way of contribution to Soham Foundation for the purpose of educating children of ₹7.90 .

Details of CSR expenditure:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Gross amount required to be spent by the Company as per section 135 of the Companies Act, 2013	7.90	-
(b) Amount spent during the year		
i) Construction/acquisition of any assets	-	-
ii) On purpose other than (i) above	7.90	-
(c) Shortfall at the end of the year	-	-
(d) Total of previous year shortfall	-	-

Note 44: Employee Share Based Payments

As at March 31, 2022 the Company has the following share-based payments arrangements:

A. Employee Stock Option Plan 2021 - Plan A and Plan B

i) Brief description of the share based payment arrangement

On April 3, 2021, the Company established the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A ('Plan A') which entitles key managerial personnel and senior employees to purchase shares of the Company. On July 27, 2021, the Company established the PDS Multinational Fashions Limited Employee stock option plan 2021 – Plan B ('Plan B') through Direct and through Trust route for other KMP and senior employees. The Plans are designed to provide incentives to the employees of the Company to deliver long-term returns. The Plans are administered by the Nomination and Remuneration committee. As at 31 March 2022, the Company has granted 1,088,732 equity settled stock options (ESOPs) under these plans. Vesting of the options would be subject to continuous employment with the Company and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 44: Employee Share Based Payments (Contd.)

Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares:

Grant date	Number of instruments*^	Exercise price*	Vesting period	Exercise period
FY 2021-22	10,88,732	₹400 - ₹1354	1 - 4 years	3 - 4 years post vesting period
	10,88,732			

*The number of instruments and the exercise prices are in absolute figures.

ii) Summarized information about movement in Plan A and Plan B

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price per share (₹)	Number of options	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	10,88,732	837	-	-
Outstanding at the end of the year	10,88,732	837	-	-
Exercisable at the end of the year	-	-	-	-

The company has charged ₹815.29 (March 31, 2021: Nil) to the statement of profit and loss in respect of options granted under Plan A and Plan B.

iii) Measurement of fair value

The Fair value of ESOPs granted under Plan A and Plan B have been measured using the Black-Scholes option-pricing model using the following assumptions, sorted according to their grant dates:

Particulars	For option granted
Weighted average Grant date fair value, per share (in ₹)	517.41
Weighted average Exercise price, per share (in ₹)	837.28
Assumptions used:	
Volatility	31.5% - 36.3%
Expected lives (in years)	1.50 - 5.00
Risk-free interest rate	4.67% - 6.16%
Dividend yield rate	0.84% - 2.23%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Grant. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the ESOP.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 44: Employee Share Based Payments (Contd.)

B. Cash Settled Share based payment (Phantom Stock Units)

i) Brief description of the share based payment arrangement

On October 22, 2021 the Group established the PDS Multinational Fashions Limited – Phantom Stock Units Plan 2021 ('Phantom stock plan'), which entitles few senior employees of the Group to a cash payment on exercise. The Group has granted 83,500 Stock Units ('Phantom Stock Units/ PSU') as at 31 March 2022. These PSU's carry a vesting period of up to 4 years and an exercise period of 4 years from the date of vesting.

ii) Summarized information about movement in the Phantom stock plan

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price per share (₹)	Number of options	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	83,500	1,095.00	-	-
Outstanding at the end of the year	83,500	1,095.00	-	-
Exercisable at the end of the year	-	-	-	-

The Company has charged ₹166.38 (March 31, 2021: Nil) to the statement of profit and loss in respect of PSUs granted under the Phantom Stock Plan.

iii) Cash Settled Share based payment (Phantom Stock Units)

The Fair value of PSUs have been measured using the Black-Scholes option-pricing model using the following assumptions-

Particulars	Measurement date March 31, 2022
Weighted average grant date fair value, per share (in ₹)	₹896
Weighted average Exercise price, per share (in ₹)	₹1095
Assumptions used:	
Expected volatility	36.3%
Expected lives (in years)	4.60
Average Risk-free interest rate	6.14%
Expected dividend yield	0.86%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Measurement. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the PSU is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the PSU.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.



Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 44: Employee Share Based Payments (Contd.)

C Share based payment expense recognised in the Statement of Profit and Loss in respect of the above plans is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Share based payment expense	981.67	-

D Share based payment reserve and Share based payment liability recognised in the balance sheet in respect of the above plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Share based payment liability	166.38	-
Share based payment reserve	2,064.21	-

Note 45: Ratio Analysis

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variation	Reason for Variation
Current Ratio (in times)	Total current assets	Total current liabilities	2.03	1.85	9.00%	
Debt-Equity Ratio (in times)	Debt consists of borrowings	Total equity	0.04	0.05	-14.00%	
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest payments + Principal repayments	7.20	5.20	39.00%	
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	37.00%	33.00%	11.00%	
Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.97	16.48	-58.00%	Increase of income from Trading business
Trade payables turnover ratio (in times)	Purchase of stock in trade	Average trade payables	4.53	4.03	12.00%	
Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	2.32	1.83	26.00%	Increase of income from Trading business
Net profit ratio (in %)	Profit for the year	Revenue from operations	58.00%	97.00%	-41.00%	Increase in dividend income
Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Deferred tax liabilities	33.00%	29.00%	16.00%	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 46: Covid 19

The spread of COVID-19 had severely impacted businesses around the globe in FY 20 and FY 21. As a result, the operations of the Group were impacted in these financial years with a series of lockdowns announced by the Governments of respective countries. However, in the current year, the Group has carried out its business activities without any significant limitations imposed due to COVID 19. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business and believes that it has sufficient financial resources to operate for the next twelve months

Note 47: The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company regularly updates the documentation for the International transactions entered into with the associated enterprises during the period as required under law. The Management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

Note 48: No material events have occurred between the balance sheet date to the date of issue of these standalone financial statements that could affect the values stated in the standalone financial statements as at March 31, 2022.

Note 49: Figures have been rounded off to the nearest ₹ lakhs except otherwise stated.

Note 50: The previous year's figure have been regrouped/rearranged wherever necessary, to make them comparable to those of the current year.

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

Pallak Seth
Vice Chairman & Non-Executive Director
DIN 00003040

Sanjay Jain
Chief Executive Officer

Ashish Gupta
Chief Financial Officer

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022



Independent Auditor's Report

To the Members of
PDS Limited (Formerly PDS Multinational Fashions Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of PDS Limited (Formerly PDS Multinational Fashions Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year the ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint ventures, as at 31 March 2022, and their consolidated profit (including other comprehensive
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

- 4.. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1. Evaluation of the consolidation process Refer note 2 for the basis of consolidation in the accompanying consolidated financial statements. The Group's consolidation process involves 88 components (including step-down subsidiaries) located across multiple geographies and audited by other auditors. These components comprise significant portions of the Group's assets, liabilities, income and expenses. The process of consolidation involves assessment of degree of control/ significant influence and the corresponding accounting treatment, alignment of generally accepted accounting principles, elimination of inter-company balances and transactions.	Our audit procedures for auditing the consolidated financial statements and consolidation adjustments included, but were not limited to the following - <ul style="list-style-type: none"> • Obtained an understanding of the management's process of preparation of consolidated financial statements comprising the Holding Company and its components • Evaluated the design and implementation and tested operating effectiveness of key controls with respect to Group's process of consolidation;

Key audit matter	How our audit addressed the key audit matter
<p>Considering the significance of the components, materiality to the financial statements and complexities involved, the consolidation process has been identified as a Key Audit Matter for the audit of the current year.</p>	<ul style="list-style-type: none"> • Identified and determined the 'significant components' of the Group based on materiality, discussions with the Holding Company management and thereby developed an overall audit plan to perform work around the identified significant components in accordance with the Guidance Note on consolidated financial statements and SA 600 - Using the work of another auditor; • Communicated the group audit instructions to the respective component auditors of identified significant components including and not limited to the materiality, audit risks identified at the Group level and a questionnaire to understand the procedures performed by the component auditors to mitigate those audit risks and their response to the significant transactions and matters identified at the component level; • Assessed the work performed by such other component auditors including discussions with the component auditors to understand their response and findings to the extent applicable; • Obtained the audited financial statements of the components from the management of the Holding Company and traced the information to the consolidation workings provided by management; • Reviewed inter-company eliminations, consolidation adjustments, foreign currency translation adjustments, alignment of Group accounting policies and the resultant tax impacts; and • Assessed the adequacy and appropriateness of disclosures made in accordance with the applicable accounting standards in these consolidated financial statements.
<p>2. Impairment of Goodwill Refer note 7 of consolidated financial statements</p> <p>The carrying value of goodwill aggregates to ₹5,176.25 lakhs as on 31 March 2022. Such goodwill is tested for impairment annually by the management in accordance with Ind AS 36, Impairment of Assets using the discounted cash flow method. In determining the recoverable amount of such goodwill, the management has applied significant judgements and assumptions to estimate the same. The determination of such recoverable amount involves use of several key assumptions, including projections of future sales, operating and finance costs, terminal growth rates and the weighted average cost of capital (discount rate). These assumptions have been disclosed in note 7 of the consolidated financial statements. Changes in these assumptions could lead to an impairment to the carrying value of goodwill.</p> <p>Due to the significance of the carrying amounts of Goodwill and the inherent subjectivity involved in determining the impairment loss, if any, this matter was considered as a Key Audit Matter for current year audit.</p> <p>The auditor of one subsidiary has determined "impairment of investment in subsidiaries" as a key audit matter. These investments are eliminated on being consolidated in the consolidated financial statements of the Group.</p>	<p>Our audit procedures for assessing the impairment of goodwill, if any, included but were not limited to the following -</p> <ul style="list-style-type: none"> • Obtained an understanding of the management's process for identification of impairment indicators for goodwill, identification of CGUs and impairment testing of such assets. • Obtained an understanding of the internal controls over impairment assessment process of goodwill. • Assessed reasonableness of the future cash flow projections prepared by the management and compared them with past trends; • Involved the auditor's expert to assist in examining the Group's valuation models where applicable, and analyzed key assumptions, including long-term growth rates and discount rates used and compared the assumptions to corroborating information including industry benchmarks and data from historic performances; • Tested the mathematical accuracy of the management's computations; • Performed independent sensitivity analysis on the valuation, resulting from changes to key assumptions applied; • Obtained an understanding from the component auditors to understand the procedures performed by them in respect of impairment of Goodwill as part of group audit instructions sent to them; and • Assessed the appropriateness and adequacy of presentation and disclosures in the consolidated financial statements in accordance with the applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of auditor's report.

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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements

that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls

system with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 Group and its associates and joint ventures to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its associates and joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. 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.
 13. 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.
 14. 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.

Other Matters

15. We did not audit the financial statements / financial information of 61 subsidiaries, whose financial statements / financial information reflect(s) total assets of ₹406,821.11 lakhs and net assets of ₹133,824.10 lakhs as at 31 March 2022, total revenues of ₹588,282.80 lakhs and net cash inflows amounting to ₹10,531.36 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹57.86 lakhs for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of 4 associates and 9 joint ventures, whose financial statements / financial information has not been audited by us. These financial statements / financial information has been audited by other auditors whose report(s) has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, are based solely on the reports of the other auditors.

Further, of these subsidiaries, associates and joint ventures, 60 subsidiaries, 4 associates and 9 joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements



below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not audit the financial statements / financial information of 4 subsidiaries, whose financial statements / financial information reflect(s) total assets of ₹65.29 lakhs and net liabilities of Rs. 288.34 lakhs as at 31 March 2022, total revenues of Nil and net cash outflows amounting to ₹8.18 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements / financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements/ financial information certified by the management of the respective entities and provided to us by the holding company's management.

Report on Other Legal and Regulatory Requirements

17. Based on our audit and on the consideration of the report of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company, its subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act since none of such companies is a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
18. In our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, joint ventures incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so

far as it appears from our examination of those books and the reports of the other auditors,

- The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies and joint venture company covered under the Act, none of the directors of the Group companies and joint venture company, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II'. Further, In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of 1 joint venture company covered under the Act, are not applicable; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 42 to the consolidated financial statements;
 - The Holding Company, its subsidiary companies, associate companies and joint venture companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint venture company covered under the Act, during the year ended 31 March 2022; and
- iv. a. The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief as disclosed in note 37(b) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, its associate companies or its joint venture companies to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, 16 May 2022 as disclosed in the note 43 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its associate companies or its joint venture companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, its associate companies or its joint venture companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the Subsidiary, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
19. The final dividend paid by the Holding Company and its subsidiary companies/ associate companies/ joint venture companies during the year ended 31 March 2022 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- As stated in note 17 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company/ its subsidiary companies/ associate companies/ joint venture companies have proposed final dividend for the year ended 31 March 2022 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No. : 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership No. : 210122

UDIN: 22210122AJBLKL5440

Mumbai

16 May 2022



Annexure 1

List of entities included in the Statement

Subsidiaries

SI No.	Name of Entity
1	Technocian Fashions Private Limited
2	Multinational Textile Group Limited
3	Casa Forma Limited
4	PDS Sourcing Limited (Formerly: Global Textile Group Limited)
5	PDS Asia Star Corporation Limited
6	Simple Approach Limited
7	Zamira Fashion Limited Zhongshan
8	PG Group Limited
9	Techno Design HK Limited
10	Norwest Industries Limited
11	Techno design USA LLC
12	Poeticgem International Ltd
13	Multinational OSG Services Bangladesh Private Limited
14	PDS Smart Fabric Tech Limited (Formerly known as Funky Brands Company Limited and Full House Manufacturing Limited)
15	PDS Smart Fabric Tech UK Limited
16	Techno Design GmbH
17	Poetic Brands Limited
18	Poeticgem Limited
19	PDS Trading (Shanghai) Co. Ltd
20	Simple Approach (Canada) Ltd (Formerly: Poeticgem Canada Limited)
21	PDS Brands Manufacturing Limited (Formerly known as PDS Brands Sourcing Limited and 6 Degree Manufacturing Limited and Zamira Denim Lab Limited)
22	PG Home Group Limited
23	PG Shanghai Manufacturer Co. Ltd
24	360 Notch Limited (Formerly: Poeticgem Australia Limited; GEM Australia Manufacturing Company Ltd)
25	Brand Collective Limited (Esrtwhile PDS H2GO Glove Manufacturing Limited)
26	Sourcing Solutions Limited
27	PDS Brands Private Limited
28	Krayons Sourcing Limited (Formerly: Sourcing Solutions HK Limited)
29	Design Arc Asia Limited (Formerly: Design Arc Limited / NOR France Manufacturing Co. Ltd.)
30	Nor Lanka Manufacturing Ltd
31	Design Arc Europe Limited (Formerly: Nor Europe Manufacturing Co. Limited)
32	Kleider Sourcing Hong Kong Limited
33	Kleider Sourcing Limited Bangladesh
34	Rising Asia Star Hong Kong Co., Limited (Formerly: Techno Manufacturing Limited / Sino West Manufacturing Co Ltd)
35	PDS Tailoring Limited (Formerly known as Nor India Manufacturing Company Limited)
36	Spring Near East Manufacturing Company Limited
37	Clover Collections Limited (Formerly known as DS Manufacturing Limited / Designed and Sourced Limited)
38	FX Import Company Limited
39	Poetic Knitwear Limited
40	Pacific Logistics Limited
41	PG Home Group SPA
42	Nor Lanka Manufacturing Colombo Limited
43	Nor Europe SPA
44	PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited and FX Import Hong Kong Limited)
45	PDS Ventures Limited (Formerly known as MultiTech Venture Limited)
46	Progress Manufacturing Group Limited
47	Progress Apparels (Bangladesh) Limited

SI No.	Name of Entity
48	Green Apparel Industries Limited
49	Grupo Sourcing Limited
50	JJ Star Industrial Limited
51	Twins Asia Limited (6 Degree Manufacturing Ltd)
52	Norlanka Progress (Private) Limited
53	Blueprint Design Limited
54	Design Arc UK Limited
55	Grupo Sourcing Limited Bangladesh
56	Fareast Vogue Limited
57	PDS Far-east Limited
58	Kindred Brands Limited (Formerly: NW Far-east Limited)
59	Styleberry Limited
60	PDS Global Investments Limited
61	Green Smart Shirts Limited
62	Zamira Fashion Limited
63	PDS Far East USA, Inc.
64	PDS Ventures Limited (Formerly Smart Notch Industrial Limited)
65	Apex Black Limited (Formerly: Fabric & Trims Limited)
66	Casa Collective Limited (Formerly: Sourcing East West Limited)
67	Smart Notch Ltd. (Shanghai) Limited
68	Jcraft Array Limited
69	Kindred Fashion Limited
70	Recovered Clothing Limited
71	PDS Fashions Limited
72	Design Arc FZCO
73	Spring Near East FZCO
74	Kleider Sourcing FZCO
75	Twins Asia FZCO
76	Techno Sourcing BD Limited
77	Clover Collections FZCO
78	PG Capital FZE
79	PDS Manufacturing Limited
80	Norlanka Brands Private Limited
81	Poeticgem International FZCO
82	PDS Multinational FZCO
83	Spring Design London Limited
84	DIZBI Private Limited
85	LillyandSid Limited
86	Brand Collective Corporation Limited
87	S.O.T. Garments India Private Limited
88	PDS Brands Manufacturing FZCO

Associates

SI No.	Name of Entity
1	GWD Enterprises Limited
2	Loop Digital Wardrobe Limited
3	Sourcing Solution Europe BVBA
4	Reflaunt Pte Ltd



Joint Ventures

SI No.	Name of Entity
1	Digital Ecom Techno Private Limited
2	Redwood Internet Ventures Limited
3	Digital Internet Technologies Limited
4	Yellow Octopus EU Sp. z.oo (Company) (Poland)
5	Yellow Octopus EU spółka z ograniczon odpowiedzialno ci spółka komandytowa (LLP)
6	One Stop Shop Solutions EU Sp. z.oo (Company) (Poland)
7	Yellow Octopus Ventures FZCO
8	One Stop Shop Solutions spółka z ograniczon odpowiedzialno ci spółka komandytowa (LLP)
9	Filkor Limited
10	Yellow Octopus Fashion Ltd (UK)

Controlled Trust

SI No.	Name of Entity
1	PDS Multinational Fashions ESOP Trust

Annexure II to the Independent Auditor's Report of even date to the members of PDS Limited (Formerly PDS Multinational Fashions Limited) on the consolidated financial statements for the year ended 31 March 2022

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

1. In conjunction with our audit of the consolidated financial statements of PDS Limited (Formerly PDS Multinational Fashions Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, and joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for

ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of internal financial controls with reference to financial statements of the aforementioned joint venture company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No. : 001076N/N500013

Aasheesh Arjun Singh

Partner
Membership No. : 210122
UDIN: 22210122AJBLKL5440

Mumbai
16 May 2022



Consolidated Balance Sheet

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
Assets			
I. Non-current assets			
(a) Property, plant and equipment	4	35,937.62	30,944.59
(b) Capital work in progress	5	313.59	468.18
(c) Investment property	6	4,487.02	9,966.12
(d) Goodwill	7	5,176.25	5,032.03
(e) Other Intangible assets	8	734.20	433.47
(f) Intangible assets under development		10.34	9.08
(g) Investments accounted for using the equity method	9B	9,663.26	913.53
(h) Financial assets			
(i) Investments	9A	18,435.53	8,767.03
(ii) Other financial assets	10	1,134.54	1,661.63
(i) Deferred tax assets (net)	24	1,135.31	859.55
(j) Non-current tax asset (net)		1,258.94	119.67
(k) Other non-current assets	11	374.26	235.40
Total non-current assets		78,660.86	59,410.28
Current assets			
(a) Inventories	12	30,524.71	19,712.82
(b) Financial assets			
(i) Investments	9A	3,840.45	5,728.35
(ii) Trade receivables	13	1,42,130.97	90,980.73
(iii) Cash and cash equivalents	14	46,000.20	29,346.21
(iv) Bank balances other than (iii) above	15	20,484.50	13,718.34
(v) Other financial assets	10	7,059.33	6,023.73
(c) Other current assets	11	11,107.23	9,667.93
Total current assets		2,61,147.39	1,75,178.11
Total assets		3,39,808.24	2,34,588.39
II. Equity and liabilities			
Equity			
(a) Equity share capital	16	2,604.25	2,604.67
(b) Other equity	17	84,635.94	62,083.92
Equity attributable to the owners of the parent		87,240.19	64,688.59
Non-controlling interest		6,360.24	6,865.79
		93,600.43	71,554.38
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	10.77	184.04
(ii) Lease liabilities		9,145.31	4,737.55
(iii) Other financial liabilities	19	-	63.23
(b) Provisions	20	1,716.46	1,369.55
(c) Deferred tax liabilities (net)	24	285.13	134.93
(d) Other non-current liabilities	22	61.75	112.29
Total non-current liabilities		11,219.42	6,601.59
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	62,324.34	48,796.77
(ii) Lease liabilities		2,567.71	2,436.34
(iii) Trade payables	21		
- Total outstanding dues to micro enterprises and small enterprises		9.50	1.72
- Total outstanding dues to creditors other than micro and small enterprises		1,56,622.43	89,242.79
(iii) Other financial liabilities	19	6,690.97	8,659.01
(b) Other current liabilities	22	2,382.76	3,617.44
(c) Provisions	20	1,676.94	1,500.56
(d) Current tax liabilities (net)	23	2,713.74	2,177.80
Total current liabilities		2,34,988.39	1,56,432.43
Total equity and liabilities		3,39,808.24	2,34,588.39
Summary of significant accounting policies and other explanatory information	3		

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

For **Walker Chandik & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

Pallak Seth
Vice Chairman & Non-Executive Director
DIN 00003040

Sanjay Jain
Chief Executive Officer

Ashish Gupta
Chief Financial Officer

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Note no.	Year ended March 31, 2022	Year ended March 31, 2021
I Revenue from operations	25	8,82,821.38	6,21,286.84
II Other income	26	8,602.74	3,739.54
III Total income (I+II)		8,91,424.12	6,25,026.38
IV Expenses			
(a) Cost of material consumed	27	50,953.04	59,314.15
(b) Purchases of stock-in-trade	28	6,94,826.60	4,59,825.00
(c) Changes in inventories of finished goods, stock in trade and work-in-progress	29	(6,167.54)	(608.69)
(d) Employee benefits expense	30	62,086.61	41,425.48
(e) Finance costs	31	2,801.83	2,573.79
(f) Depreciation and amortization expense	32	6,990.81	6,769.68
(g) Other expenses	33	48,867.11	38,340.68
V Total expenses		8,60,358.46	6,07,640.09
VI Profit before share of loss in associates and joint ventures and exceptional items (III-V)		31,065.66	17,386.29
VII Share of profit/ (loss) of associates and joint ventures		(57.86)	(391.61)
VIII Profit before tax (vi + vii)		31,007.80	16,994.68
IX Tax expense	24		
(a) Current tax		1,804.24	2,467.48
(b) Deferred tax (credit)/ charge		(78.53)	(315.22)
Total tax expense		1,725.71	2,152.26
X Profit for the year (X-IX)		29,282.09	14,842.42
XI Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Re-measurement profit/ (losses) on defined benefit plans		40.28	(40.79)
(b) Net gain on instruments measured at fair value through other comprehensive income		1,800.00	798.99
(ii) Income tax on items that will not be reclassified to profit or loss		(5.57)	-
(B) (i) Items that will be reclassified to profit or loss			
(a) Net gain/(loss) on cash flow hedges		99.89	(405.76)
(b) Gain arising on translating the financial statements of foreign operations		1,423.03	435.69
Other comprehensive income for the year, net of tax		3,357.62	788.13
XII Total comprehensive income for the year, net of tax		32,639.71	15,630.55
Net profit for the period attributable to			
- Owners of the Company		24,840.99	8,431.75
- Non controlling interest		4,441.10	6,410.67
		29,282.09	14,842.42
Total comprehensive income for the year, net of tax			
- Owners of the Company		27,613.27	9,171.36
- Non controlling interest		5,026.44	6,459.19
		32,639.71	15,630.55
XIII Earnings per share: (Face value ₹10 per share)	34		
1) Basic (amount in ₹)		95.38	32.37
2) Diluted (amount in ₹)		94.28	32.37
Summary of significant accounting policies and other explanatory information	3		

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Mumbai, India
May 16, 2022

For and on behalf of Board of Directors of **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

Sanjay Jain
Chief Executive Officer

Mumbai, India
May 16, 2022

Ashish Gupta
Chief Financial Officer

Pallak Seth
Vice Chairman & Non-Executive Director
DIN 00003040

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Consolidated Statement of Changes in Equity

as at March 31, 2022



(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity Share Capital

	Amount
As at April 01, 2020	2,604.67
Changes during the year	-
As at March 31, 2021	2,604.67
Changes during the year	(0.42)
As at Mar 31, 2022	2,604.25

B. Other Equity

Particulars	Capital reserve	Restricted reserve	Retained earnings	Other reserves ^	Treasury Stock	Other Comprehensive Income			Share based payment reserve	Total equity before Non-controlling interest	Non-controlling interest	Total equity
						Exchange differences translating the financial statements of foreign operations	Equity instruments through OCI	Remeasurement of defined benefit plan				
Balance as at April 01, 2020	26,185.92	664.52	16,792.08	(3,469.59)	-	12,604.44	(43.32)	-	-	53,264.18	5,246.03	58,510.21
Net Profit for the year	-	-	8,431.75	-	-	-	-	-	-	8,431.75	6,410.67	14,842.42
Net gain on instruments measured at fair value through other comprehensive income	-	-	-	-	-	779.99	-	-	-	779.99	19.00	798.99
Gain/ (loss) arising on translating the financial statements of foreign operations	-	-	-	-	-	402.66	-	-	-	402.66	33.03	435.69
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	-	(37.28)	-	(37.28)	(3.51)	(40.79)
Net loss on cash flow hedges	-	-	-	-	-	-	-	-	(405.76)	(405.76)	-	(405.76)
Decrease in stake by non-controlling interest	-	-	-	(448.63)	-	-	-	-	-	(448.63)	448.63	-
Increase in stake by non-controlling interest	-	-	-	97.01	-	-	-	-	-	97.01	(593.68)	(496.67)
Total Comprehensive Income	26,185.92	664.52	25,223.83	(3,821.21)	-	13,007.10	736.67	(37.28)	-	62,083.92	11,560.17	73,644.09
Dividend paid, net of tax	-	-	-	-	-	-	-	-	-	-	(4,694.38)	(4,694.38)
Balance as at March 31, 2021	26,185.92	664.52	25,223.83	(3,821.21)	-	13,007.10	736.67	(37.28)	-	62,083.92	6,865.79	68,949.71

Consolidated Statement of Changes in Equity

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Capital reserve	Restricted reserve	Retained earnings	Other reserves ^	Treasury Stock	Other Comprehensive Income			Share based payment	Total equity before Non-controlling interest	Non-controlling interest	Total equity
						Exchange differences on translating the financial statements of foreign operations	Equity instruments through OCI	Remeasurement of defined benefit plan				
Balance as at April 01, 2021	26,185.92	664.52	25,223.83	(3,821.21)	-	-	13,007.10	736.67	(37.28)	124.37	62,083.92	68,949.71
Net Profit for the year	-	-	24,840.99	-	-	-	-	-	-	-	24,840.99	29,282.09
Net gain on instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	-	1,284.48	-	-	1,242.95	1,800
Share based payments to employees (refer note 47)	-	-	-	-	-	-	-	-	-	-	2,064.21	2,064.21
Purchase of Treasury Stock	-	-	-	-	(57.73)	-	-	-	-	(57.73)	-	(57.73)
Gain/ (loss) arising on translating the financial statements of foreign operations	-	-	-	-	-	1,353.21	-	-	-	-	1,353.21	1,423.03
Remeasurement of the net defined benefit liability	-	-	-	-	-	-	-	-	40.28	-	40.28	40.28
Net loss on cash flow hedges	-	-	-	-	-	-	-	-	-	99.89	99.89	99.89
Decrease in stake by non-controlling interest	-	-	-	2,970.96	-	-	-	-	-	(2,911.66)	(38.83)	(3,009.79)
Increase in stake by non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	26,185.92	664.52	50,064.82	(6,750.64)	(57.73)	14,360.31	1,979.62	3.00	224.26	88,738.29	11,853.40	1,00,591.69
Dividend paid, net of tax	-	-	(4.102)	-	-	-	-	-	-	(4,102.35)	(5,493.16)	(9,595.51)
Balance as at March 31, 2022	26,185.92	664.52	45,962.47	(6,750.64)	(57.73)	14,360.31	1,979.62	3.00	224.26	84,635.94	6,360.24	90,996.18

^ Other reserves represents gain/loss on change in proportion held by Non-controlling interest (NCI) without a change in control.

Summary of significant accounting policies and other explanatory information (Note 3)

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even dated

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration Number: 001076N/N500013

Aasheesh Arjun Singh

Partner

Membership Number: 210122

For and on behalf of Board of Directors of **PDS Limited**

(Formerly PDS Multinational Fashions Limited)

Deepak Seth

Chairman & Non-Executive Director

DIN 00003021

Sanjay Jain

Chief Executive Officer

Mumbai, India

May 16, 2022

Pallak Seth

Vice Chairman & Non-Executive Director

DIN 00003040

Abhishekh Kanoi

Head of Legal & Company Secretary

M. No. FCS 9530

Ashish Gupta

Chief Financial Officer



Consolidated Statement of Cash flows

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	31,007.80	16,994.68
Adjustments for:		
Share of loss of associates and joint ventures	57.86	391.61
Depreciation and amortization expense	6,990.81	6,769.68
Finance costs	2,790.34	2,565.26
Provision for doubtful receivable and advances	1,565.77	261.42
Interest income	(131.94)	(194.38)
Dividend income	(64.26)	(44.42)
Liabilities written back	(104.35)	(458.63)
Fair value gain on financial assets measured at fair value through profit and loss	(610.66)	(368.63)
Gain on disposal of subsidiary	(4,073.89)	(424.73)
Employee stock compensation expense	2,230.59	-
Loss on sale of property, plant & equipment	33.26	0.38
Net Impairment of investment in joint venture	-	616.75
Impairment of advance to joint venture and associate, net	-	125.70
Unrealised foreign exchange fluctuation loss	279.52	1,004.18
Operating profit before working capital changes	39,970.85	27,238.88
Movement in working capital:		
Change in trade payables and other financial liabilities	65,284.61	16,118.69
Change in other current financial liabilities	(1,285.22)	(779.67)
Change in provisions	569.14	479.14
Change in trade receivables	(51,150.24)	(8,348.33)
Change in other non-current assets	76.72	7,165.56
Change in inventories	(10,811.89)	(1,436.71)
Change in other financial assets	16.82	(1,244.53)
Cash generated from operations	42,670.78	39,193.03
Direct tax paid, net of refunds received	(2,407.57)	(1,261.75)
Net cash generated from operating activities (a)	40,263.21	37,931.28
Cash flows from investing activities		
Purchase of property, plant and equipment, capital working in progress and investment property	(3,798.37)	(2,517.00)
Proceed from sale of subsidiary	8,327.33	-
Purchase of intangible assets	(638.59)	(136.00)
Purchase of investments	(13,145.32)	(8,581.00)
Acquisition of joint venture/ subsidiaries/ non controlling interest	(12,145.89)	-
Proceeds from sale of investments	5,195.72	1,165.80
Investment in time deposits	(6,766.16)	1,517.00
Dividend received	64.26	44.42
Interest received	110.38	194.39
Net cash (used in) investing activities (b)	(22,796.65)	(8,312.40)
Cash flows from financing activities		
Proceeds/ (repayment) of short term borrowings, net	12,894.76	(24,862.79)
Repayment of long term borrowings, net	(173.27)	(384.12)
Acquisition of own equity shares by a controlled ESOP trust	(58.15)	-
Payment of dividend to non-controlling interests	(5,493.15)	(4,694.38)
Payment of dividend to shareholders	(4,102.35)	-
Payment of principal portion of lease liabilities	(2,535.50)	(2,140.56)
Interest paid on lease liabilities	(316.25)	(337.21)
Interest paid on borrowings	(1,894.07)	(1,893.91)

Consolidated Statement of Cash flows

for the year ended March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest paid on others	(508.48)	(350.66)
Net cash (used in) financing activities (c)	(2,186.46)	(34,663.63)
Net increase/(decrease) in cash and cash equivalents (a+b+c)	15,280.10	(5,044.75)
Effect of exchange rate changes on cash and cash equivalents	629.72	(457.92)
Cash acquired on business combination	111.37	-
Opening balance of cash and cash equivalents	28,238.50	33,741.17
Cash and cash equivalents at the end of the year	44,259.68	28,238.50
Components of cash and cash equivalents		
Cash on hand	46.26	46.71
Balance with banks	45,953.94	29,299.50
Bank overdraft	(1,740.52)	(1,107.71)
Total cash and cash equivalents (refer note 14 and 18)	44,259.68	28,238.50

Non cash disclosure

Particulars	As at April 01, 2020	Cash flow		Non-cash			As at March 31, 2021
		Additions*	Repayment	Amortisation of upfront fees/ Interest expense	Exchange difference	Leases	
Borrowings	74,738.29	2,111.37	(25,246.91)	-	(2,621.94)	-	48,980.81
Interest accrued but not due on borrowings	17.16	-	(2,289.87)	2,236.58	36.47	-	0.34
Lease liability	8,158.94	2,685.17	(2,140.56)	337.21	(575.12)	(1,291.75)	7,173.89
	82,914.39	4,796.54	(29,677.34)	2,573.79	(3,160.59)	(1,291.75)	56,155.04

Particulars	As at April 01, 2021	Cash flow		Non-cash			As at March 31, 2022
		Additions*	Repayment	Amortisation of upfront fees/ Interest expense	Exchange difference	Leases	
Borrowings	48,980.81	12,894.76	(173.27)	-	632.81	-	62,335.11
Interest accrued but not due on borrowings	0.34	-	(2,402.55)	2,474.09	(71.63)	-	0.25
Lease liability	7,173.89	-	(2,535.50)	316.25	240.79	6,517.59	11,713.02
	56,155.04	12,894.76	(5,111.32)	2,790.34	801.97	6,517.59	74,048.38

* includes amount received as book overdraft and considered as part of cash and cash equivalent in the cash flow statement.

Summary of significant accounting policies and other explanatory information (Note 3)

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly *PDS Multinational Fashions Limited*)

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

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Vice Chairman & Non-Executive Director
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Chief Executive Officer

Ashish Gupta
Chief Financial Officer

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022



Notes to the Consolidated Financial Statements

as at March 31, 2022

Note 1: Corporate information

PDS Limited (Formerly PDS Multinational Fashions Limited) is a Public Limited Company (Hereinafter referred as 'the Company') domiciled in India and has its registered office at 758 & 759, 2nd Floor, 19th Main, HSR Layout, Sector-II, Bengaluru - 560102, Karnataka. The Company along with its subsidiaries (collectively referred to as "the Group") and its associates and joint ventures, is engaged in trading of garments, investment holding, design, development, marketing, sourcing and distribution of readymade garments of all kinds and other consumer products worldwide. The Company is also engaged in the business of holding, owing, leasing or licensing real estate. The Company has its primary listings on the BSE Limited and the National Stock Exchange of India Limited.

Note 2: Statement of compliance

The consolidated financial statements are prepared on accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These consolidated financial statements have been prepared on going concern basis and in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. The financial statements of the Group for the year ended March 31, 2022 were approved by the Board of Directors and authorised for issue on May 16, 2022.

Going concern: The Board of Directors have considered the financial position of the Group as at March 31, 2022 and the projected cash flows and financial performance of the Group for at least twelve months from the date of these consolidated financial statements and believe that the plan for sustained profitability remains on course.

Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the relevant accounting policies mentioned. The consolidated financial statements are presented in ₹ and all values are rounded to the nearest lakhs except otherwise stated.

Recent accounting pronouncement

Standards issued but not effective on Balance Sheet date; 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 109 - Financial Instruments- The amendment clarifies that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the

original financial liability. In determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

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 Group 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 Group has evaluated the amendment and there is no impact on its consolidated financial statements.

Principles of consolidation

The consolidated financial statements relate to the Group. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the wholly owned foreign subsidiaries, its step down subsidiaries and its associates and joint ventures companies used in the consolidation are drawn upto the same reporting date as that of the group i.e. March 31, 2022.
- (ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered. The Group controls an entity when the parent has power over the entity, it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.
- (iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the company's standalone financial statements.

Notes to the Consolidated Financial Statements

as at March 31, 2022

Non-controlling interest (NCI)

Non-Controlling Interest (NCI) in the equity and results of the entities that are controlled by the Company is shown as a separate item in the Consolidated Financial Statements. The interest of non-controlling shareholders may be initially measured either at fair value or at the non controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition to acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the noncontrolling interest having a deficit balance.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investments accounted for, using the equity method

Investments accounted for using the equity method are entities in respect of which, the Company has significant influence, but not control, over the financial and operating policies. Generally, a Company has significant influence if it holds between 20 and 50 percent of the voting power of another entity. Investments in such entities are accounted for using the equity method and are initially recognized at cost. The carrying amount of investment is increased/ decreased to recognize investors share of profit or loss of the investee after the acquisition date.

Changes in ownership interest without change in control

The Group treats transactions with Non-Controlling Interests (NCI) that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment

to non-controlling interest and any consideration paid or received is recognised within equity.

The ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss where appropriate.

Business combinations

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the Consolidated Balance Sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquiree at the date of acquisition. Any excess of identifiable net assets over acquisition cost is recognised in the other comprehensive income on the acquisition date and accumulated in equity as capital reserve. Acquisition related costs are accounted for as expenses in the period in which they are incurred and the services are received.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

The Details of subsidiaries and its step down subsidiary companies that have been considered in the preparation of the consolidated financial statements are as under:

(i) PDS Limited, holds the following subsidiaries:

Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
Technocian Fashions Private Limited	20.03.2019	India	55.00%	55.00%
Multinational Textile Group Limited	13.05.2014	Mauritius	100.00%	100.00%
Norlanka Brands Private Limited	01.02.2021	India	75.00%	75.00%
DIZBI Private Limited ⁵	10.07.2020	India	60.00%	53.00%
PDS Brands Private Limited ²	28.07.2021	India	100.00%	0.00%

(ii) Multinational Textiles Group Limited holds the following subsidiaries:

PDS Sourcing Limited (Formerly known as Global Textiles Group Limited)	31.03.2006	Mauritius	100.00%	100.00%
Norwest Industries Limited	31.05.2006	Hong Kong	100.00%	100.00%



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Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
Zamira Fashions Limited	20.09.2007	Hong Kong	67.00%	67.00%
PG Group Limited	13.05.2008	Hong Kong	51.00%	51.00%
Simple Approach Limited	30.11.2008	Hong Kong	75.00%	75.00%
PDS Smart Fabric Tech Limited (Formerly known as Fullhouse Manufacturing Limited)	19.01.2009	Hong Kong	100.00%	100.00%
Casa Forma Limited	01.01.2012	United Kingdom	100.00%	100.00%
PDS Asia Star Corporation Limited	24.10.2012	Hong Kong	60.00%	60.00%
Techno Design HK Limited	02.11.2012	Hong Kong	55.00%	55.00%
Poeticgem International Limited ⁵	27.09.2013	Hong Kong	100.00%	83.00%
Multinational OSG Services Bangladesh Limited ⁵	02.02.2014	Bangladesh	99.97%	97.00%
Green Apparel Industries Limited	15.03.2016	Hong Kong	75.00%	75.00%
Grupo Sourcing Limited	15.03.2016	Hong Kong	51.00%	51.00%
PDS Ventures Limited (Formerly known as MultiTech Ventures Limited)	25.11.2015	Mauritius	100.00%	100.00%
Techno Design GMBH	14.02.2014	Germany	55.00%	55.00%
Progress Manufacturing Group Limited	17.07.2015	Hong Kong	97.00%	97.00%
Blueprint Design Limited	30.06.2016	Hong Kong	100.00%	100.00%
PDS Global Investments Limited	01.04.2018	Hong Kong	100.00%	100.00%
Techno Sourcing BD Limited	22.10.2019	Bangladesh	49.00%	49.00%
Kleider Sourcing FZCO	17.01.2019	Dubai	41.00%	90.00%
Spring Near East FZCO	17.01.2019	Dubai	55.00%	55.00%
PDS Manufacturing Limited	22.03.2021	Mauritius	100.00%	100.00%
PDS Fashion USA Limited (Formerly known as Pro Trusted Med Tech Limited)	28.02.2020	Hong Kong	100.00%	100.00%
PDS Multinational FZCO	01.02.2021	Dubai	100.00%	100.00%
(iii) Norwest Industries Limited, holds the following subsidiaries:				
Nor Lanka Manufacturing Limited ³	22.10.2008	Hong Kong	90.00%	95.00%
PDS Tailoring Limited (Formerly known as Nor India Manufacturing Company Limited)	17.12.2010	Hong Kong	70.00%	70.00%
Design Arc Europe Limited	04.11.2011	Hong Kong	70.00%	70.00%
Rising Asia Star HongKong Limited (Formerly Known as Techno. Manufacturing Co. Ltd.)	03.01.2012	Hong Kong	100.00%	100.00%
Spring Near East Manufacturing Company Limited	17.12.2010	Hong Kong	65.00%	65.00%
Clover Collection Limited(Formerly known as DS Manufacturing Limited/ Designed and Sourced Limited)	27.08.2012	Hong Kong	100.00%	100.00%
360 Notch Limited(Formerly known as PoeticGem Australia Ltd /Gem Australia Manufacturing Company Limited)	31.07.2015	Hong Kong	100.00%	100.00%
Design Arc Asia Limited (Formerly known as Nor France Manufacturing Company Limited) ⁵	18.12.2012	Hong Kong	100.00%	100.00%
Kleider Sourcing Hong Kong Limited	24.10.2013	Hong Kong	51.00%	51.00%
Razamtazz Limited ³	23.03.2011	United Kingdom	0.00%	100.00%
Twins Asia Limited	27.07.2015	Hong Kong	100.00%	100.00%
JJ Star Industrial Limited	28.04.2015	Hong Kong	57.50%	57.50%
Krayons Sourcing Limited	16.12.2014	Hong Kong	75.00%	75.00%
Fareast Vogue Limited	26.07.2016	Hong Kong	60.00%	60.00%
PDS Far-east Limited	23.08.2016	Hong Kong	100.00%	100.00%
PDS Brands Manufacturing Limited (Formerly known as 6Degree Manufacturing Limited and Zamira Denim Lab Limited) ⁴	24.10.2014	Hong Kong	100.00%	100.00%

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Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
Kindred Brands Limited (Formerly known as Norwest Fareast Limited) ³	23.08.2016	Hong Kong	57.50%	60.00%
Sourcing Solutions Limited ⁵	12.03.2015	Hong Kong	100.00%	50.00%
Styleberry Limited	13.09.2016	Hong Kong	100.00%	100.00%
PDS Fareast USA Inc	11.07.2017	USA	100.00%	100.00%
Jcraft Array Limited	12.4.2018	Hong Kong	85.00%	85.00%
Casa Collective Limited (Formerly known as Sourcing East West Limited)	19.01.2018	HongKong	75.00%	50.00%
Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited)	30.09.2020	HongKong	55.00%	51.00%
(iv) Design Arc Europe Limited holds the following subsidiary:				
Nor Europe SPA	17.11.2011	Spain	100.00%	100.00%
(v) Nor Lanka Manufacturing Company Limited holds the following subsidiaries:				
Nor Lanka Progress (Private) Limited ⁵	20.10.2015	Sri Lanka	100.00%	95.00%
Nor Lanka Manufacturing Colombo Limited ⁵	13.08.2012	Sri Lanka	100.00%	95.00%
LillyandSid Limited ⁵	10.03.2020	United Kingdom	55.00%	52.25%
(vi) PDS Sourcing Limited (Formerly known as Global Textiles Group Limited) holds the following subsidiaries:				
Poeticgem Limited	30.03.2006	United Kingdom	100.00%	100.00%
Poetic Brands Limited	15.01.2015	United Kingdom	100.00%	100.00%
Design Arc UK Limited	21.10.2016	United Kingdom	85.00%	85.00%
PDS Ventures Limited	03.07.2018	United Kingdom	100.00%	100.00%
Spring Design London Limited	13.05.2021	United Kingdom	100.00%	100.00%
(vii) Poeticgem Limited holds the following subsidiaries:				
Pacific Logistics Limited	27.10.2003	United Kingdom	100.00%	100.00%
FX Imports Company Limited	26.03.2008	United Kingdom	100.00%	100.00%
Poetic Knitwear Limited	31.03.2009	United Kingdom	100.00%	100.00%
(viii) PG Group Limited holds the following subsidiaries:				
PG Home Group Limited	13.05.2008	Hong Kong	90.00%	90.00%
PG Shanghai Manufacturing Co Limited	08.06.2012	China	100.00%	100.00%
(ix) PDS Multinational FZCO holds the following subsidiaries:				
PG Capital FZE ¹	27.09.2021	UAE	100.00%	0.00%
Twins Asia FZCO	17.01.2019	UAE	75.00%	75.00%
Design Arc FZCO	17.01.2019	UAE	75.00%	75.00%
Poeticgem International FZCO	01.02.2021	UAE	65.00%	65.00%
Clover Collections FZCO	20.02.2020	UAE	75.00%	75.00%
PDS Brands Manufacturing FZCO ²	01.01.2022	UAE	100.00%	0.00%



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Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
(x) PDS Ventures Limited (Formerly Smart Notch Industrial Limited) has following Joint venture/Associate				
Filkor Limited ¹	21.09.2021	United Kingdom	50.00%	0.00%
Loop Digital Wardrobe Limited ¹	15.09.2021	United Kingdom	34.00%	0.00%
(xi) PDS Asia Star Corporation Limited holds the following subsidiary:				
PDS Trading (Shanghai) Co., Limited	31.12.2012	China	100.00%	100.00%
(xii) Simple Approach Limited holds the following subsidiary:				
Simple Approach (Canada) Limited	02.05.2013	Canada	100.00%	100.00%
(xiii) Kleider Sourcing HongKong Limited holds the following subsidiary:				
Kleider Sourcing Limited	10.08.2014	Bangladesh	99.97%	99.97%
(xiv) Zamira Fashions Limited holds the following subsidiaries:				
Zamira Fashion Limited Zhongshan	26.06.2015	China	100.00%	100.00%
(xv) Grupo Sourcing Limited holds the following subsidiary:				
Grupo Sourcing Limited	02.05.2016	Bangladesh	99.98%	99.98%
(xvi) Green Apparel Industries Limited holds the following subsidiary:				
Green Smart Shirts Limited	04.05.2016	Bangladesh	99.98%	99.98%
(xvii) PDS Ventures Limited (Formerly MultiTech Venture Limited) (Mauritius)				
PDS Ventures Limited (Formerly Smart Notch Industrial Limited)	28.12.2017	Hong Kong	100.00%	100.00%
Apex Black Limited (Formerly known as Fabric and Trims Limited)	28.12.2017	Hong Kong	65.00%	65.00%
(xviii) Sourcing Solutions Limited holds the following subsidiary:				
Sourcing Solutions Europe BVBA	01.04.2018	Belgium	50.00%	100.00%
(xix) PDS Ventures Limited (Formerly MultiTech Venture Limited) (Mauritius) holds the following joint venture:				
Redwood Internet ventures Limited	09.12.2015	Hong Kong	50.00%	50.00%
(xx) Redwood Internet Ventures Limited holds the following subsidiary:				
Digital Internet Technologies Limited	25.02.2016	Hong Kong	100.00%	100.00%
(xxi) Digital Internet Technologies Limited holds the following subsidiary:				
Digital Ecom Techno Private Limited	17.06.2016	India	100.00%	100.00%
(xxii) Progress Manufacturing Group Limited holds the following subsidiary:				
Progress Apparels Bangladesh Limited	12.07.2015	Bangladesh	99.99%	99.99%
(xxiii) 360 Notch Limited holds the following subsidiary:				
Smart Notch Ltd. (Shanghai)	20.04.2018	China	100.00%	100.00%
(xxiv) Poetic Brands Limited holds the following subsidiary:				
Recovered Clothing Limited	24.07.2018	United Kingdom	100.00%	100.00%

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Name of the entity	Date of acquisition/ incorporation	Country of incorporation	% of voting power held as at March 31, 2022	% of voting power held as at March 31, 2021
(xxv) Poeticgem International Limited holds the following subsidiary:				
Kindred Fashions Limited	23.10.2018	Canada	100.00%	100.00%
(xxvi) Multinational Textiles Group Limited holds the following associate:				
GWD Enterprises Limited	21.10.2010	United Kingdom	25.00%	25.00%
(xxvii) PDS Smart Fabric Tech Limited holds the following subsidiary:				
PDS Smart Fabric Tech (UK) Limited	07.09.2020	United Kingdom	100.00%	100.00%
(xxviii) Techno Design HK Limited holds the following subsidiary:				
Techno Design USA LLC	16.04.2020	USA	100.00%	100.00%
(xxix) PG Home Group Limited holds the following subsidiary:				
PG Home Group SPA	31.07.2008	Chile	100.00%	100.00%
(xxx) PG Capital FZE holds the following joint ventures:				
Yellow Octopus EU Sp. z.oo ¹	27.09.2021	Poland	50.00%	0.00%
Yellow Octopus EU LLP ¹	27.09.2021	Poland	50.00%	0.00%
One Stop Shop Solutions EU Sp. z.oo ¹	27.09.2021	Poland	50.00%	0.00%
One Stop Shop Solutions LLP ¹	27.09.2021	Poland	50.00%	0.00%
Yellow Octopus Ventures FZCO ¹	27.09.2021	Poland	50.00%	0.00%
(xxxi) PDS Multinational FZCO holds the following joint ventures:				
Yellow Octopus Fashion Ltd ¹	27.09.2021	United Kingdom	50.00%	0.00%
(xxxii) Technocian Fashions Private Limited holds the following subsidiary:				
S.O.T Garments India Pvt Limited ¹	01.12.2021	India	99.99%	0.00%
(xxxiii) Brand Collective Limited (Formerly PDS H2GO Glove Manufacturing Limited) holds the following subsidiary:				
Brand Collective Corporation Limited ²	29.11.2021	India	100.00%	0.00%
(xxxiv) Yellow Octopus Ventures FZCO holds the following Associates:				
Refaunt Pte Ltd. ¹	27.09.2021	Singapore	26.00%	0.00%

Notes:

- 1 Acquired during the year
- 2 Incorporated during the year
- 3 Dilution of holding stake during the year
- 4 Change in immediate holding company
- 5 Acquired stake from the non-controlling interests during the year



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Note 3: Significant accounting policies

a) The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Judgements, estimates and assumptions:

In the process of applying the Group's accounting policies, management has made the following judgements, estimates and assumptions which have the most significant effect on the amounts recognised in the consolidated financial statements:

i Revenue recognition and presentation

The Group assess its revenue arrangements against specific criteria, i.e. whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. The Group has concluded that it is operating on a principal to principal basis in all its revenue arrangements. When deciding the most appropriate basis for presenting revenue or costs of revenue, both the legal form and substance of the agreement between the Group and its business partners are reviewed to determine each party's respective role in the transaction.

ii Useful lives of property, plant and equipment and intangible assets

The useful life and residual value of plant, property and equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

iii Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions

separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

iv Current tax and deferred tax

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Group carefully evaluates tax implications of transactions and tax provisions are recorded accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets relating to certain temporary differences and tax losses are recognised as management considers it probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectations are different from the original estimates, such differences will impact on the recognition of deferred tax assets and deferred tax in the periods in which such estimates have been changed.

v Impairment of long lived assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. The Group assesses impairment of long lived assets which are recorded at cost. At the time when there are any indications that such assets have suffered a loss, if any, is recognised in the Statement of Profit and Loss.

vi Impairment of inventories

Management reviews the ageing analysis of inventories of the Group at the end of each reporting period, and makes provision for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The assessment of the provision amount required involves management judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying value of the inventories and the provision charge/write-back of provision for obsolete and slow-moving inventory items in the period in which estimate has been changed.

vii Impairment of goodwill

Goodwill recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or the cash generating unit to which these pertain is less than the carrying value. The recoverable amount of the asset or the cash generating units is higher of value-in-use and fair value less cost of disposal. The

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calculation of value in use of an asset or a cash generating unit involves use of significant estimates and assumptions which include turnover, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

viii Valuation of financial instruments

When the fair value of financial assets and financial liabilities recorded in the Statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing the fair values. The judgements include consideration of inputs such as liquidity risks, credit risks and volatility in market. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

ix Provision for expected credit losses (ECL) on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type and customer type).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic condition (i.e., gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 42 to the consolidated financial statements.

x Defined benefit plan

The determination of the Group's obligation and cost for defined benefits is performed by independent actuary engaged by the Group and dependent on the selection of certain assumptions used by them in calculating such amounts. Those assumptions include among others,

discount rates and future annual salary increases. In accordance with the Group's accounting policy for pension obligations, actual results that differ from the Group's assumptions are recognised immediately in other comprehensive income as and they occur. While the Group believes that the actuary's assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in the Group's assumptions may materially affects its pension and other retirement obligations.

xi Leases – estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available or when it needs to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

xii Uncertainty relating to the global health pandemic on Covid-19

In assessing the recoverability of receivables, goodwill, PPE, intangible assets, and certain investments, the Group has considered relevant internal business projections, cash flows, and external information available up to the date of approval of these consolidated financial statements. The Group has performed sensitivity analysis on the assumptions used herein. Based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group basis its assessment believes that the probability of the occurrence of forecasted transactions is not impacted by Covid-19. The Group has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness and continues to believe that there is no impact on effectiveness of its hedges. The impact of Covid-19 remains uncertain and may be different from what the Group has estimated as of the date of approval of these consolidated financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

xiii Employee stock option plan

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the

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most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them. The Group initially measures the cost of cash-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses a Black Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 47.

b) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on a current/ non-current classification.

Assets:

An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realized within twelve months after the reporting period, or
- iv) 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.

Liabilities:

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) 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.

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the operation, the group has identified twelve months as its operating cycle.

c) Property, plant and equipment (PPE)

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income or expense (as applicable).

Subsequent costs: The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in statement of profit and loss as and when incurred.

Decommissioning costs : The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress: Capital work in progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date.

Depreciation: In case of entities in India

Depreciation on PPE, except leasehold improvements, is provided on straight-line method over the estimated useful lives of assets. Depreciation for assets purchased / sold during a period is proportionately charged to Statement of Profit and Loss. Leasehold improvements are amortized over the lease term or the useful life of the assets, whichever is earlier.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful lives	
	India *	Foreign entities
Furniture and fixtures	10 years	3 - 5 years
Office equipments	5 years	NA
Vehicles	8 years	5 - 8 years
Electrical installations and equipments	10 years	NA
Buildings	60 years	NA
Computers	3 years	3 - 5 years
Plant and machinery	NA	4 - 5 years
Infrastructure	NA	5 years

* As per Schedule II of the Companies Act, 2013.

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Freehold land is not depreciated.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes indicate the carrying value may not be recoverable. If any such indication exists and carrying values exceed recoverable amounts such assets are written down to their recoverable amounts.

d) Intangible assets

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill is tested for impairment annually as at March 31, and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Goodwill is not amortised.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

e) Investment property

(i) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property comprises freehold land and building.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Group measures investment property using cost based measurement and, the fair value of investment property is disclosed in the notes. Fair values are determined based on

an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss and other Comprehensive Income in the year of derecognition (as applicable)

(ii) Depreciation

Depreciation on investment property is provided, under the straight line method, pro rata to the period of use, based on their remaining useful lives.

f) Borrowing costs

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

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

g) Foreign currencies

Functional and presentational currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupees (₹) which is Group's presentation currency unless stated otherwise.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise and these are deferred in equity if they relate to qualifying cash flow hedges.



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Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that consolidated Balance Sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in Other Comprehensive Income.
- On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in Other Comprehensive Income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

h) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained 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.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Recognising revenue from major business activities

(i) Rendering of services

Income from corporate and sourcing support services rendered to group companies are recognized as the services are rendered based on a cost plus mark-up in accordance with the terms of respective arrangements.

'Unbilled revenue' included in other financial assets represent revenue in excess of billings as of the Balance Sheet date. 'Unearned revenues' included in financial liabilities represent billing in excess of revenue recognized.

(ii) Sale of goods

Revenue from the sale of goods is recognised at point in time when controls of promised goods are transferred to the customer (i.e. upon satisfaction of performance obligation).

Other income and other operating revenues

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Investment income

Investment income is recognized as and when the right to receive the same is established.

Handling fee income

Handling fee income is recognized in the period in which the services are rendered.

Commission income and management income

Commission income is recognized when the services are rendered.

Dividend income

Dividend income is recognized when the right to receive payment is established.

Rental income

Rental income is recognized when services are rendered and same becomes chargeable. Service Income comprises amounts billed for leasing out the property and other support services rendered to entities in accordance with terms of agreements entered into with them.

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Export incentives

Export incentives are recognized as income when the Company is entitled to the incentive as per the terms of the scheme in respect of the exports made and where it is probable that the Company will collect such incentive proceeds.

Any other income is recognized on an accrual basis.

i) Inventories

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

The cost of inventories is based on the First-In, First-Out (FIFO) principle and include expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work in progress cost include an appropriate share of production overhead based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

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

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease terms and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

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

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

(c) Short term leases

The Group applies the short-term lease recognition practical expedient to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease. Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.



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Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the Statement of Profit and Loss so as to provide a constant periodic rate of charge over the lease terms.

k) Employee benefits

Short-term employee benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service.

Defined contribution plan: A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance Schemes are defined contribution scheme and contributions paid / payable are recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

The obligations are measured at the present value of the estimated future cash flows. The discount rate is generally based upon the market yields

available on Government bonds at the reporting date with a term that matches that of the liabilities. Re-measurements, comprising actuarial gains and losses including, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in Other Comprehensive Income in the Statement of Profit and Loss. All other expenses related to defined benefit plans are recognised in Statement of Profit and Loss as employee benefit expenses. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Share based compensation

The Group has equity-settled share-based remuneration plans for its employees. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

For cash-settled share-based payments, the fair value of the amount payable to employees is recognised as employee benefits expense with a corresponding increase in liabilities, over the vesting period. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

The Group has created an Employee Benefit Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Company treats Trust as its extension and shares held by the Trust are treated as treasury shares. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting year are satisfied with treasury shares.

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Other long-term benefits

Long term compensated absences are provided for on the basis of actuarial valuation, using the projected unit credit method, at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Statement of Profit and Loss.

- In case of foreign subsidiaries

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation is performed annually by a qualified actuary using the projected unit credit method.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and 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. 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.

Contingent liability is disclosed in the case of;

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle obligation;
- ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Provision, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted where necessary to reflect the current best estimate of obligation or asset.

m) Financial instruments

i) Recognition and initial measurement

The Group initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair

value through profit or loss, are added to the fair value on initial recognition.

ii) Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently 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.

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

A financial asset is subsequently measured at fair value through other comprehensive income 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 at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the nature of these instruments.

Investment in equity shares / reference shares in joint venture and associates is carried at cost in the financial statements.

iii) Derecognition

Financial assets

A financial asset (or, where applicable, a part of a financial asset) is derecognised (i.e. removed from the Group's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and



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rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iv) Offsetting

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

v) Impairment of financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

n) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk

associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship with which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of the gain or loss on the hedging instrument for cash flow hedges is recognised directly in other comprehensive income in the hedging reserve, while any ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts recognised in other comprehensive income are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in other comprehensive income are transferred to the initial carrying amount of the non-financial asset or non-financial liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, the amounts previously recognised in other comprehensive income remain in other comprehensive income until the forecast transaction occurs or the foreign currency firm commitment is met.

o) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from

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continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss. Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

p) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

q) Taxes

Income tax comprises current and deferred tax. It is recognised in the Statement of Profit or Loss except

to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending on the nature and circumstances of each uncertain tax position. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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



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differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management (if any).

s) Earnings per share (EPS)

In determining earnings per share, the Group considers the net profit after tax and includes

the post tax effect of any extra ordinary items.

- Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

- For the purpose of calculating diluted earning per share, the number of shares comprises of weighted average shares considered for deriving basic earning per share and also the weighted average number of equity share which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increasing the earnings.

t) Segment reporting

The Group has the policy of reporting the segments in a manner consistent with the internal reporting provided to the Chief Decision Maker. The Chief Decision Maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Leasehold improvements	Vehicles	Office equipments	Computers	Right to use assets	Total
Gross Carrying Value										
Balance as at April 01, 2020	912.33	9,533.72	9,526.32	6,448.51	2,393.47	1,116.96	8,365.62	1,794.72	9,992.33	50,083.98
Additions/ transfers during the year	-	1,014.51	774.50	368.70	978.44	93.37	774.91	91.46	2,344.13	6,440.02
Disposals during the year	-	-	(20.35)	(0.58)	-	(24.54)	(6.09)	(137.86)	(1,239.17)	(1,428.58)
Effect of changes in exchange rates	(25.79)	(260.49)	(57.30)	(29.00)	(65.43)	82.30	(368.78)	3.08	388.34	(333.07)
Balance as at March 31, 2021	886.54	10,287.73	10,223.18	6,787.63	3,306.48	1,268.08	8,765.66	1,751.40	11,485.63	54,762.35
Additions/ transfers during the year	-	535.05	485.08	447.18	930.21	250.22	1,166.99	312.63	7,346.22	11,473.59
Disposals during the year	-	(14.95)	(29.65)	(356.58)	(352.04)	(229.95)	(647.76)	(153.23)	(628.54)	(2,412.71)
Effect of changes in exchange rates	31.30	229.17	141.03	82.28	48.18	15.20	94.13	35.97	154.60	831.86
Balance as at March, 2022 (A)	917.84	11,037.00	10,819.63	6,960.52	3,932.84	1,303.56	9,379.02	1,946.76	18,357.92	64,655.09
Accumulated depreciation										
Balance as at April 01, 2020	-	1,469.79	2,330.31	3,377.47	1,993.76	851.96	4,950.61	653.26	1,849.50	17,476.66
Depreciation charge for the year	-	451.56	880.27	555.94	334.85	88.09	1,319.52	293.17	2,437.38	6,360.78
Disposals during the year	-	-	-	-	-	(20.63)	-	(81.06)	(160.41)	(262.11)
Effect of changes in exchange rates	-	1.25	271.35	4.56	(29.49)	23.39	(263.52)	(0.06)	234.93	242.42
Balance as at March 31, 2021	-	1,922.60	3,481.93	3,937.97	2,299.13	942.81	6,006.61	865.31	4,361.40	23,817.76
Depreciation charge for the year	-	715.95	823.83	571.35	390.50	77.59	1,145.99	244.41	2,619.04	6,588.66
Disposals during the year	-	(14.95)	(27.79)	(348.00)	(351.14)	(201.50)	(637.71)	(150.85)	(145.78)	(1,877.73)
Adjustments during the year	-	-	-	3.21	3.85	-	16.49	3.86	-	27.41
Effect of changes in exchange rates	-	(115.44)	58.52	53.57	43.02	14.66	134.27	29.36	(56.58)	161.37
Balance as at March, 2022 (B)	-	2,508.15	4,336.49	4,218.09	2,385.36	833.55	6,665.64	992.10	6,778.08	28,717.47
Net book value										
Balance as at March, 2022 (A-B)	917.84	8,528.85	6,483.15	2,742.42	1,547.48	470.00	2,713.38	954.67	11,579.83	35,937.62
Balance as at March, 2021	886.54	8,365.14	6,741.25	2,849.66	1,007.36	325.28	2,759.05	886.09	7,124.23	30,944.59

The buildings situated in Hong Kong of Norwest Industries Limited, a Subsidiary of the Company, are pledged to secure the general banking facilities granted to the Norwest Industries Limited and subsidiaries of the Group. The details are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying value	3,548.44	3,447.79
Less: Accumulated depreciation	1,068.60	969.33
Net book value	2,479.84	2,478.46



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 5 : Capital work in progress

Particulars	As at March 31, 2022	As at March 31, 2021
Balance in the beginning of the year	468.18	2,059.25
Addition during the year	223.17	253.32
Capitalisation during the year	(377.76)	(1,844.39)
Balance as at the year end	313.59	468.18

Note 6 : Investment property

Particulars	Freehold land	Building	Total
Gross carrying amount			
Balance as at April 01, 2020	68.81	14,727.71	14,796.52
Foreign exchange fluctuation	-	739.77	739.77
Balance as at March 31, 2021	68.81	15,467.48	15,536.29
Disposals during the year	-	(10,603.89)	(10,603.89)
Foreign exchange fluctuation	-	(24.70)	(24.70)
Balance as at March 31, 2022	68.81	4,838.89	4,907.70
Accumulated depreciation			
Balance as at April 01, 2020	-	5,227.75	5,227.75
Depreciation charge for the year	-	255.73	255.73
Foreign exchange fluctuation	-	86.69	86.69
Balance as at March 31, 2021	-	5,570.17	5,570.17
Disposals during the year	-	(5,220.34)	(5,220.34)
Depreciation charge for the year	-	65.55	65.55
Foreign exchange fluctuation	-	5.29	5.29
Balance as at March 31, 2022	-	420.68	420.68
Net book value			
Balance as at March 31, 2022	68.81	4,418.21	4,487.02
Balance as at March 31, 2021	68.81	9,897.32	9,966.12
a) Fair value			
Balance as at March 31, 2022	3,806.25	4,948.90	8,755.15
Balance as at March 31, 2021	3,140.00	8,057.60	11,197.60

b) Information regarding income and expenditure pertaining to investment properties of the Group is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
Rental Income derived from investment property	419.36	634.38
Less: Direct operating expenses	296.49	300.61
Profit arising from investment property before depreciation	122.87	333.77
Less: Depreciation	65.55	255.73
Profit arising from investment property	57.32	78.04

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 6 : Investment property (Contd.)

c) Minimum lease rent receivable: In respect of investment property of the Group given on lease, the future minimum lease payments receivable for non-cancellable period is as under:

Particulars	As at March 31, 2022	As at March 31, 2022
Not later than 1 year	410.65	632.90
Later than 1 year but not later than 5 years	184.90	530.35
Total	595.55	1,163.25

d) The above schedule of investment property includes :

- Property of the Company situated at Udyog Vihar, Gurugram, Haryana in India. The investment property consists of two class of assets - Land and Building - based on the nature, characteristics and risks of the property. The fair value of such property is ₹5,768.11 (land: ₹3,806.25 and building: ₹1,961.86) (2021 ₹5,270.00 (land: ₹3,140.00 and building: ₹2,130.00))
- The fair value of the residential property is of GBP 3,000,000 (₹2,987.04) (2021:GBP 3,000,000 (₹3,021.60) was determined by the management and valuation has been performed by an independent professionally qualified valuer. During the year ended March 31, 2021, there were two Investment properties in United Kingdom held by Poeticgem Limited and Razmataaz Limited. During the year, the group has sold entire stake of Razmataaz Limited, due to which the investment property held by Razmataaz Limited(Fair value as at March 31, 2021 : GBP 5,000,000(₹5,036.00)) is disposed off. During the year ended 31 March 2022, a property held by Poeticgem Limited is with a fair value of GBP 3,000,000 (₹2,987.04) (2021: GBP 3,000,000 (₹3,021.60) are currently being held for the purpose of rental income from a third party.
- As at March 31, 2022 and March 31, 2021 the investment property was pledged to secure the general banking facilities granted to the Poeticgem Limited. In the opinion of the directors, the open market value of the property is not materially different from the stated amount. The details are as follows:

Particulars	As at March 31, 2022	As at March 31, 2022
Gross carrying value	2,317.50	10,160.27
Less: Accumulated depreciation	148.94	2,699.11
Net book value	2,168.57	7,461.16

- During the year ended 31 March 2022, a property held by Poeticgem Limited is with a fair value of GBP 3,000,000 (₹2,987.04) (2021: GBP 3,000,000 (₹3,021.60) are currently being held for the purpose of rental income from a third party. The fair value is based on valuation performed by an accredited independent valuer.
- The fair valuation is based on current prices in the active market for similar properties. The main input used are quantum, area, location, population, profile of surrounding developments, negotiations, connectivity and accessibility.

Note 7 : Goodwill

Particulars	Amount
Gross carrying amount	
Balance as at April 01, 2020	5,141.59
Exchange difference	(109.56)
Balance as at March 31, 2021	5,032.03
Exchange difference	144.22
Balance as at March 31, 2022	5,176.25

Impairment testing for Goodwill

For impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of each CGU.

The recoverable amount of the CGU is determined on the basis of higher of value in use or Fair Value Less Cost of Disposal (FVCDL). The recoverable amount of the CGU is determined based on the discounted cash flow approach, using the discount rate and terminal income growth rate from unobservable market data. The discount rate applied to the cash flow projections is within the range of 10.00%-20.00% and cash flows beyond the five-year period were extrapolated using a growth rate of 2.50%-3.00%, which was the same as the long term average growth rate of the garment products industry in the respective geographies.. The fair value measurement is categorised as a level 3 fair value based on the inputs in the valuation techniques used.

Goodwill acquired through business combinations have been allocated to the reporting units for impairment testing.



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 8 : Intangible assets

The following table presents the reconciliation of changes in the carrying value of other intangible assets in the Group:

Particulars	Computer software	Trade marks	Total
Gross carrying amount			
Balance as at April 01, 2020	1,050.58	0.90	1,051.48
Add: Additions during the year	424.33	-	424.33
Disposals during the year	(308.89)	-	(308.89)
Exchange difference	(94.69)	-	(94.69)
Balance as at March 31, 2021	1,071.33	0.90	1,072.23
Add: Additions during the year	442.80	-	442.80
Exchange difference	238.36	-	238.36
Balance as at March 31, 2022	1,752.48	0.90	1,753.38
Amortisation			
Balance as at April 01, 2020	464.93	0.62	465.55
Add: Amortisation charge for the year	152.99	0.18	153.17
Disposals/ adjustments made during the year	45.50	-	45.50
Exchange difference	(25.45)	-	(25.45)
Balance as at March 31, 2021	637.97	0.80	638.77
Add: Amortisation charge for the year	336.50	0.10	336.60
Exchange difference	43.82	-	43.82
Balance as at March 31, 2022	1,018.29	0.90	1,019.19
Net carrying value			
Balance as at March 31, 2022	734.19	-	734.20
Balance as at March 31, 2021	433.36	0.10	433.47

Note 9A : Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-current	Current	Non-current	Current
Fair value through profit or loss (refer note 'a' below)				
Equity investments - refer note (i) and (v) below	57.00	3,687.22	525.15	2,135.80
Debt investments - refer note (ii) below	-	153.23	-	3,592.55
Investment in convertible notes	1,961.46	-	-	-
Investment in funds	2,162.75	-	-	-
Other investments - refer note (iii) and (iv) below	2,818.12	-	2,525.74	-
Total (A)	6,999.33	3,840.45	3,050.89	5,728.35
Fair value through other comprehensive income				
Equity instruments (refer note 'b' below)	11,436.20	-	5,646.59	-
Investment in bonds	-	-	69.55	-
Total (B)	11,436.20	-	5,716.14	-
Total [C= (A+B)]	18,435.53	3,840.45	8,767.03	5,728.35

Note:

a) Financial assets at fair value through profit or loss :

- The above listed equity instruments as at March 31, 2022 and March 31, 2021 were classified as financial assets at fair value through profit or loss as they were held for trading.
- The above listed debt instruments and Investment in Funds as at March 31, 2022 and March 31, 2021 were classified as financial assets at fair value through profit or loss as they were held for trading.
- The above listed convertible notes as at March 31, 2022 and March 31, 2021 were classified as financial assets at fair value through profit or loss as because of derivative component.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 9A : Investments (Contd.)

- iv) The Group entered into three life insurance policies with an insurance company to insure an executive director. Under these policies, the Group is the beneficiary and the policy holder. The Group paid upfront premiums for these policies and may surrender any time by filing a written request and receive cash based on the surrender value of the policy at the date of withdrawal, which is calculated by the insurer. In the opinion of the management, the surrender values of the policies provided by the insurance company are the best approximation of their fair values, which are categorised within Level 2 of the fair value hierarchy.
- v) As at March 31, 2022, the Group's unlisted investments with an aggregate carrying value of ₹2,678.69 (March 31, 2021: ₹2,525.74) were pledged to secure the general banking facilities granted to the Group.
- vi) The below mentioned equity investments as at March 31, 2022 were designated by the Group as financial assets at fair value through profit or loss and are stated at fair value.

Particulars	As at March 31, 2022	As at March 31, 2021
Equity investments, at fair value		
Parc Designs Private Limited 570,000 equity shares of ₹10 each (March 31, 2021: 570,000 equity shares of ₹10 each)	57.00	57.00
Investment in equity shares of listed companies	3,687.22	2,603.95
Total	3,744.22	2,660.95

b) Financial assets at fair value through other comprehensive income:

Equity investments, at fair value

Name of the investee entity	Investment instrument	As at March 31, 2022	As at March 31, 2021
Alacrity Law Limited	Equity shares	207.55	151.04
Atterley.Com Holding Limited	Equity shares	1,619.17	1,210.36
Brand Kreations Limited	Equity shares	619.48	503.45
Cerebra Technologies, Inc.	Preference Shares	150.62	146.28
Ethical Fashion Group Ltd	Equity shares	157.75	153.41
Fertifa Limited	Equity Shares	49.81	50.35
Good On You Pty Limited	Equity shares	254.95	146.28
Hydrocotton Limited	Equity shares	1,730.54	251.73
Maudi Group Inc.	Convertible note	239.74	156.38
M-Xr Limited	Equity shares	149.42	151.04
Style Theory Private Limited	Compulsory convertible preference shares	225.93	189.61
Symbioco Limited	Convertible note	286.91	20.14
War Paint Men'S Grooming Limited	Equity shares	199.22	201.38
Clinova Limited	Equity shares	345.15	201.58
Juhu Exchange Limited	Preference Shares	283.85	401.50
Made In Africa Inc	Compulsory convertible preference shares	-	109.71
Survivour Made Goods, Inc	Convertible promissory note	-	629.28
Satis.Ai Limited	Simple agreement for future equity *	-	20.14
Arpalus Limited	Simple agreement for future equity	-	20.14
Evrnu Spc.	Convertible note	-	182.86
Zwift Inc	Equity shares	-	548.57
Monolith Ai Limited	Convertible note	-	201.38
Bedfolk Limited	Equity shares	433.29	-
Big Thinx, Inc.	Equity shares	188.28	-



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 9A : Investments (Contd.)

Name of the investee entity	Investment instrument	As at March 31, 2022	As at March 31, 2021
Boy Smells Inc.	Equity shares	248.04	-
Brandlab 360	Equity shares	72.87	-
Brawn Power Limited	Equity shares	127.06	-
Co Commerce Shopping Platdorm Limited	Equity shares	226.51	-
By Rotation Limited	Equity shares	49.81	-
City Brands Limited	Equity shares	49.83	-
Coat Trading Limited	Equity shares	49.80	-
Fable Home Inc.	Equity shares	290.31	-
Vyner Works Limited	Equity shares	348.64	-
Haeckels Limited	Equity shares	280.10	-
Hide Biotech Limited	Equity Shares	49.81	-
Kavida Technologies Limited	Equity Shares	41.50	-
Love The Sales Limited	Equity Shares	498.28	-
Maude Group Inc.	Equity Shares	218.93	-
Ray Studios	Equity shares	49.91	-
Asian Court Holding Inc.	Equity Shares	75.31	-
To The Marekt Inc.	Equity shares	344.53	-
True Capital - Zwift LP Share	Equity shares	655.90	-
Unmind Limited	Equity shares	197.84	-
Zen Industries Limited	Equity shares	419.55	-
Total		11,436.20	5,646.59

* A SAFE (simple agreement for future equity) is an agreement between an investor and a company that provides rights to the investor for future equity in the company similar to a warrant, except without determining a specific price per share at the time of the initial investment.

Note 9B : Investments accounted for using the equity method

Particulars	As at March 31, 2022	As at March 31, 2021
Interest in joint ventures (refer note a below)	9,219.72	913.53
Interest in associates (refer note b below)	443.54	-
Total	9,663.26	913.53

a) Investment in Joint ventures

Name	Investment details	Place of registration	Percentage of voting rights		Principal activities
			March 31, 2022	March 31, 2021	
Sourcing Solutions Europe BVBA	Registered capital of USD 100,000	Hong Kong	50	50	Trading of garment product
Redwood Internet Ventures Limited	Registered capital of USD 10,000	Hong Kong	50	50	E-commerce
Digital Internet Technologies Limited	Registered capital of USD 10,000	Hong Kong	50	50	
Digital Ecom Techno Private Limited	Authorised share capital of Rs. 100,00,000	India	50	50	
Yellow Octopus EU Sp. z o.o. sp.K.	Registered capital of PLN 100,000	Poland	50	NA	Trading of garment product
One stop Shop Solution Sp. z o.o.	Registered capital of PLN 100,000	Poland	50	NA	
Yellow Octopus Fashion Limited	Registered capital of GBP 10,000	UK	50	NA	
Upcycle Labs Limited (Ertswhile known as Filkor Limited)	Registered capital of GBP 1000	UK	50	NA	

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 9B : Investments accounted for using the equity method (Contd.)

b) Investment in associates

Name	Amount of investment	Place of registration and business	Ownership interest	Voting power	Carrying value (₹ lakhs)	Principal activities
Loop Digital Wardrobe Limited	GBP 200000	United Kingdom	34.00%	34.00%	172.64	Trading of garments
GWD Enterprises Limited	USD 800,070	United Kingdom	25.00%	25.00%	-	Trading of garments
Sourcing Solutions BVPA	EUR 60,000	Belgium	50.00%	50.00%	270.91	Trading of garments

c) Investment in Joint Venture during the year

Summarised financial information of the Group's investment in Yellow Octopus EU Sp. z o.o. sp.K.: (refer note 46)

Particulars	As at March 31, 2022
Share of the Joint Venture's statement of financial position:	
Non Current assets	244.09
Current assets other than cash and cash equivalents	1,188.23
Cash and cash equivalents	218.99
Non Current liabilities	(997.04)
Current liabilities	(161.67)
Equity	492.59
Proportion of the Group's ownership (40%)	197.04
Add: Provisional goodwill included in the carrying value of investment (refer note 46)	8,411.75
Group's carrying amount of the investment	8,608.79

Note:

On September 29, 2021 the Group has acquired of 50% equity interest in Yellow Octopus EU Sp. z o.o. sp.K., One stop Shop Solution Sp. z o.o. sp.K. and Yellow Octopus Fashion Limited through PG Capital FZE and PDS Multinational FZCO (a wholly owned subsidiary of Multinational Textiles Group Limited) (refer note 46)

Particulars	As at March 31, 2022
Share of the Joint Venture's statement of profit or loss:	
Revenue from operations	3,257.04
Cost of sales	(2,568.67)
Administrative expenses	(462.99)
Finance costs	(29.03)
Other income/(expenses), net	9.44
Income tax expense	(19.62)
Profit after tax	186.16
Other comprehensive (loss)	-
Total comprehensive income attributable to shareholders	186.16
Group's share of profit for the year (40%)	74.46
Group's share of other comprehensive income for the year, net of tax	74.46

Investments accounted for using the equity method - other investments which are not material

Particulars	As at March 31, 2022	As at March 31, 2021
i) Profit or Loss from continuing operation	(132.32)	(391.61)
ii) Total comprehensive income	(132.32)	(391.61)



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Note 10 : Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current (unsecured, considered good)		
Security deposits (refer to note 'a' below)	0.01	50.33
Application money paid towards securities	-	299.38
Loan to others (refer note 'c' below)	1,134.53	1,311.92
Total (A)	1,134.54	1,661.63
Current (unsecured, considered good)		
Security deposits (refer to note 'a' below)	1,765.38	1,500.12
Deposits with original maturity of more than 12 months (refer to note 'b' below)	1.00	1.00
Interest accrued but not due	50.33	28.77
Dues from related party (refer note 36)	2,591.52	1,227.21
Derivative financial instruments (refer note 38)	277.22	370.16
Receivable from others (refer note 36)	2,065.72	2,746.90
Unbilled revenue	308.16	149.57
Total (B)	7,059.33	6,023.73
Total (A+B)	8,193.87	7,685.36

- The Group has determined its security deposits are not in the nature of loans and accordingly have been classified as part of other financial assets.
- Fixed deposits with a carrying amount of ₹1.00 (March 31, 2021: ₹1.00) are pledged with the government authorities.
- Loan to others represent interest free loan given to a director of a step down subsidiary of the Company

Note 11 : Other assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital advances	226.15	90.64
Advances recoverable in cash or in kind		
- From others	148.11	144.76
Total (A)	374.26	235.40
Current		
Balance with government authorities	737.04	714.67
Prepaid expenses	2,562.96	1,853.24
Advances to suppliers	4,475.63	6,228.35
Advances to employees (refer note 36)	1,264.01	299.38
Advances recoverable in cash or in kind		
- From others	2,067.59	572.29
Total (B)	11,107.23	9,667.93
Total (A+B)	11,481.49	9,903.33

Note 12: Inventories* (at lower of cost or net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	13,952.17	9,307.82
Work in progress	3,591.14	3,208.07
Finished goods	6,815.02	5,577.37
Goods-in-transit	6,166.38	1,619.56
Total	30,524.71	19,712.82

* Write-downs of inventories to net realisable value on account of slow moving and obsolete items amounted to ₹371.74 (March 31, 2021: ₹2,659.08). These were recognized as an expense/reversal of expense respectively during the year and were included in cost of goods sold.

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 13 : Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Trade receivable considered good - secured	-	-
(b) Trade receivable considered good - unsecured	1,42,130.97	90,980.73
(c) Trade receivable which have significant increase in credit risk	-	-
(d) Trade receivable - credit impaired	828.62	518.14
	1,42,959.59	91,498.87
Less: Allowance for expected credit loss	828.62	518.14
Total	1,42,130.97	90,980.73

- a) There are no receivables at the reporting date having significant increase in credit risk.
- b) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.
- c) The above impairment loss amounting to March 31, 2022 ₹828.62 (March 31, 2021: ₹518.14) related to trade receivables majorly from the subsidiaries namely Simple Approach Limited, Norwest Industries Limited, Poeticgem International Limited, Poetic Brands, Design Arc UK Limited and Techno design GMBH.
- d) Trade receivables are generally on terms of not more than 90 days.

e) Trade receivable ageing schedule:

Particulars	As at March 31, 2022		
	Outstanding for following periods from due date of payment		
	Less than 6 months	6 months - 1 year	Total
Trade receivable considered good - unsecured	1,42,070.95	60.02	1,42,130.97
Total	1,42,070.95	60.02	1,42,130.97

Particulars	As at March 31, 2021		
	Outstanding for following periods from due date of payment		
	Less than 6 months	6 months - 1 year	Total
Trade receivable considered good - unsecured	90,967.33	13.40	90,980.73
Total	90,967.33	13.40	90,980.73

Note 14 : Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
- Current account*	45,953.94	29,299.50
Cash on hand	46.26	46.71
Total	46,000.20	29,346.21

Note:

At March 31, 2022, the cash and bank balances of the Group denominated in RMB amounted to USD 51,017(₹38.66) (2021: USD 98,363 (₹71.91)). RMB is not freely convertible into another currencies, however, under mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earn interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

* includes funds in transit amounting to ₹114.43 as at Mach 31, 2022 (March 31, 2021: ₹859.35) pertaining to Norwest Industries limited and Progress Apparels Bangladesh Limited.



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as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 15 : Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked balances for share fraction account	1.15	1.15
Deposits with original maturity of more than 3 months but less than 12 months	20,483.35	13,717.19
Total	20,484.50	13,718.34

- a) The earmarked balance represents balance of share fraction account lying with bank.
- b) Deposits amounting to March 31, 2022 ₹15,435.05 (March 31, 2021: ₹11,878.19) are pledged to secure the general banking facilities granted to the Norwest Industries Limited and subsidiaries. The pledged time deposits are deposited with creditworthy banks with no recent history of default.

Note 16 : Share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
28,000,000 (March 31, 2021: 27,000,000) equity shares of ₹10 each	2,800.00	2,700.00
	2,800.00	2,700.00
Issued, subscribed and paid up		
26,046,724 (March 31, 2021: 26,046,724) equity shares of ₹10 each	2,604.67	2,604.67
Less: Treasury shares	(0.42)	
	2,604.25	2,604.67

a) Reconciliation of issued and subscribed share capital:

Particulars	Amount
Balance as at April 1, 2020	2,60,46,724
Changes during the year	-
Balance as at March 31, 2021	2,60,46,724
Changes during the year*	(4,245)
Balance as at March 31, 2022	2,60,42,479

* Company has purchased 4,245 shares through ESOP Trust during the year ended March 31, 2022

- b) The Company has not issued any bonus shares or any shares for consideration other than cash during five years immediately preceding March 31, 2022. Further, the Company has bought 4,245 shares through ESOP trust during the year ended March 31, 2022.

c) Terms/ rights attached to equity shares:

- The Company has only one class of equity share having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares*	Holding %	No. of shares*	Holding %
Mrs. Payal Seth	1,38,75,242	53.27	1,38,75,242	53.27
Mr. Deepak Seth	31,55,734	12.12	31,55,734	12.12
Mr. Sanjiv Dhiresbhai Shah	16,18,366	6.21	16,18,366	6.21

* The number of shares are given in absolute numbers.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 16 : Share capital (Contd.)

e) Details of shareholding of Promoters:

Particulars	As at March 31, 2022		
	Number of shares	% of total shares	% change during the year
Mrs. Payal Seth	1,38,75,242	53.27%	-
Mr. Deepak Seth	31,55,734	12.12%	0.00%
Mr. Pallak Seth	2,78,838	1.07%	0.00%
Mr. Pulkit Seth	1	0.00%	0.00%
Mrs. Shefali Seth	36	0.00%	0.00%
Pearl Global Industries Limited	49,999	0.19%	0.00%
NIM International Commerce LLP	36	0.00%	0.00%

Particulars	As at March 31, 2021		
	Number of shares	% of total shares	% change during the year
Mrs. Payal Seth	1,38,75,242	53.27%	-
Mr. Deepak Seth	31,55,734	12.12%	-
Mr. Pallak Seth	2,78,838	1.07%	-
Mr. Pulkit Seth	1	0.00%	-
Mrs. Shefali Seth	36	0.00%	-
Pearl Global Industries Limited	49,999	0.19%	-
NIM International Commerce LLP	36	0.00%	-

Note 17 : Other equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital reserve	26,185.92	26,185.92
Restricted reserve	664.52	664.52
Other reserve	-6792.17	(3,821.21)
Retained earnings	45,962.47	25,223.83
Foreign currency translation reserve	14,360.31	13,007.10
Hedging reserve	224.26	124.37
Financial instruments through other comprehensive income	1,979.62	736.67
Treasury shares	(57.73)	-
Stock Options Outstanding account	2,064.21	-
Defined benefit obligation through other comprehensive income	3.00	(37.28)
	84,635.94	62,083.92

Note: For details, refer 'the Statement of Changes in Equity

- During Demerger, the excess of consideration received, over the net assets is treated as capital reserve.
- Restricted reserve was created on account of redemption of preference shares made in a subsidiary in FY 2015-16, retrospectively rectified by a reclassification adjustment. Such reserve is in the nature of 'Capital redemption reserve' and can be used for the issue of bonus shares.
- Other reserves comprise gain or loss on change in proportion of equity interest held by non controlling interests that do not result in a change in control.
- Retained earnings are the profits that the company earned till date, less any transfers to general reserve, dividends or other distribution paid to shareholders.
- Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Rs.) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve.
- The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges.
- This represents the cumulative gains and losses arising on the revaluation of financial instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income.
- Treasury shares are the shares purchased the controlled trust from the external market for the benefit of employees.



Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 17 : Other equity (Contd.)

- ix) The fair value of equity-settled share based payment transactions is recognised in consolidated statement of profit and loss with corresponding credit to stock option outstanding account.
- x) This represents the cumulative actuarial gains and losses arising on the revaluation of employee benefits measured at fair value through other comprehensive income that have been recognized in other comprehensive income.

Details of dividend distributions proposed:

Particulars	As at March 31, 2022
Proposed dividend on equity shares:	
Proposed dividend: ₹23.85 per equity share of ₹10/- each (March 31, 2021: ₹15.75/- per equity share of ₹10/- each)	6,212.14
Total proposed dividend on equity shares	6,212.14

Proposed dividend on equity shares is subject to approval by shareholders at the Annual General Meeting and had not been included as a liability in these consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

Note 18 : Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Secured loan		
- Vehicle loan from bank	10.77	71.16
- Term loan from bank	-	430.55
Less: Current maturities of long term borrowings (refer note 19)	-	(317.67)
Total (A)	10.77	184.04
Current		
Secured loan		
- From banks	60,580.06	47,053.09
Add: Current maturities of long term borrowings (refer note 19)	-	317.67
- Bank overdraft	1,740.52	1,107.71
Unsecured loan		
- From directors	3.76	18.30
- From related parties (refer note 36)	-	300.00
Total (B)	62,324.34	48,796.77
Total (A+B)	62,335.11	48,980.81

a) For interest rate and liquidity risk related disclosures, refer note 41.

b) The nature of security for the loans are :

(i) Vehicle loan

- Vehicle loan of ₹27.00 taken by the Company, from Axis Bank, during the year ended March 31, 2019 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 8.80% per annum (March 31, 2021: 8.80% per annum). The loan is repayable in 60 monthly instalments.

- Vehicle loan of ₹57.35 taken by the Company, from BMW Financial Services, during the year ended March 31, 2021 and was secured against hypothecation of the respective vehicle. The applicable rate of interest is 7.50% per annum (March 31, 2021: 7.50%). The loan is repayable in 60 monthly instalments. During the year, Company has made the full repayment of loan with interest.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 18 : Borrowings (Contd.)

c) In case of term loan from bank, the terms are as under:

- i) Term loan of ₹1,500.00 taken by the Company during the year ended March 31, 2015 and March 31, 2016 is guaranteed by Stand By Documentary Credit (SBDC) documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 7 years with 1 year moratorium period and it is repayable in 24 equal quarterly installments over the said tenor.
- ii) Term loan of ₹300.00 taken by the Company during the year ended March 31, 2017 is also guaranteed by SBDC documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of term loan is 6 years and it is repayable in 23 equal quarterly installments over the said tenor.
- iii) Term loan carries rate of interest ranging from 8.50% to 10.25% per annum (March 31, 2021: 9.60% to 10.25% per annum).

d) Unsecured loan from related party are repayable on demand and carries interest rate of 10% per annum (March 31, 2021: 10% per annum). The loan has been repaid during the year.

e) Short term Loan: Short term loan of ₹300.00 taken by the Company during the year ended March 31, 2022 is also guaranteed by SBDC documents of its step down subsidiary, Norwest Industries Limited with HSBC Hong Kong. The maximum tenor of short term loan is 4 months and is repayable on demand. It carries rate of interest of 7.50% per annum (March 31, 2021: Nil).

f) Others:

- i) In case of secured loans (other than vehicle loan) of Norwest Industries Limited ('NIL') and its subsidiaries (NIL Group), these loans are secured by way of NIL Group's guarantees from the immediate holding company, fellow subsidiaries, directors of NIL, a related party, Group's investment property, unlisted investments and certain of NIL Group's insurance deposits. Also these loans contains repayable on demand clauses and hence the loans are shown as short term, though the repayment of these loans is spread more than an year.
- ii) In case of banking facilities of Simple Approach Limited, Zamira Fashions Limited, Techno Design HK Limited, PDS Asia Star Limited, Poeticgem International Limited, Green Apparel Industries Limited and Progress Manufacturing Group Limited, the banking facilities are secured by fellow subsidiaries' corporate guarantee, directors' personal guarantee, life insurance policy, bank guarantee and fellow subsidiary's properties.
- iii) With respect to the loans of PG Group the interest-bearing bank borrowings are guaranteed by the immediate holding company and a director of the Company and these loans are repaid during the year ending March 31, 2022.
- (iv) Interest details of secured loans are as follows:

Entity name	Nature of loan	March 31, 2022	March 31, 2021
PDS Asia star Limited	Discounted bills	LIBOR +2% p.a	LIBOR +2% p.a
	Import loans		
	Trust receipt loans		
Simple Approach Limited	Discounted bills	LIBOR+2% p.a	LIBOR+2% p.a
	Trust receipt loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
Zamira Fashions Limited	Import loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
	Trust receipt loans	Bank prime rate+1.5% p.a	Bank prime rate+1.5% p.a
Poeticgem International Limited	Import loans	LIBOR+2% to 2.4% p.a	LIBOR+2% to 2.4% p.a
	Trust receipt loans	LIBOR+2% to 2.4% p.a	LIBOR+2% to 2.4% p.a
Techno Design HK Limited	Import loans	LIBOR+2% p.a	LIBOR+2% p.a
Green Apparel Industries Limited	Term loan	LIBOR+2.75% p.a	LIBOR+2.75% p.a
Progress Manufacturing Group Limited	Term loan	LIBOR +2.75% p.a	LIBOR +2.75% p.a
PG Group Limited	Import loans	LIBOR +2.0% p.a	Nil
Clover Collection FZCO	Import loans	SOFR+2% p.a.	Nil
	Trust receipt loans		
Green Smart Shirts Limited	Bill discounting	LIBOR+3.5% p.a	LIBOR+3.5% p.a
	Term loan	11% p.a	11% p.a



Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 18 : Borrowings (Contd.)

Entity name	Nature of loan	March 31, 2022	March 31, 2021
Progress Apparel (Bangladesh) Limited	Bill discounting	LIBOR+3.5% p.a	LIBOR+3.5% p.a
	Bank overdraft	LIBOR+3.5% p.a	LIBOR+3.5% p.a
	Import loans	LIBOR+2.75% p.a	LIBOR+2.75% p.a
	Trust receipt loans	LIBOR+3.5% p.a	LIBOR+3.5% p.a
Norwest Industries Limited and its subsidiaries	Term loans	Nil	1.75% over 3 months HIBOR [^] , 1.47% p.a, 1 month LIBOR [#] +4% p.a.
	Import loans	EURIBOR ^{^^^^} +2%, USD SOFR [*] +2.15% GBP SONIA ^{**} +2%	USD/GBP/EUR: LIBOR [#] +2%, BFR ^{^^^} +1.75% p.a
	Trust receipt loans	COF ^{^^} +2.0%, LIBOR [#] +3.5%, HIBOR [^] +2%, LIBOR [#] +2%, BFR ^{^^^} +1.75% p.a., EURIBOR [#] +2%, USD SOFR [*] +2.15%, GBP SONIA ^{**} +2%	COF ^{^^} +2.25%, LIBOR [#] +3.5%, HIBOR [^] +2%, LIBOR [#] +2%, BFR ^{^^^} +1.75% p.a., LIBOR [#] +2.37% p.a., 2% over higher of LIBOR [#] and COF ^{^^^}
	Bank overdraft	LIBOR [#] +3.5%, HIBOR [^] +2%,	1.5% p.a.
	Export Loan	EURIBOR ^{^^^^} +2%, USD SOFR [*] +2.15% GBP SONIA ^{**} +2%	Nil

London Interbank Offered Rate ("LIBOR")

[^]Hong Kong Interbank Offered Rate ("HIBOR")

^{^^} Intesa Sanpaolo S.P.A.'s Cost of Funds ("COF")

^{^^^} BNP PARIBAS's Funding Rate ("BFR")

^{^^^^} Euro Interbank Offered Rate ("EURIBOR")

^{*}HSBC Secured Overnight Financing Rate ("SOFR")

^{**}HSBC GBP Sterling Overnight Index Average ("SONIA")

Note 19 : Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Security deposit received (refer to note 'a' below)	-	63.23
Total (A)	-	63.23
Current		
Interest accrued but not due on borrowings from bank	0.25	0.34
Security deposit received	71.63	-
Derivative financial instruments (refer note 38)	83.77	252.76
Dues to employees	4,729.04	4,961.02
Share Based payment liability	166.38	-
Dues to others	166.36	405.96
Due to related party (note 36)	1,473.54	3,038.93
Total (B)	6,690.97	8,659.01
Total (A+B)	6,690.97	8,722.24

a) The Group has determined its security deposits are not in the nature of borrowings and accordingly have been classified as part of other financial liabilities.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 20 : Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Gratuity and other defined benefit plans (refer note 35)	1,716.46	1,369.55
Total (A)	1,716.46	1,369.55
Current		
Provision for compensated absences	1,214.40	961.35
Gratuity and other defined benefit plans (refer note 35)	462.54	539.21
Total (B)	1,676.94	1,500.56
Total (A+B)	3,393.40	2,870.11

Note 21 : Trade payable

Particulars	As at March 31, 2022	As at March 31, 2021
- Outstanding dues to Micro Enterprises and Small Enterprises - (refer note 'a' & 'c' below)	9.50	1.72
- Others (refer note 36)	1,56,622.43	89,242.79
Total	1,56,631.93	89,244.51

- a) In respect of the Company, as per Schedule III of the Companies Act, 2013 read with notification number GSR 719 (E) dated November 16, 2007, the amount due to Micro and Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

Particulars	As at March 31, 2022	As at March 31, 2021
- the principal amount (March 31, 2022: ₹9.50, March 31, 2021: ₹1.72) and the interest (March 31, 2022: Nil, March 31, 2021: Nil) due thereon remaining unpaid to any supplier at the end of each accounting year;	9.50	1.72
- the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
- the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
- the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
- the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- b) The amount does not include any amount due to be transferred to Investor Education and Protection fund.
- c) Disclosure of payable to vendors as defined under the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.



Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 21 : Trade payable (Contd.)

d) Ageing schedule:

Particulars	Accrued liabilities	As at March 31, 2022		
		Outstanding for following periods from the due date of payment		
		Less than 1 year	1-2 Years	Total
- Outstanding dues to Micro Enterprises and Small Enterprises	-	9.50	-	9.50
- Others	4,024.92	1,52,586.66	10.85	1,56,622.43
Total	4,024.92	1,52,596.16	10.85	1,56,631.93

Particulars	Accrued liabilities	As at March 31, 2021		
		Outstanding for following periods from the due date of payment		
		Less than 1 year	1-2 Years	Total
- Outstanding dues to Micro Enterprises and Small Enterprises	-	1.72	-	1.72
- Others	5,121.98	84,120.81	-	89,242.79
Total	5,121.98	84,122.53	-	89,244.51

Note 22 : Other liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deferred income on security deposit received	60.59	-
Other payables	1.16	112.29
Total (A)	61.75	112.29
Current		
Deferred income on security deposit received	20.68	71.90
Statutory dues	1,234.03	1,385.96
Advance from customers	704.18	1,987.42
Other payables	423.87	172.16
Total (B)	2,382.76	3,617.44
Total (A + B)	2,444.51	3,729.73

Note 23 : Liabilities for current tax (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax, net of advance tax	2,713.74	2,177.80
Total	2,713.74	2,177.80

Note 24 : Income Tax

(a) Deferred tax, net

Particulars	As at March 31, 2022		As at March 31, 2021	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Deferred tax asset relates to the following:				
Provision for employee benefits	116.53	-	110.77	2.43
Lease liability	33.42	-	-	-
Brought forward losses and unabsorbed depreciation	1,198.08	-	979.14	-
FDR interest income	-	11.91	-	-
Property, plant and equipment	99.85	334.26	27.83	286.34
Preliminary expenses	0.08	-	-	-
Others	50.21	16.68	40.55	9.97
	1,498.17	362.86	1,158.29	298.74
Deferred tax asset (net)	1,135.31	-	859.55	-

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 24 : Income Tax (Contd.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Deferred tax liability relates to the following:				
Provision for employee benefits	42.74	5.57	57.59	6.42
Property, plant and equipment	-	194.87	-	-
Lease liability	70.65	-	-	-
Depreciation	-	-	-	197.73
Others	15.32	213.41	41.92	30.29
	128.71	413.85	99.51	234.44
Deferred tax liability (net)	-	285.13	-	134.93
Charge/ (credit) for the year		(125.56)		(745.47)
Reconciliation to the consolidated Statement of Profit and Loss				
a. Charge/ (credit) for the year		(125.56)		(745.47)
b. Exchange differences		5.13		210.25
c. Recognised in statement of OCI		(5.57)		-
c. Others		47.47		220.00
Charge/(credit) during the year		(78.53)		(315.22)

During the year ended March 31, 2020, the holding Company had decided to exercise the option permitted under Section 115BBA of the Indian Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. The Company has recognised provision for income tax and deferred tax for the years ended March 31, 2021 and March 31, 2022, on the basis of the rate prescribed in the said section.

The Group has recognised deferred tax asset in respect of temporary differences in accordance with Ind AS 12 "Income tax" across the entities in various tax jurisdictions, Deferred tax asset created on unabsorbed depreciation of ₹8,825.59 can be carried forward indefinitely. Following are Details of expiry period of Business losses for which deferred tax has been recognised.

As at March 31, 2022, a subsidiary of the Group has unused tax losses of ₹2,770.31 (March 31, 2021 ₹2,233.79) arising in Bangladesh, on which the Group has created deferred tax asset of ₹277.03 (March 31, 2021 ₹223.40). Such tax losses expire between FY 2023 to FY 2027.

As at March 31, 2022, certain subsidiaries of the Group have unused tax losses arising in Mainland China of ₹38.20 (March 31, 2021: ₹35.60), on which no deferred tax asset had been created, that will expire in five years for off setting against future taxable profits. Another overseas subsidiary of the group also had tax losses arising in Chile of ₹575.61 (March 31, 2021: ₹584.74), that are available indefinitely for off setting against future taxable profits of that subsidiary.

(b) Income tax expense in the Statement of Profit and Loss

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

Particulars	As at March 31, 2022	As at March 31, 2021
Tax expense:		
a) Current tax	1,804.24	2,467.48
b) Deferred tax (credit)/ charge	(78.53)	(315.22)
Income tax expense reported in the Statement of Profit and Loss	1,725.71	2,152.26



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as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 24 : Income Tax (Contd.)

(c) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate for March 31, 2022 and March 31, 2021

Particulars	As at March 31, 2022	As at March 31, 2021
Accounting profit before income tax	31,007.80	16,994.68
Statutory rate	25.168%	25.168%
At statutory income tax rate (applicable rate)	7,804.05	4,277.23
Business losses where no deferred tax has been recognised	1,102.60	469.72
Net effect of tax rates in foreign jurisdictions	(3,159.14)	(2,349.06)
Income exempt from tax	(5,657.28)	(1,251.58)
Tax effect on Intercompany dividend	699.22	-
Non-deductible expenses	1,496.94	1,435.99
Effect of prior period errors adjusted	(23.48)	303.19
Reversal of provision for tax	(577.05)	-
Foreign tax credit	-	(680.77)
Others	39.85	(52.46)
At the effective income tax rate	1,725.71	2,152.26

Income tax recognised in other comprehensive income

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax related to items recognised in other comprehensive income during the year:		
Net loss/(gain) on remeasurements of defined benefit plans	(5.57)	-
Net amount charged to Other Comprehensive Income	(5.57)	-

Note 25 : Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of goods (refer note 44)	8,68,029.01	6,05,256.79
Other operating revenues		
- Others (refer note 44)	14,792.37	16,030.05
Total	8,82,821.38	6,21,286.84

Note 26 : Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rental income	419.36	634.38
Interest income		
- On fixed deposits	80.68	155.06
- Others	51.26	39.32
Gain on fair valuation of investments	610.66	368.63
Unwinding of discount on deposits	2.42	3.54
Sundry balance written back	104.35	458.63
Dividend from non trade investments	64.26	44.42
Other non-operating income	10.92	7.65
Recovery income	812.94	981.00
Gain on deemed disposal of associate/joint venture	-	424.73
Gain on disposal of subsidiary	4,073.89	-
Miscellaneous income	2,372.00	622.18
Total	8,602.74	3,739.54

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 27 : Cost of material consumed

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventory at the beginning of the year	9,307.82	8,505.88
Add: Purchases	55,597.39	60,116.09
Less: Inventory at the end of the year	13,952.17	9,307.82
Total	50,953.04	59,314.15

Note 28 : Purchase of stock in trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchases	6,94,826.60	4,59,825.00
Total	6,94,826.60	4,59,825.00

Note 29 : Changes in inventories of finished goods, work in progress and stock in trade

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the beginning of the year		
- Finished goods	7,196.93	5,821.32
- Work-in-progress	3,208.07	3,974.99
Total (A)	10,405.00	9,796.31
Inventories at the end of the year		
- Finished goods	12,981.40	7,196.93
- Work-in-progress	3,591.14	3,208.07
Total (B)	16,572.54	10,405.00
(Increase) / decrease in inventory (A-B)	(6,167.54)	(608.69)

Note 30 : Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	55,028.48	38,205.79
Contribution to provident and other fund (Refer note 35)	3,103.75	1,870.62
Staff welfare expenses	689.59	468.49
Compensated absences	433.82	233.88
Gratuity expense (refer note 35)	600.38	646.70
Stock based compensation expense (refer note 47)	2,230.59	-
Total	62,086.61	41,425.48

Note 31 : Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
- on term loans	188.26	375.13
- on loan from related party (refer note 36)	22.98	30.06
- on cash credit and working capital facilities	1,771.26	1,499.71
- on vehicle loan	6.09	2.55
- on lease obligation (refer note 45)	316.25	337.21
- on loan from others	365.12	119.13
- on others	120.38	201.47
Unwinding of discount on security deposit received	11.49	8.53
Total	2,801.83	2,573.79



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as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 32 : Depreciation and amortization expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property plant and equipment	3,969.62	3,923.40
Depreciation of investment property	65.55	255.73
Amortization of intangible assets	336.60	153.17
Depreciation on right to use of assets	2,619.04	2,437.38
Total	6,990.81	6,769.68

Note 33 : Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Other manufacturing expenses	518.82	420.49
Electricity charges	849.96	654.98
Rent (refer note 45)	1,041.21	555.84
Rates and taxes	539.12	78.59
Repairs and maintenance	830.79	750.73
Legal and professional expenses	12,897.24	13,063.62
Software cost	164.87	345.57
Travelling and conveyance	2,611.57	1,681.72
Selling and marketing	2,987.67	1,976.70
Postage and courier	2,213.61	1,563.07
Commission and brokerage	2,505.94	3,083.86
Loss allowance for doubtful advance	1,255.29	-
Loss allowance for expected credit loss	310.48	261.42
Freight cost	8,193.66	2,544.41
Loss on sale of plant, property and equipment	33.26	0.38
Recruitment expenses	434.18	225.35
Impairment of investment in joint venture	-	616.75
Impairment of advance to joint venture and associate, net	-	125.70
Foreign exchange fluctuation (net)	-	1,004.18
Royalty	4,125.66	2,876.72
Advertisement and business promotion	872.68	567.30
Insurance	955.03	623.48
Security expenses	137.86	125.12
Printing and stationery	465.55	301.75
Communication costs	677.31	562.66
Bank charges	1,138.56	1,477.66
CSR expenses	7.90	-
Office expenses	-	493.57
Research and development expenses	91.73	-
Investment management fee	181.27	-
Miscellaneous expenses	2,825.89	2,359.06
Total	48,867.11	38,340.68

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 34 : Earnings per share (EPS)

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year whereas diluted earning per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributable to the equity holders of the Company	24,840.99	8,431.75
Weighted average number of equity shares for basic EPS*	2,60,44,864	2,60,46,724
Effect of dilution:		
Employee stock option plan	3,03,580	-
Weighted average number of equity shares for diluted EPS*	2,63,48,444	2,60,46,724
Earning per Equity share (in ₹)		
Basic earnings per share (in ₹) (face value ₹10 per share)	95.38	32.37
Diluted earnings per share (in ₹) (face value ₹10 per share)	94.28	32.37

* Net of purchase of treasury shares of equity shares of 4,245

Note 35: Defined benefit plans

a) Defined contribution plans:

The Group makes contribution towards Employees Provident Fund, Mandatory Provident Fund retirement benefit scheme and Employee's State Insurance scheme across the various geographies in which it operates. Under the rules of these schemes, the Group is required to contribute a specified percentage of payroll costs. The Group during the year recognised the following amounts in the Consolidated Statement of Profit and Loss under contribution to defined contribution plans:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to provident fund/ pension fund	3,103.66	1,870.53
Employer's contribution to employee state insurance	0.09	0.09
Total	3103.75	1,870.62

The contribution payable to these schemes are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, which enable to determine the present value of obligations arising out of the defined benefit plans. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. Following are the benefit plans provided for -

- i) The Group operates an unfunded defined benefit gratuity plan for all its qualifying employees in India. Gratuity is calculated as 15 days' salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on completing 5 years of service by the employee. The Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per projected unit credit method.
- ii) The Group operates an unfunded defined benefit plan for all its qualifying employees in Bangladesh. The Group has made provisions for estimated liabilities for employee benefits for meeting the minimum benefits required to be paid to the qualified employees as required under Bangladesh Labour Act. Under Bangladesh Labor Act, companies are required to pay a minimum benefit of fourteen days salary for every completed year of service. For unfunded scheme, the Group engages the services of actuaries to conduct valuation studies to determine the retirement obligations to ensure that these maturing obligations and expected benefit payments are covered and budgeted for. Benefits are determined by reference to employees' final salaries and length of service, and the schemes have undergone independent valuations on an annual basis.

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 35: Defined benefit plans (Contd.)

- c) The following tables summarize the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and amounts recognised in the Balance Sheet for the defined benefit plans. These have been provided on accrual basis, based on year end actuarial valuations.

Change in benefit obligation	Year ended March 31, 2022	Year ended March 31, 2021
1) Opening defined benefit obligation	1,908.76	1,371.46
2) Add: Interest cost	130.67	100.81
3) Add: Current service cost	469.71	545.89
4) Less: Benefits paid	(289.87)	(150.19)
5) Add: Actuarial (gain) / loss	(40.28)	40.79
Present value of obligation as at the end of the year	2,179.00	1,908.76

- d) The following tables summarise the net benefit expense recognised in:

- i) Statement of other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cost for the year included under employee benefit		
Current service cost	469.71	545.89
Interest cost	130.67	100.81
Net cost	600.38	646.70

- ii) Statement of other comprehensive income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Actuarial gain/(loss)	40.28	(40.79)
Total	40.28	(40.79)

- e) **Principal actuarial assumptions at the balance sheet date are as follows:**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Economic assumptions		
1) Discount rate	6.5-7.6%	6.8-7.0%
2) Rate of increase in compensation levels	5.0-9.0%	5.0-9.0%
Demographic assumptions		
1) Retirement age (years)	58-60 Years	58-60 Years
Employee Turnover / Attrition rate		
1) Ages up to 30 years	1.5% - 9.2%	3% - 9.2%
2) Ages from 30-44	1.5% - 9.2%	2% - 9.2%
3) Above 44 years	1.5% - 9.2%	1% - 9.2%

- f) **Net liabilities recognized in the Balance Sheet for benefit obligation**

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	2,179.00	1,908.76
Net liability	2,179.00	1,908.76

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as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 35: Defined benefit plans (Contd.)

g) The weighted average duration of the defined benefit obligations are in the range of 6.34 - 17.74 years (March 31, 2021: 9 - 13.24 years).

h) A quantitative sensitivity analysis for significant assumptions is as shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
	increase/ (decrease) in liability	increase/ (decrease) in liability
A. Discount rate		
0.5% increase in discount rate	(93.99)	(60.23)
0.5% decrease in discount rate	102.13	64.92
B. Salary escalation rate		
0.5% increase in salary escalation rate	102.24	64.98
0.5% decrease in salary escalation rate	(94.98)	(60.73)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Sensitivities due to morality and withdrawals are not expected to be significant.

i) Description of risk exposures:

Salary increases	Actual salary increases will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the liability.
Morality and disability	Actual details and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawals rates at subsequent valuations can impact defined benefit liability.

j) Maturity profile of defined benefit obligation is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
1 year	136.71	121.86
2 to 6 years	404.92	422.35
More than 6 years	1,314.47	888.23

k) The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



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as at March 31, 2022

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Note 36 : Related parties

a) List of related parties

(i) Joint ventures

Name of related party	Nature of relationship
Digital Ecom Techno Private Limited	Joint ventures
Redwood Internet Ventures Limited	
Digital Internet Technologies Limited	
Yellow Octopus EU Sp. Z.oo*	
Yellow Octopus EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)*	
One Stop Shop Solutions EU Sp. Z.oo*	
Yellow Octopus Ventures FZCO*	
One Stop Shop Solutions EU Spolka z ograniczona odpowiedzialnoscia spolka komandytowa (LLP)*	
Filkor Limited**	
Yellow Octopus Fashion Limited*	

(ii) Associate

Name of related party	Nature of relationship
GWD Enterprises Limited	Associates
Loop Digital Wardrobe Limited**	
Sourcing Solution Europe BVBA#	
Reflaunt Pte Limited	

iii) Parties under common control where transactions have taken place:

Name of related party	Nature of relationship
Pearl Global Industries Limited	Enterprise over which KMP exercise control and significant influence.
Frou Holding Limited	
JSM Trading FZE	

iv) Key managerial personnel

Name of related party	Nature of relationship
Mrs. Payal Seth (Director)^	Key managerial personnel (KMP)
Mr. Deepak Seth (Director)	
Mr. Pallak Seth (Director)	
Mr. Ashok Kumar Sanghi (Independent Director)^^	
Mr. Ashutosh Prabhudas Bhupatkar (Independent Director)^^	
Ms. Saraswathy Venkateswaran (Independent Director)^^	
Mr. Parth Gandhi (Non Executive-Non Independent Director)^^	
Mr. Nishant Parikh (Non Executive -Independent Director)^^	
Mr. Mungo Park (Non Executive -Independent Director)^^	
Mrs. Yael Gairola (Non Executive -Independent Director)^^	
Mr. Robert Sinclair (Non Executive- Independent Director)^^	
Mr. Ashok Kumar Chhabra (Independent Director)^^	
Mr. Omprakash Makam Suryanarayana (Chief Operating Officer)##	
Mr. Sanjay Jain (Chief Executive Officer)##	
Mr. Ashish Gupta (Chief Financial Officer)^^^	
Mr. Ajay Singh (Chief Financial Officer)^^^	
Mr. Chandra Shekhar Reddy (Head of Legal & Company Secretary)***	
Mr. Abhishekh Kanoi (Head of Legal & Company Secretary)***	

Notes to the Consolidated Financial Statements

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Related parties (Contd.)

v) Trust

Name of related party	Nature of relationship
PDS Multinational ESOP Trust****	Controlled trust

Refer Note 2 for details of subsidiaries and step down subsidiaries.

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	For the year ended March 31, 2022	For the year ended March 31, 2021	
Sourcing Solutions Limited@	Associate	Management income	-	139.44	
		Management expense	-	123.30	
		Interest income	-	37.17	
JSM Trading FZE	Enterprises owned or significantly influenced by KMP or their relatives	Consultancy fees	-	2,226.75	
Pearl Global Industries Limited		Interest expenses	22.98	30.06	
Digital Ecom Techno Private Limited	Joint Venture	Rental income	0.12	0.03	
Sourcing Solution Europe BVBA	Associate	Sale of goods	995.78	-	
		Marketing fees expense	20.99	-	
Mr. Ashok Kumar Sanghi	Key managerial personnel	Director sitting fees	3.00	4.00	
Mr. Ashutosh Prabhudas Bhupatkar		Director sitting fees	4.00	4.00	
Mr. Ashok Kumar Chhabra		Director sitting fees	3.00	4.00	
Ms. Saraswathy Venkateshwaran#		Director sitting fees	6.00	4.00	
Mr. Parth Gandhi			52.48	-	
Mr. Sanjay Jain			748.93	-	
Mr. Ashish Gupta		Stock based compensation expense	24.67	-	
Mr. Abhishekh Kanoi			12.33	-	
Mr. Ashok Kumar Sanghi			3.74	-	
Mr. Ashok Kumar Chhabra			3.74	-	
Mr. Pallak Seth			201.97	178.17	
Mrs. Payal Seth			34.81	-	
Mr. Ajai Singh			19.02	162.78	
Mr. Ashish Gupta			105.85	-	
Mr. Omprakash Makam Suryanarayan Setty			Remuneration	-	64.52
Mr. Sanjay Jain				324.78	63.66
Mr. Abhishekh Kanoi			61.45	9.39	
Mr. Chandra Shekar Reddy			-	31.19	



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Related parties (Contd.)

c) Year end receivable balances

Name of related party	Relationship	Nature	As at March 31, 2022	As at March 31, 2021
Digital Internet Technologies Limited	Joint venture		261.20	258.13
Frou Holding Limited	Enterprises owned or significantly influenced by KMP or their relatives	Dues from related party	-	287.60
Sourcing Solution Europe BVBA	Associate		750.27	-
Yellow Octopus EU sp.zo.o.	Joint venture		951.25	-
GWD Enterprises Limited	Associate		-	681.49
Mr. Abhishekh Kanoi	Key managerial personnel	Advance to employees	29.50	-

d) Year end payable balances

Name of related party	Relationship	Nature	As at March 31, 2022	As at March 31, 2021
JSM Trading FZE	Enterprises owned or significantly influenced by KMP or their relatives	Trade payable	-	639.67
Pearl Global Industries Limited	Enterprises owned or significantly influenced by KMP or their relatives	Loan outstanding	-	300.00
Mr. Ashish Gupta	Key managerial personnel		5.39	-
Mr. Abhishekh Kanoi	Key managerial personnel		3.91	3.16
Mr. Sanjay Jain	Key managerial personnel	Salary payable	20.02	19.71
Mr. Pallak Seth***	Key managerial personnel		12.59	14.85
Mr. Ajai Singh	Key managerial personnel		-	13.56
Mr. Deepak Seth***	Key managerial personnel	Dues to related party	833.61	3,038.93
Yellow Octopus Ventures-FZCO	Joint venture	Dues to related party	10.32	-
One Stop Solutions sp.zo.o	Joint venture	Dues to related party	0.48	-
One Stop Shop Solutions sp.zo.o.sp.k	Joint venture	Dues to related party	0.96	-
Yellow Octopus EU sp.zo.o.	Joint venture	Dues to related party	0.48	-
Yellow Octopus EU sp.zo.o.sp.k	Joint venture	Dues to related party	0.96	-

* During the year, Company subsidiary PG Capital FZE has invested in these joint ventures.

** During the year, Company subsidiary PDS Ventures Limited (Formerly Smart Notch Industrial Limited) has invested in Loop Digital Wardrobe Limited (34% stake) and Filkor Limited (50% stake)

*** Net of Receivable

During the year, the group purchase the remaining interest in Sourcing Solutions Limited on May 12, 2021. Therefore, it become wholly owned subsidiary thereafter. Earlier Sourcing Solutions Limited BVBA was a subsidiary of Sourcing Solutions Limited which became associate after above acquisition.

^ Mrs. Payal Seth is the controlling shareholder

^^ The Board of Directors of the Company has appointed Mr. Parth Gandhi effective from May 27, 2021, Mr Mungo Park, Mr Robert Sinclair effective from November 09, 2021 and Mr. Nishant Parikh and Ms. Yael Gairola effective from December 08, 2021 as Independent Director and KMP of the Company. Mr. Ashok Kumar Chhabra, Mr. Ashok Kumar Sanghi has resigned asan Independent Director & KMP of the Company on November 09, 2021, Mr. Ashutosh Bhupatkar has resigned as an Independent Director & KMP of the Company on December 08, 2021 and Mr. Saraswathy Venkateswaran has resigned as an Independent Director & KMP of the Company on March 14, 2022.

The Board of Directors of the Company has appointed Mr. Sanjay Jain as Chief Executive Officer and KMP of the Company effective from January 15, 2021. Mr. Omprakash Makam Suryanarayana has resigned as Chief Executive Officer & KMP of the Company on January 14, 2021 and continued his association as Group Chief Operating Officer with effect from January 15, 2021. However, he has resigned from its position of Group Chief Operating Office effective from April 09, 2021.

^^^ Mr. Ashish Gupta was appointed as a Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. May 28, 2021 at the Board Meeting held on May 27, 2021. Mr. Ajai Singh has resigned as Chief Financial Officer of the Company w.e.f. close of business hours of May 27, 2021. However, he will continue his association with the Company as Executive Director – Treasury & Manufacturing w.e.f. May 28, 2021.

*** The Board of Directors of the Company has appointed Mr. Abhishekh Kanoi as Head of Legal and Company Secretary and KMP of the Company effective from January 11, 2021. Mr. Chandra Sekhara Reddy has resigned as Head of Legal and Company Secretary and KMP of the Company on January 10, 2021.

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 36 : Related parties (Contd.)

@The Group has acquired 100% stake in Sourcing solutions limited and hence it ceases to be a related party from current year

****The Group has created an Employee Benefit Trust for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the market, for giving shares to employees. The Company treats Trust as its extension and shared held by the Trust are treated as treasury shares.

e) Terms and conditions of transactions with related parties

All the transaction with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and carried interest rate, wherever applicable.

f) In respect of figures disclosed above:

- (i) The amount of transactions/ balances are without giving effect to the Ind AS adjustments on account of fair valuation/ amortisation.
- (ii) Remuneration and outstanding balances of KMP does not include long term benefits by way of gratuity and compensated absences, which are currently not payable and are provided on the basis of actuarial valuation by the Group.

Note 37: Capital management

- a) The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (refer note 18 and 19)	62,335.11	48,980.81
Less: Cash and cash equivalents (refer note 14)	46,000.20	29,346.21
Less: Other bank balance (refer note 15)	20,484.50	13,718.34
Adjusted Net debt (A)	(4,149.59)	5,916.26
Equity share capital (refer note 16)	2,604.25	2,604.67
Other equity (refer note 17)	84,635.94	62,083.92
Total Capital (B)	87,240.19	64,688.59
Capital and net debt (A + B)	83,090.60	70,604.85

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

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.

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



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Note 38: Currency derivative

Forward currency and option currency contracts are designated as hedging instruments in respect of forecast future sales and forecast purchases in foreign currencies to which the Group has firm commitments. The forward currency contract balances vary with the levels of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

Particular	Assets		Liabilities	
	2022		2021	
	USD		USD	
Forward currency contracts	3,65,792	1,10,535	5,06,340	3,45,749
	(Equivalent to ₹277.22)	(Equivalent to ₹83.77)	(Equivalent to ₹370.16)	(Equivalent to ₹252.76)

The carrying amount of foreign currency contracts are the same as their fair values

At 31 March 2022, the Group held 139 forward currency contracts (March 31, 2021: 129) and no option currency contracts (March 31, 2021: Nil) and they are designated as hedges in respect of expected future sales to customers in the United Kingdom for which the said group has firm commitments.

The terms of the forward currency contracts have been negotiated to match the terms of the commitments. The cash flow hedges of the expected future sales between April 2022 and March 2023 were assessed to be highly effective and a net gain of ₹99.89 (March 31, 2021: net loss of ₹405.76), was included in the hedging reserve for the year.

Note 39 : Fair values disclosure

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments. Carrying value of financial assets and financial liabilities including trade receivable, cash and cash equivalent, other bank balances, other financial assets, trade payables, borrowings, other financial liabilities etc. represent the best estimate of fair value.

a) Fair value of financial assets:

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial assets measured at FVTPL				
Equity investments (refer note 9A)	3,744.22	2,660.95	3,744.22	2,660.95
Debt investments (refer note 9A)	153.23	3,592.55	153.23	3,592.55
Other investments (refer note 9A)	2,818.12	2,525.74	2,818.12	2,525.74
Investment in convertible notes (refer note 9A)	1,961.46	-	1,961.46	-
Investment in funds (refer note 9A)	2,162.75	-	2,162.75	-
	10,839.78	8,779.24	10,839.78	8,779.24
Financial assets measured at FVOCI				
Equity and debt investments (refer note 9A)	11,436.20	5,646.59	11,436.20	5,646.59
Derivative financial instruments (refer note 10)	277.22	370.16	277.22	370.16
Other investments (refer note 9A)	-	69.55	-	69.55
	11,713.42	6,086.30	11,713.42	6,086.30
Financial assets measured at amortised cost				
Security deposits (refer note 10)	1,765.39	1,550.45	1,765.39	1,550.45
Application money paid towards securities (refer note 10)	-	299.38	-	299.38
Loan to others (refer note 10)	1,134.53	1,311.92	1,134.53	1,311.92
Dues from related party (refer note 10)	2,591.52	1,227.21	2,591.52	1,227.21
Deposits with original maturity of more than 12 months (refer note 10)	1.00	1.00	1.00	1.00
Interest accrued but not due (refer note 10)	50.33	28.77	50.33	28.77
Loans receivable from others (refer note 10)	2,065.72	2,746.90	2,065.72	2,746.90

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 39 : Fair values disclosure (Contd.)

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Unbilled revenue (refer note 10)	308.16	149.57	308.16	149.57
Trade receivable (refer note 13)	1,42,130.97	90,980.73	1,42,130.97	90,980.73
Cash and cash equivalents (refer note 14)	46,000.20	29,346.21	46,000.20	29,346.21
Other bank balances (refer note 15)	20,484.50	13,718.34	20,484.50	13,718.34
	216,532.32	141,360.48	216,532.32	141,360.48

b) Fair value of financial liabilities:

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial liabilities measured at fair value through other comprehensive income				
Derivative financial instruments (refer note 19)	83.77	252.76	83.77	252.76
	83.77	252.76	83.77	252.76
Financial liabilities measured at amortised cost				
Borrowings (refer note 18)	62,335.11	48,980.81	62,335.11	48,980.81
Trade payables (refer note 21)	1,56,631.93	89,244.51	1,56,631.93	89,244.51
Interest accrued but not due on borrowings (refer note 19)	0.25	0.34	0.25	0.34
Lease liabilities (refer note 45)	11,713.02	7,173.89	11,713.02	7,173.89
Dues to employees (refer note 19)	4,729.04	4,961.02	4,729.04	4,961.02
Due to related party (refer note 19)	1,473.54	3,038.93	1,473.54	3,038.93
Due to others (refer note 19)	166.36	405.96	166.36	405.96
Security deposit received (refer note 19)	71.63	63.23	71.63	63.23
	2,37,120.88	1,53,868.69	2,37,120.88	1,53,868.69

Financial liabilities measured at FVTPL

Particulars	Carrying values		Fair values	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
share based compensation (refer note 19)	166.38	-	166.38	-
	166.38	-	166.38	-

c) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings and in case of financial asset is the average market rate of similar credit rated instrument. The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Fair value for all other non-current financial assets and liabilities is equivalent to the amortised cost, interest rate on them is equivalent to the market rate of interest.
- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 40 : Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities

a) Fair value measurement hierarchy of financial assets as at March 31, 2022:

	Total	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Listed and unlisted equity investments, at fair value	3,744.22	3,687.22	-	57.00
Listed debt investments, at fair value	153.23	153.23	-	-
Investment in convertible notes	1,961.46	-	-	1,961.46
Investment in funds	2,162.75	163.46	1,999.29	-
Investments in life insurance policies, at fair value	2,818.12	-	2,818.12	-
Total (A)	10,839.78	4,003.91	4,817.41	2,018.46
Financial assets measured at FVOCI				
Equity investments, at fair value	11,436.20	-	345.15	11,091.04
Derivative financial instruments	277.22	-	277.22	-
Total (B)	11,713.42	-	622.37	11,091.04
Total (A+B)	22,553.20	4,003.91	5,439.78	13,109.50

b) Fair value measurement hierarchy for financial liabilities as at March 31, 2022:

	Total	Level 1	Level 2	Level 3
Financial liabilities measured at FVOCI				
Derivative financial instruments	83.77	-	83.77	-
	83.77	-	83.77	-

c) Fair value measurement hierarchy of financial assets as at March 31, 2021:

	Total	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Listed and unlisted equity investments, at fair value	2,660.95	2,603.95	-	57.00
Listed debt investments, at fair value	3,592.55	3,592.55	-	-
Investments in life insurance policies, at fair value	2,525.74	-	2,525.74	-
Total A	8,779.24	6,196.50	2,525.74	57.00
Financial assets measured at FVOCI				
Equity investments, at fair value	5,646.59	-	-	5,646.59
Derivative financial instruments	370.16	-	370.16	-
Investments in bonds, at fair value	69.55	69.55	-	-
Total B	6,086.29	69.55	370.16	5,646.59
Total (A+B)	14,865.53	6,266.05	2,895.90	5,703.59

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Note 40 : Fair value hierarchy (Contd.)

d) Fair value measurement hierarchy for financial liabilities as at March 31, 2021:

	Total	Level 1	Level 2	Level 3
Financial liabilities measured at FVOCI				
Derivative financial instruments	252.76	-	252.76	-
	252.76	-	252.76	-

The movements in fair value measurements within Level 3 during the year are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
At beginning of the year	5,703.59	1,080.61
Addition	5,551.84	2,730.34
Total gains/(losses) recognised in statement of profit and loss	120.83	-
Total gains/(losses) recognised in other comprehensive income	1,663.97	798.99
Transferred from an investment in an associate - refer (i) below	-	1,210.36
Foreign exchange gain/(loss)	69.28	(116.71)
At end of the year	13,109.51	5,703.59

- i) There have been no transfers between level 1, level 2 and level 3 category during the years ended on March 31, 2022 and March 31, 2021.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- (a) **Investment in listed equity and debt instruments and bonds:** The fair value of listed investment in equity and debt instruments and bonds are determined using its quoted market price.
- (b) **Investment in unlisted equity and debt instruments:** The fair value of unlisted investments at fair value through other comprehensive income and fair value through profit or loss are based on either using a valuation technique which incorporates various market observable inputs including quoted prices or most recent transaction prices. The management believe that the estimated fair value resulting therefrom, which is recorded in the Consolidated Balance Sheet and the related change in fair value, which is recorded in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), are reasonable, and that it was the most appropriate value at the end of the reporting period.

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at March 31, 2022 and March 31, 2021:

Particulars	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at fair value through other comprehensive income and statement of profit and loss	Market approach	Enterprise-value- to-revenue multiple ("EV/Revenue")	Increase/decrease in EV/ Revenue would result in increase/ decrease in fair value
	Income approach	Discount rate	Increase/decrease in discount rate would result in decrease/ increase in fair value
	Recent transaction approach	Value of recent transaction with unrelated party	Valuation is dependant on the most recent transaction/ round of investment that was carried out with an unrelated party.

- (c) **Derivative financial instruments:** The Group enters into derivative financial instruments with financial institutions with high credit ratings. Derivative financial instruments, representing forward currency contracts and option currency contracts, are measured using valuation techniques similar to forward and option pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates. The carrying amounts of forward currency contracts are the same as their fair values. As at March 31, 2022 the mark-to-market value of the derivative asset position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 40 : Fair value hierarchy (Contd.)

- (d) **Investment in life insurance policies:** The fair values of investments in life insurance policies have been estimated based on the surrender values, which are calculated and quoted by the issuer. The management believe that the estimated fair values resulting therefrom, which are recorded in the consolidated Balance Sheet, and the related changes in fair values, which are recorded in the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), are reasonable, and that they were the most appropriate values at the end of the reporting period.

Note 41 Financial risk management objectives and policies

The Group's principal financial liabilities comprises of trade and other payables, borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets includes investments, trade receivables, cash and cash equivalents, other bank balances and other financial assets. The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior level management oversees the management of these risks and advises on the appropriate financial risk governance framework.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates. The Group has significant exposure to interest rate risk as shown below. The Group's interest rate risk mainly arises from borrowings with variable rates.

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	60,580.06	47,483.64
Fixed rate borrowing	1,755.05	1,497.17
	62,335.11	48,980.81

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
50 bps increase would decrease the profit before tax by	(270.16)	(300.81)
50 bps decrease would Increase the profit before tax by	270.16	300.81

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

ii) Foreign currency risk

The Group's exposure to foreign currency risk as at 31 March 2022 are as follows:

Currency	Trade receivables	Unbilled revenue	Other receivable	Cash and cash equivalent	Lease liability	Trade payable	Bank borrowings	As at March 31, 2022
USD	1,746.78	33.86	-	-	-	(1,225.25)	-	555.39
EUR	990.68	-	-	833.74	-	(1,130.51)	-	693.92
GBP	6,034.71	-	374.22	2,945.28	-	(2,149.91)	(2,282.68)	4,921.61
CNY	90.94	-	-	539.97	(225.07)	-	-	405.85
BDT	7.42	-	-	706.42	(9.78)	(420.76)	-	283.31
CAD	-	-	-	112.28	-	(21.07)	-	91.21
CHF	-	-	-	0.09	-	-	-	0.09
LKR	3.88	-	-	5.88	-	(6.41)	-	3.34
Net Exposure	8,874.41	33.86	374.22	5,143.67	(234.85)	(4,953.91)	(2,282.68)	6,954.70

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 41 Financial risk management objectives and policies (Contd.)

The Group's exposure to foreign currency risk as at 31 March 2021 are as follows:

Currency	Trade receivables	Unbilled revenue	Other receivable	Cash and cash equivalent	Lease liability	Trade payable	Bank borrowings	As at March 31, 2021
USD	255.84	41.04	-	-	-	(355.37)	-	(58.49)
EUR	1,278.74	-	-	607.58	-	(307.58)	(24.31)	1,554.43
GBP	2,961.80	-	112.35	2,657.98	-	(2,270.81)	(5,239.28)	(1,777.96)
CNY	44.84	-	-	176.23	(60.97)	(106.31)	-	53.79
BDT	50.33	-	-	548.85	(31.65)	(368.98)	-	198.55
CAD	1.56	-	-	46.62	-	(42.61)	-	5.57
CHF	-	-	-	0.07	-	-	-	0.07
LKR	6.27	-	-	12.84	-	(58.76)	-	(39.65)
Net Exposure	4,599.38	41.04	112.35	4,050.18	(92.62)	(3,510.43)	(5,263.59)	(63.69)

Sensitivity

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The following tables demonstrate the sensitivity to a reasonably possible change in USD, GBP, EURO, HKD, AED and BDT exchange rates, with all other variables held constant.

Particulars	Change in FC exchange rate by	Impact on profit or loss and equity (in lakhs)			
		Increase in FC exchange rates		Decrease in FC exchange rates	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	5%	27.77	(2.92)	(27.77)	2.92
EUR	5%	34.70	77.72	(34.70)	(77.72)
GBP	5%	246.08	(88.90)	(246.08)	88.90
CNY	5%	20.29	2.69	(20.29)	(2.69)
BDT	5%	14.17	9.93	(14.17)	(9.93)
CAD	5%	4.56	0.28	(4.56)	(0.28)
CHF	5%	0.00	0.00	(0.00)	(0.00)
LKR	5%	0.17	(1.98)	(0.17)	1.98

The Group has transactional currency exposures. Such exposures arise from sales or purchases in currencies other than the Group's functional currency. The Group uses forward currency contracts to eliminate the foreign currency exposures on its sales transactions, for which the corresponding settlements are anticipated to take place more than one month after the Group has entered into firm commitments for the sales. The forward currency contracts must be in the same currency as that of the hedged items. Group negotiates the terms of the hedge derivatives to match the terms of the hedged items to maximise hedge effectiveness. It is the Group's policy that a forward contract is not entered into until a firm commitment is in place.

B. Credit risk

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Group. The Group continuously monitors defaults of customers and other counterparties and incorporate this information into its credit risk control. The Group also uses expected credit loss model to assess the impairment loss in trade receivables and makes an allowance of doubtful trade receivables using this model. The credit risk also arises from cash and cash equivalents, deposits from banks and other financial assets measured at amortised cost.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.



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Note 41 Financial risk management objectives and policies (Contd.)

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Less than 30 days	30 to 90 days	More than 90 days	Total
Trade receivables as of March 31, 2022	1,31,818.02	6,924.07	3,388.88	1,42,130.97
Trade receivables as of March 31, 2021	79,271.21	8,280.89	3,428.63	90,980.73

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 40.

Receivables that were neither past due nor impaired relate to a number of customers for whom there was no recent history of default. This applies to most of the subsidiaries.

The total impairment loss amounting to ₹828.62 as at March 31, 2022 (March 31, 2021: ₹518.14) on trade receivables.

C. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at March 31, 2022	< 1 year	1 to 5 years	> 5 years	Total
Borrowings	62,324.34	10.77	-	62,335.11
Trade payables	156,631.93	-	-	1,56,631.93
Lease liabilities	3,148.16	8,162.40	1,543.76	12,854.32
Other financial liabilities	6,760.30	-	-	6,760.30
Total	2,28,853.89	8,184.01	1,543.76	2,38,581.67

As at March 31, 2021	< 1 year	1 to 5 years	> 5 years	Total
Borrowings	48,796.77	184.04	-	48,980.81
Trade payables	89,244.51	-	-	89,244.51
Lease liabilities	2,422.69	5,154.12	337.99	7,914.81
Other financial liabilities	8,659.01	125.73	-	8,784.74
Total	1,49,122.98	5,463.90	337.99	1,54,924.87

Note 42 : Commitments and contingencies

a) Commitments

(i) Capital commitment:

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	33.37

(ii) Other commitment:

The Company has entered into a Capital commitment agreement where contribution has to be made to WaterBridge Ventures II Trust (the "Fund") and the contribution agreement has been executed between Vistra ITCL (India) Limited (the "Trustee Company"), WaterBridge Capital Management LLP (the "Investment Manager") and PDS Limited (The "contributor") in which the contributor has committed ₹1000.00 which will be paid as per the terms of agreement. During the year, 50% of the amount i.e. ₹500.00 has been contributed based on the drawdown notice received from the fund.

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Note 42 : Commitments and contingencies (Contd.)

b) Contingent liabilities

- i) In case of the Company, claims against Company not acknowledged as debt

Particulars	As at March 31, 2022	As at March 31, 2021
i) In case of the Company, claims against Company not acknowledged as debt		
- On account of stamp duty on demerger	148.20	148.20
- Tenancy case*	15.00	-
	163.20	148.20

- Pending resolution of the respective proceedings, it is difficult to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Group does not expect any reimbursements in respect of the above contingent liabilities.

*The company has filed a Petition in the High Court of Delhi under section 9 of Arbitration and Conciliation Act for securing the our interest/rightful entitlement of due rent and CAM Charges payable by the tenant. The case is under settlement process and hence the security deposit received from the tenant is considered as contingent liability.

- ii) The Hon'ble Supreme Court of India has passed a judgement relating to definition of wages under the Provident Fund Act, 1952 on February 28, 2019. However, considering that there are numerous interpretative issues related to the judgement and in the absence of reliable measurement of the provision for the earlier period, the Group has made provision for provident fund contribution from the date of order. The Group will evaluate its position and update provision, if required, after receiving further clarity in this regard.
- iii) In case of Norwest Industries Limited, Guarantee given to banks in connection with facilities granted to subsidiaries and fellow subsidiaries ₹53,390.58 (March 31, 2021: ₹38,912.67). At March 31, 2022, the banking facilities guaranteed by Norwest Industries Limited to its fellow subsidiaries were utilised to the extent of approximately ₹51,807.01 (March 31, 2021 : ₹31,944.10). In determining whether financial liabilities should be recognised in respect of Norwest Industries Limited's financial guarantee contracts, the directors exercise judgement in the evaluation of the probability of resources outflow that will be required and the assessment of whether a reliable estimate can be made of the amount of the obligation. In the opinion of the directors of Norwest Industries Limited, the fair values of the financial guarantee contracts are insignificant at initial recognition and the directors consider that the possibility of the default of the parties involved is remote, and accordingly, no value was recognised in its consolidated financial statements.
- (iv) In case of Poeticgem Limited, HSBC Bank PLC, has provided a guarantee to H M Revenue and Customs amounting to ₹534.61 (March 31, 2021 : Nil).
- (v) Poeticgem Limited had available ₹2,489.19 (March 31, 2021: ₹2,518.10) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.
- (vi) In case of Progress Apparel Bangladesh Limited, unconditional bank guarantee issued of ₹2.62 (March 31, 2021 : Nil) to Green Della Insurance Company Limited towards guarantee of 30 days credit period.
- (vii) FX Import Company Limited has extended an unlimited multilateral guarantee to its Parent Company and fellow subsidiaries, Poeticgem Limited and Pacific Logistics Limited. The bank has a fixed charge over the assets of FX Import Company Limited which is supported by a debenture.
- (viii) Contingent liabilities related to irrevocable letters of credit as at March 31, 2022 of Group companies is ₹20,762.47 (March 31, 2021: ₹17,869.43).



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Note 43 : Segment reporting

(a) Primary segment information:

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment e.g. sourcing, manufacturing and others), or in providing products or services within a particular economic environment, which is subject to risks and returns that are different from those of other segments. Segment information is presented in respect of the Group's business segments. The Group's primary format for segment reporting is based on business segments.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Other items comprise mainly investments and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Group's headquarters) and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the reporting period to acquire property, plant and equipment, investment property and intangible assets other than goodwill.

(b) Segment details are as below:

Particulars	Sourcing		Manufacturing		Others		Adjustment / elimination		Total	
	For the year ended		For the year ended		For the year ended		For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Segment revenue	8,50,650.55	6,07,317.62	54,710.45	28,462.19	223.42	(207.45)	(22,763.05)	(14,285.52)	8,82,821.38	6,21,286.84
Other income	3,786.19	1,860.25	193.58	181.88	4,821.07	1,697.41	(198.10)	-	8,602.74	3,739.54
Segment results before tax	28,753.14	28,292.86	(1,894.85)	(10,368.10)	4,236.15	(11.93)	(28.78)	(526.54)	31,065.66	17,386.29
Tax expense									(1,725.71)	(2,152.26)
Share of loss of associates and joint ventures									(57.86)	(391.61)
Profit for the year									29,282.09	14,842.42
Segment assets	2,62,032.47	1,67,620.42	47,769.80	41,951.65	30,005.97	25,016.32	-	-	3,39,808.24	2,34,588.39
Segment assets as a percentage of total assets	77.11	71.45	14.06	17.88	8.83	10.66	-	-	100.00	100.00
Segment liabilities	2,25,549.32	1,34,776.62	18,099.32	19,731.85	2,559.17	8,525.55	-	-	2,46,207.81	1,63,034.02
Segment liabilities as a percentage of total liabilities	91.61	82.67	7.35	12.10	1.04	5.23	-	-	100.00	100.00
Other material non-cash items included under Statement of Profit and loss before tax										
Depreciation and amortisation	4,384.80	4,064.53	2,325.78	2,336.83	280.23	368.32	-	-	6,990.81	6,769.68

Entity wide disclosures:

(c) Information about products and services:

(i) Revenue from external customers by nature of product:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of goods	8,68,029.01	6,05,256.79
Others	14,792.37	16,030.05
	8,82,821.38	6,21,286.84

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Note 43 : Segment reporting (Contd.)

(d) Information about Geographical areas

(i) Revenue from external customers by Geography are as follows:

Geography	Year ended March 31, 2022	Year ended March 31, 2021
India	6,358.87	2,341.42
Europe	6,79,772.46	5,21,880.95
Others	1,96,690.05	97,064.47
	8,82,821.38	6,21,286.84

(ii) The Group's non-current assets are majorly located as follows:

Geography	As at March 31, 2022	As at March 31, 2021
India	4,456.31	3,753.07
Hong Kong	16,670.74	13,855.53
Bangladesh	16,968.34	21,338.76
Others	19,860.09	9,174.71
	57,955.48	48,122.07

(iii) The Group's investments accounted as per equity method are majorly located as follows:

Geography	As at March 31, 2022	As at March 31, 2021
Hong Kong	270.79	913.53
Poland	8,608.79	-
Others	783.68	-
	9,663.26	913.53

(e) Revenue from major customers: There are 2 customers who has contributed 10% or more to the Group's revenue for the year ended March 31, 2022 and 2 customers for the year ended March 31, 2021.

Note 44: Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers and reconciliation to Statement of Profit and Loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenues by category and nature		
Sale of goods	8,68,029.01	6,05,256.79
Others	14,792.37	16,030.05
	8,82,821.38	6,21,286.84
Revenues from geographic areas based on the location of the customers are as follows:		
Europe	6,79,772.46	5,21,880.95
Other than Europe	2,03,048.92	99,405.89
	8,82,821.38	6,21,286.84
Revenues based on timing of recognition		
Sale of goods transferred at a point in time	8,68,029.01	6,05,256.79
Services transferred over the period of time	14,792.37	16,030.05
	8,82,821.38	6,21,286.84



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(All amounts in ₹ lakhs, unless otherwise stated)

Note 44: Revenue from contracts with customers (Contd.)

Significant changes in contract assets and contract liabilities during the period are as follows:

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Assets and liabilities related to contracts with customers

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	1,42,130.97	90,980.73
Contract assets	308.16	149.57
Contract liabilities	704.18	1,987.42

Trade receivables are non-interest bearing and are generally on terms of 60-90 days. The Group has recognised Nil provision for expected credit loss on trade receivables during the year ended March 31, 2022 (March 31, 2021: Nil).

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for services rendered to customers. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customer for which the Group has invoiced the customer or received advances from the customer for rendering of services. Contract liabilities are recognised as revenue as the Group performs under the contract.

Particulars	As at March 31, 2022	As at March 31, 2021
Contract assets at the beginning of the year	149.57	42.49
Revenue billed/ accrued during the year	158.59	107.08
Contract assets at the end of the year	308.16	149.57
Contract liabilities at the beginning of the year	1,987.42	3,166.37
Advance received from customers during the year	(1,283.24)	(1,178.95)
Contract liabilities at the end of the year	704.18	1,987.42
Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Revenue as per contract	8,84,831.77	6,24,283.34
Adjustments	(2,010.39)	(2,996.50)
Revenue from contract with customers	8,82,821.38	6,21,286.84

Note 45: Lease disclosure

Where the Group is the lessee:

As lessee

On March 30, 2019 Ministry of Corporate Affairs ('MCA') has clarified that Ind AS 116 is effective for annual periods beginning on or after April 1, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). The Group has adopted this standard using the modified retrospective approach and accordingly, the comparative figures for the year ended March 31, 2019 has not been restated. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at April 1, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application.

The Group recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Relied on its assessment of whether leases are onerous immediately before the date of initial application.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 45: Lease disclosure (Contd.)

- c. Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application.
d. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

As a lessee

- i) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Buildings	
	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	7,124.23	8,142.83
Additions during the year	7,346.22	2,344.13
Disposals/adjustment during the year	(482.77)	(1,078.76)
Depreciation expenses	(2,619.04)	(2,437.38)
Forex translation, net	211.18	153.41
At the end of the year	11,579.83	7,124.23

- ii) Set out below are the carrying amounts of lease liabilities (included under other financial liabilities) and the movements during the period:

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	7,173.89	8,158.94
Addition	7,074.64	2,685.17
Accretion of interest	316.25	337.21
Covid concession	(2.33)	(136.88)
Payment	(2,535.50)	(2,140.56)
Derecognition upon exercise of termination options	(554.71)	(1,154.87)
Forex translation	240.79	(575.12)
At the end of the year	11,713.02	7,173.89
Current	2,567.71	2,436.34
Non-current	9,145.31	4,737.55
	11,713.02	7,173.89

- iii) Maturity analysis of lease liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
Lease payments		
Not later than one year	3,148.16	2,422.69
Later than one year	8,162.40	5,154.12
Later than five years	1,543.76	337.99
Total	12,854.32	7,914.80

- iv) Amount recognised in Consolidated Statement of Profit and Loss

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on right of use assets	2,619.04	2,437.38
Interest on lease liabilities	316.25	337.21
Expenses relating to short term leases	1,041.21	555.84

As a lessor

The Group has entered into operating leases on its investment property. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Refer note 5 for rental income and future minimum rentals receivable under non-cancellable operating leases as at March 31, 2022 and March 31, 2021.



Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 46A: Business Combinations

i) Acquisition of PG Capital FZE

On 29 September 2021, the Group acquired 100% of the equity interest in PG Capital FZE. PG Capital FZE holds investment in the following joint ventures, collectively referred to as the "Yellow Octopus Group" -

1. Yellow Octopus EU Sp. z o.o. sp.K., based in Poland
2. One stop Shop Solution Sp. z o.o. sp.K., based in Poland
3. Yellow Octopus Fashion Limited, based in UK

The Yellow octopus group is primarily engaged in providing commercial sustainability solutions in the fashion industry. It aims to transform fashion industry from linear to circular economy model. The services provided by the entities are stock exits, take back, re-commerce, recycling & upcycling, tech for good. The acquisition is made as part of a strategic expansion plan of the Group, for a consideration of ₹8,501.08. The purchase consideration for the acquisition was in form of cash, which has been paid as at 31 March 2022.

The fair values of the identifiable assets and liabilities of PG Capital as at the respective date of acquisition were as follows:

	Amount
Investment in Joint ventures	8,534.33
Other liabilities	(175.70)
	8,358.63
Fair value of cash consideration	8,358.63

The Group incurred transaction costs of ₹9.70 for the acquisition of PG Capital FZE. These transaction costs have been expensed and are included in miscellaneous expenses in the consolidated statement of profit or loss.

Since the acquisition, PG Capital FZE contributed ₹ Nil to the Group's revenue and profit of ₹74.46 to the consolidated profit for the year ended March 31, 2022

The allocation of the fair value of the Joint venture to the Group's share of Joint venture's intangible assets is pending as at 31 March 2022 (Refer disclosure under note 9B). The Group has acquired certain intangibles the valuation for which has not been finalised and has been collectively disclosed under goodwill which forms part of investment in such Joint venture. The Group shall finalise such accounting by 1 September 2022, which is within the measurement period of one year prescribed under IndAS 103 "Business combination".

Following is a description of the net assets of Yellow octopus group as at acquisition date:

	Amount
Tangible Assets	71.20
Intangible Assets	7.94
Inventories	1,143.26
Trade and other Receivables	256.84
Cash and cash equivalents	164.55
Borrowings	(983.96)
Trade and other payable	(353.40)
Sub Total (A)	306.43
Proportion of the Group's ownership	40%
Provisional Goodwill	8,411.75
Carrying amount of Investment in Joint venture	8,534.32

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 46A: Business combination (Contd.)

ii) Acquisition of Sourcing Solutions Limited

On 11th June, 2021, the Group entered into an agreement to acquire the remaining 50% of equity interest of Sourcing Solution Limited ('SSL') for a consideration of ₹3.73. SSL is engaged in trading of garments. The acquisition was made as part of the Group's strategy to expand its market share of garment business. The purchase consideration for the acquisition was in form of cash, the consideration remained unpaid at 31 March 2022. Such acquisition including the purchase price allocation is not material to the group.

iii) Acquisition of S.O.T. Garments India Private Limited

On December 1, 2021 the Group acquired of 99.99% of the equity interest in S.O.T Garment India Private Limited ('SOTGPL') for a consideration of ₹357. SOTGPL is engaged in providing sourcing of Garments. The acquisition was made to acquire the existing set-up of workforce and supply chain. The purchase consideration for the acquisition was partly in form of cash (paid as at 31 March 2022) and partly in form of a contingent consideration being ₹86 which remained unpaid as at 31 March 2022, and is expected to be settled within one year.

Note 46B: Change in proportion held by Non-controlling interest

Acquisition of Non-controlling interest in Poeticgem international

On 1 June 2021, the Group acquired additional equity interest of 17% in its subsidiary Poeticgem International Limited, at a consideration of USD 4.017 million (₹2,985.84). The net loss arising on the transaction has been adjusted directly in equity in accordance with IndAS 110, consolidated financial statements.

Note 47: Employee Share Based Payments

As at March 31, 2022 the Company has the following share-based payments arrangements :

	Amount
Fair value of cash consideration (A)	2,985.84
Value of Non controlling interest acquired (B)	56.01
Net loss adjusted directly in other equity (B-A)	2,929.82

A. Employee Stock Option Plan 2021 - Plan A and Plan B

i) Brief description of the share based payment arrangement

On April 3, 2021 the Group established the PDS Multinational Fashions Limited – Employee Stock Option Plan 2021 – Plan A ('Plan A') which entitles key managerial personnel and senior employees to purchase shares of the Company. On July 27, 2021, the Group established the PDS Multinational Fashions Limited Employee stock option plan 2021 – Plan B ('Plan B') through Direct and through Trust route for other KMP and senior employees. The plans are designed to provide incentives to the employees of the Group to deliver long-term returns. The Plans are administered by the Nomination and Remuneration committee. As at 31 March 2022, the Group has granted 10,88,732 equity settled stock options (ESOPs) under these plans. Vesting of the options would be subject to continuous employment with the Group and hence the options would vest with passage of time. In addition to this, the Nomination and remuneration committee may also specify certain performance parameters subject to which the options would vest.

Options granted under the plan are for no consideration and carry no dividend or voting rights. On exercise, each option is convertible into one equity share. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Grant date	Number of instruments*	Exercise price*	Vesting period	Exercise period
FY 2021-22	10,88,732	₹400 - ₹1354	1 - 4 years	3 - 4 years post vesting period
	10,88,732			

*The number of instruments and the exercise prices are in absolute figures.



Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 47: Employee Share Based Payments (Contd.)

ii) Summarized information about movement in Plan A and Plan B

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price per share (₹)	Number of options	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	10,88,732	837.28	-	-
Outstanding at the end of the year	10,88,732	837.28	-	-
Exercisable at the end of the year	-	-	-	-

The Group has charged ₹2,064.21 (March 31, 2021: Nil) to the consolidated statement of profit and loss in respect of options granted under Plan A and Plan B.

iii) Measurement of fair value

The Fair value of ESOPs granted under Plan A and Plan B have been measured using the Black-Scholes option-pricing model using the following assumptions, sorted according to their grant dates:

Particulars	For option granted
Weighted average Grant date fair value, per share (in ₹)	517.41
Weighted average Exercise price, per share (in ₹)	837.28
Assumptions used:	
Volatility	31.5% - 36.3%
Expected lives (in years)	1.50 - 5.00
Risk-free interest rate	4.67% - 6.16%
Expected dividend yield rate	0.84% - 2.23%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Grant. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the ESOP is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the ESOP.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

B. Cash Settled Share based payment (Phantom Stock Units)

i) Brief description of the share based payment arrangement

On October 22, 2021 the Group established the PDS Multinational Fashions Limited – Phantom Stock Units Plan 2021 ('Phantom stock plan'), which entitles few senior employees of the Group to a cash payment on exercise. The Group has granted 83,500 Stock Units ('Phantom Stock Units/ PSU') as at 31 March 2022. These PSU's carry a vesting period of up to 4 years and an exercise period of 4 years from the date of vesting.

Notes to the Consolidated Financial Statements

as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 47: Employee Share Based Payments (Contd.)

ii) Summarized information about movement in the Phantom stock plan

Particulars	March 31, 2022		March 31, 2021	
	Number of options	Weighted average exercise price per share (₹)	Number of options	Weighted average exercise price per share (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	83,500	1,095.00	-	-
Outstanding at the end of the year	83,500	1,095.00	-	-
Exercisable at the end of the year	-	-	-	-

The Group has charged ₹166.38 (March 31, 2021: Nil) to the consolidated statement of profit and loss in respect of PSUs granted under the Phantom Stock Plan.

iii) Cash Settled Share based payment (Phantom Stock Units)

The Fair value of PSUs have been measured using the Black-Scholes option-pricing model using the following assumptions -

Particulars	Measurement date March 31, 2022
Weighted average grant date fair value, per share (in ₹)	₹896
Weighted average Exercise price, per share (in ₹)	₹1095
Assumptions used:	
Expected volatility	36.3%
Expected lives (in years)	4.60
Average Risk-free interest rate	6.14%
Expected dividend yield	0.86%

Expected volatility during the expected term of the options is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during 5 years before the date of Measurement. The Group believes that such measure of volatility is currently the best available indicator of the expected volatility used in these estimates.

The expected life of the PSU is estimated based on the vesting term and contractual term of the ESOP, as well as expected exercise behavior of the employee who receives the PSU.

Risk-free interest rates are determined using the implied yield currently available for India government issues with a remaining term equal to the expected life of the options.

Expected dividend yields are based on the annualised approved dividend rate and the market price of Holding Company's common stock at the time of grant. No assumption for a future dividend rate change is included unless there is an approved plan to change the dividend in the near term.

The fair value per share of ESOP is determined based on the closing price of holding Company's share on the date of grant.

C Share based payment expense recognised in the Statement of Profit and Loss in respect of the above plans is as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Share based payment expense	2,230.59	-

D Share based payment reserve and Share based payment liability recognised in the balance sheet in respect of the above plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Share based payment liability	166.38	-
Share based payment reserve	2,064.21	-



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as at March 31, 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Note 48: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ associates/ joint ventures.

Name of enterprises	Net assets i.e. total assets minus total liability		Share in profit/(loss) for the year		Share in other comprehensive income		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Parent Company								
PDS Limited	23.16%	20,201.12	26.89%	6,678.84	0.60%	16.57	24.25%	6,695.41
Indian subsidiaries								
Technocian Fashions Private Limited	0.16%	137.08	0.51%	126.10	0.00%	-	0.46%	126.10
PDS Brands Private Limited	0.00%	0.67	0.00%	(0.33)	0.00%	-	0.00%	(0.33)
S.O.T Garments Private Limited	0.53%	461.55	0.09%	22.43	(0.07%)	(1.92)	0.07%	20.51
DIZBI Private Limited	0.07%	62.44	0.11%	26.36	0.00%	-	0.10%	26.36
Norlanka Brands Private Limited	(0.11%)	(94.80)	(0.30%)	(74.72)	0.00%	-	(0.27%)	(74.72)
Foreign subsidiaries								
Multinational Textile Group Limited	45.68%	39,851.57	82.64%	20,529.72	(4.78%)	(132.42)	73.87%	20,397.30
PDS Ventures Limited (Formerly known as Multitech Venture Limited)	15.95%	13,913.76	0.32%	78.46	48.65%	1,348.73	5.17%	1,427.19
PDS Sourcing Limited (Formerly known as Global Textiles Group Limited)	3.78%	3,294.81	9.86%	2,450.34	0.00%	-	8.87%	2,450.34
PDS Global Investments Limited	0.04%	32.97	0.00%	-	0.00%	-	0.00%	-
PDS Manufacutring Limited	(0.01%)	(8.42)	(0.02%)	(4.59)	0.00%	-	(0.02%)	(4.59)
Spring Design Lonodon Limited	(0.48%)	(420.85)	(1.73%)	(430.33)	0.00%	-	(1.56%)	(430.33)
Techno Design GmbH	(0.13%)	(117.06)	(2.09%)	(517.99)	0.00%	-	(1.88%)	(517.99)
Pro Trusted Med Tech Limited (Formerly known as FX Import Hong Kong Limited)	(0.37%)	(321.40)	(0.07%)	(18.18)	0.00%	-	(0.07%)	(18.18)
PG Group Limited	4.30%	3,752.78	6.04%	1,501.04	(0.12%)	(3.40)	5.42%	1,497.64
PDS Smart Fabric Tech Limited (Formerly known as Fullhouse Manufacturing Limited)	0.50%	438.87	(1.89%)	(470.52)	0.00%	-	(1.70%)	(470.52)
Norwest Industries Limited and its subsidiaries	80.83%	70,512.77	69.17%	17,182.14	23.51%	651.89	64.58%	17,834.03
Progress Manufacturing Group Limited	(6.59%)	(5,750.15)	(0.94%)	(233.36)	1.31%	36.40	(0.71%)	(196.96)
Progress Apparels (Bangladesh) Limited	(10.49%)	(9,150.94)	(8.68%)	(2,156.39)	1.31%	36.34	(7.68%)	(2,120.05)
Green Apparel Industries Limited	(5.85%)	(5,104.29)	(2.22%)	(551.82)	0.00%	-	(2.00%)	(551.82)
Green Smart Shirts Limited	9.60%	8,378.97	(0.20%)	(50.42)	0.00%	-	(0.18%)	(50.42)
PDS Asia Star Corporation Limited and its subsidiaries	2.85%	2,489.37	3.60%	893.28	0.00%	-	3.23%	893.28
Simple Approach Limited and its subsidiaries	4.29%	3,743.92	3.18%	789.76	0.00%	-	2.86%	789.76
Zamira Fashions Limited and its subsidiaries	1.00%	876.22	1.76%	436.92	0.00%	-	1.58%	436.92
Poeticgem International Limited	0.72%	629.43	6.76%	1,678.06	0.00%	-	6.08%	1,678.06

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(All amounts in ₹ lakhs, unless otherwise stated)

Note 48: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/ associates/ joint ventures. (Contd.)

Name of enterprises	Net assets i.e. total assets minus total liability		Share in profit/(loss) for the year		Share in other comprehensive income		Share in total comprehensive income	
	As % of total	Amount	As % of total	Amount	As % of total	Amount	As % of total	Amount
Grupo Sourcing Limited and its subsidiaries	0.17%	146.55	0.33%	82.71	0.00%	-	0.30%	82.71
Techno Design HK Limited	4.75%	4,147.12	13.87%	3,444.40	0.00%	-	12.47%	3,444.40
Blueprint Design Limited	(3.70%)	(3,225.90)	(0.01%)	(3.52)	0.00%	-	(0.01%)	(3.52)
Poetic Brands Limited	1.89%	1,650.61	3.35%	831.64	0.00%	-	3.01%	831.64
FX Import Company Limited	(0.59%)	(514.83)	0.23%	57.45	0.00%	-	0.21%	57.45
Poeticgem Limited	11.40%	9,947.81	1.32%	327.14	1.60%	44.35	1.35%	371.49
Poetic Knitwear Limited	(0.81%)	(706.61)	(0.01%)	(2.07)	0.00%	-	(0.01%)	(2.07)
Design Arc UK Limited	0.61%	536.52	1.60%	398.48	0.00%	-	1.44%	398.48
Pacific Logistics Limited	(0.46%)	(399.01)	(0.02%)	(5.28)	0.00%	-	(0.02%)	(5.28)
Casa Forma Limited	0.02%	14.76	(0.06%)	(15.05)	0.00%	-	(0.05%)	(15.05)
PDS Fashion Limited	0.18%	160.99	(1.71%)	(425.93)	0.00%	-	(1.54%)	(425.93)
Recovered Clothing Limited	(0.14%)	(125.49)	0.44%	109.08	0.00%	-	0.40%	109.08
Multinational OSG Services Bangladesh Private Limited	0.76%	662.86	(0.47%)	(117.78)	0.00%	-	(0.43%)	(117.78)
Design Arc FZCO	(0.30%)	(262.04)	(0.20%)	(48.57)	0.00%	-	(0.18%)	(48.57)
Kleider Sourcing FZCO	0.88%	770.09	6.15%	1,526.60	0.00%	-	5.53%	1,526.60
Spring Near East FZCO	2.17%	1,895.90	2.35%	582.95	0.00%	-	2.11%	582.95
Twins Asia FZCO	1.15%	999.35	2.53%	627.25	0.00%	-	2.27%	627.25
Clover Collections FZCO	1.22%	1,064.86	4.13%	1,026.64	0.00%	-	3.72%	1,026.64
Poeticgem International FZCO	(0.12%)	(108.36)	(0.51%)	(126.83)	0.00%	-	(0.46%)	(126.83)
PDS Multinational FZCO	(9.92%)	(8,655.53)	(0.48%)	(118.32)	0.00%	-	(0.43%)	(118.32)
PG Capital FZE	0.08%	65.68	0.21%	51.68	0.00%	-	0.19%	51.68
Techno Sourcing BD Limited	0.45%	395.99	0.92%	229.65	0.00%	-	0.83%	229.65
Techno Design USA LLC	(0.14%)	(121.55)	(0.19%)	(47.45)	0.00%	-	(0.17%)	(47.45)
Foreign associates								-
Sourcing Solutions Europe BVPA	0.31%	270.91	(0.64%)	(157.97)	0.00%	-	(0.57%)	(157.97)
Loop Digital Wardrobe Ltd	0.20%	172.64	(0.14%)	(34.62)	0.00%	-	(0.13%)	(34.62)
GWD Enterprises Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign joint ventures								-
Upcycle Labs Limited (Ertswile known as Filkor Ltd)	0.70%	610.92	(0.10%)	(25.62)	0.00%	-	(0.09%)	(25.62)
Sourcing Solutions Limited	0.00%	-	0.44%	109.15	0.00%	-	0.40%	109.15
Yellow Octopus EU Sp. z o.o. sp.K.	9.87%	8,608.79	0.21%	51.21	0.00%	-	0.19%	51.21
	190.07%	1,65,813.42	226.29%	56,211.82	72.02%	1,996.54	210.80%	58,208.36
Non-controlling interest in subsidiaries	(7.29%)	(6,360.24)	(17.88%)	(4,441.10)	(21.11%)	(585.34)	(18.20%)	(5,026.44)
Intercompany elimination and consolidation adjustments	(82.77%)	(72,212.99)	(108.41%)	(26,929.73)	49.10%	1,361.08	(92.60%)	(25,568.65)
Grand-total		87,240.19		24,840.99		2,772.28		27,613.27



Notes to the Consolidated Financial Statements

as at March 31, 2022

Note 49: Covid-19

The spread of COVID-19 had severely impacted businesses around the globe in FY 2020 and FY 2021. As a result, the operations of the Group were impacted in these financial years with a series of lockdowns announced by the Governments of respective countries. However, in the FY21-22, the Group has carried out its business activities without any significant limitations imposed due to COVID 19. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business and believes that it has sufficient financial resources to operate for the next twelve months.

Note 50: Others

- (a) In the view of management, no material events have occurred between the Balance Sheet date to the date of issue of these consolidated financial statements that could affect the values stated in the financial statements as at March 31, 2022.
- (b) Figures have been rounded off to the nearest lakhs except otherwise stated.

As per our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of Board of Directors of **PDS Limited**
(Formerly *PDS Multinational Fashions Limited*)

Aasheesh Arjun Singh
Partner
Membership Number: 210122

Deepak Seth
Chairman & Non-Executive Director
DIN 00003021

Pallak Seth
Vice Chairman & Non-Executive Director
DIN 00003040

Sanjay Jain
Chief Executive Officer

Ashish Gupta
Chief Financial Officer

Abhishekh Kanoi
Head of Legal & Company Secretary
M. No. FCS 9530

Mumbai, India
May 16, 2022

Mumbai, India
May 16, 2022

NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the Members of **PDS Limited** (Formerly *PDS Multinational Fashions Limited*) will be held on **Friday, the 29th day of July, 2022 at 2:30 P.M. (IST)** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") Facility, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To declare the final dividend of ₹23.85/- (Rupees Twenty-Three and Eighty-Five Paise Only) per share for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. Pallak Seth (DIN: 00003040) who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **APPROVAL FOR SUB-DIVISION OF EQUITY SHARES OF THE COMPANY HAVING FACE VALUE OF RS. 10/- PER SHARE TO ₹2/- PER SHARE**

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

"RESOLVED THAT pursuant to the provisions of Section 61(1)(d) and the other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s) and consent(s) as may be required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable laws, rules and regulations for the time being in force, if any, prescribed by any relevant authorities from time to time, to the extent, the approval of the members of the Company be and is hereby accorded for the sub-division of 1 (One) Equity Share of the Company having face value of ₹10/- (Rupees Ten only) each fully paid-up into 5 (Five) Equity Shares having face value of ₹2/- (Rupees Two only) each fully paid-up, with effect from the 'Record date' to be determined by the Board of Directors or any Committee thereof, for this purpose.

RESOLVED FURTHER THAT pursuant to sub-division of equity shares of the Company, the Authorised, Issued, Subscribed and Paid-up Equity Share Capital of 1 (One)

Equity Share of face value of ₹10/- (Rupees Ten only) each fully paid-up shall stand sub-divided into 5 (Five) Equity Shares of face value of ₹2/- (Rupees Two only) each fully paid-up as existing on the Record Date and shall rank pari-passu in all respects with each other and carry the same rights as to the existing fully paid-up equity share of ₹10/- (Rupees Ten only) each of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make appropriate adjustments due to sub-division of Equity Shares to the outstanding options granted to the employees of the Company under PDS Limited - Employee Stock Option Plan, pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and any amendments thereto from time to time, such that the exercise price for all outstanding options as on the 'Record Date' (as determined by the Board/Committee thereof) shall be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on the Record Date shall be appropriately adjusted.

RESOLVED FURTHER THAT upon the sub-division of the equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares of the face value of ₹10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and to be of no effect on and from the Record Date and the Company may without requiring the surrender of the existing share certificate(s) directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing issued share certificate(s) and in case of the equity shares held in dematerialized form, the number of sub-divided equity shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the equity shares of the Company before sub-division and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing equity shares of the Company.

RESOLVED FURTHER THAT Board of Directors and Company Secretary of the Company be and are hereby severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the sub-division of equity shares, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the subdivision of shares including execution and filing of all the relevant documents with the Stock Exchanges, Depositories and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."



5. **APPROVAL FOR ALTERATION IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

“RESOLVED THAT pursuant to Section 13, Section 61 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment or re-enactment thereof for the time being in force), and the rules framed thereunder, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as approved by the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for amendment of the existing “Clause V” of the Memorandum of Association of the Company by substituting with the following clause:

“The Authorized Share Capital of the Company is ₹28,00,00,000/- (Rupees Twenty Eight Crores) divided into 14,00,00,000 (Fourteen Crore) Equity Shares of face value of ₹2/- (Rupees Ten) each”

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary including but not limited to delegate all or any of the powers herein vested in them to any person or persons, as deemed expedient to give effect to this resolution.”

By Order of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Place: Mumbai, India

Date: June 1, 2022

Abhishekh Kanoi

Head of Legal & Company Secretary
ICSI Membership No.: F-9530

Regd. Office:

No. 758 & 759, 2nd Floor, 19th Main,
Sector-2, HSR Layout Bengaluru – 560102.

E-mail: investors@pdsmultinational.com

Website: www.pdsmultinational.com

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and in accordance with the General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020;; 02/2021 dated January 13, 2021; 19/2021 dated December 8, 2021 ;21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 respectively issued by the Ministry of Corporate Affairs (“MCA”) (hereinafter referred as “MCA Circulars”) and Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD 2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (“SEBI Circulars”) and in compliance with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 11th Annual General Meeting (AGM) of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 11th AGM shall be Registered Office of the Company.
2. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
3. The relevant details, pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed as **Annexure-I**.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate members intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. authorizing its representatives to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting, by e-mail to investors@pdsmultinational.com.
6. The Members may join the 11th AGM through VC/OAVM Facility by following the procedure mentioned herein below in the Notice which shall be kept open for the Members from 2:15 P.M. IST i.e. 15 (fifteen) minutes before the time scheduled to start the 11th AGM and the Company may close the window for joining the VC/OAVM Facility 15 (fifteen) minutes after the scheduled time to start the 11th AGM. Members may note that the VC/OAVM Facility, allows participation of at least 1,000 Members on a ‘first come first served’ basis. The large Shareholders (i.e. shareholders holding 2% or more), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. can attend the 11th AGM without any restriction on account of ‘first come first served’ basis.
7. The attendance of the Members participating in the 11th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. Friday, July 22, 2022.
9. Electronic copy of the Annual Report for the financial year 2021-22 is being sent to all the members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, hard copies of the Annual Report for the financial year 2021-22 are being sent in the permitted mode.

Electronic copy of the Notice of the 11th AGM of the Company, inter-alia, indicating the process and manner of electronic voting (“e-voting”) is being sent to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, hard copies of the Notice of the 11th AGM of the Company, inter-alia, indicating the process and manner of e-voting are being sent in the permitted mode.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2021-22 and Notice of the 11th AGM of the Company, may send request to the Company’s email address at investors@pdsmultinational.com mentioning Foilo No./DP ID and Client ID.
10. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the MCA Circulars and SEBI Circulars, the Annual Report including Notice of the 11th AGM of the Company will also be available on the website of the Company at www.pdsmultinational.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of Link Intime India Private Limited (“LinkIntime”) at <https://instavote.linkintime.co.in>.
11. Pursuant to Section 91 of the Act, the Register of Members of the Company will remain closed from July 23, 2022 to July 29, 2022 (both the days inclusive).



12. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent, LinkIntime at their address – Noble Heights, 1st floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi – 110058; Email – delhi@linkintime.co.in.
13. Members must quote their Folio No./Demat Account No. and contact details such as e-mail address, contact no. etc. in all their correspondence with the Company's Registrar and Share Transfer Agent, LinkIntime.
14. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. **On or after 1st April 2023, in case any of the above cited documents/details are not available in the Folio(s)**, RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.pdsmultinational.com.
15. The Registers maintained under Section 170 & 189 of the Act and all relevant documents as referred in the Notice calling the AGM and the Explanatory Statement will be available electronically for inspection by the Members upto the date of AGM. Members seeking to inspect such documents can send an email to investors@psdmultinational.com.
16. In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 01, 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.
17. Pursuant to demerger, the unclaimed shares lying in the Suspense Account of the Company has not been claimed for 7 (seven) consecutive years or more from the date of declaration, are also required to be transferred to an IEPF.

Members who have not claimed their shares are advised to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in accordance with the prescribed procedure under the IEPF Rules.
18. Members who wish to obtain any information on the Company or view the financial statements for the financial year ended March 31, 2022 send their queries at investors@psdmultinational.com at least 7 (Seven) days before the date of 11th AGM. The same will be replied by/on behalf of the Company suitably.
19. Members who have not registered their E-mail address so far are requested to register their e-mail for receiving all communications including Annual Report, Notices and Circulars etc. from the Company electronically. Members can do this by updating their email addresses with their depository participants.
20. In case of joint holders attending the 11th AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
21. **DIVIDEND**
The Board of Directors has recommended Final Dividend of ₹23.85/- per Equity Share of ₹10/- each for the year ended March 31, 2022, subject to the approval of the shareholders at the 11th AGM. Pursuant to the provisions of Section 123 of the Companies Act, 2013, the payment of final dividend on equity shares, upon declaration by the shareholders at the Annual General Meeting, will be made on or before Saturday, August 27, 2022, as under:
 - a. to all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL) at the closure of business hours on July 22, 2022 and
 - b. to all those shareholders holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on July 22, 2022.
 - c. Payment of Dividend through electronic means
 - To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in electronic mode through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility of electronic remittance are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9-digit MICR and 11-digit IFS Code), along with their Folio Number and original cancelled cheque leaf bearing the name of the first-named shareholder as account holder, to the Company's Registrar and Share Transfer Agent - LinkIntime.
 - Members holding shares in electronic form are requested to provide the said details to their respective Depository Participants.
 - Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.

The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the respective Depository Participant of the Members.

- Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Share Transfer Agent.
- Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act:

For Resident Shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number ("PAN")	10% or as notified by the Government of India
Members not having PAN/valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2022-23 does not exceed ₹5,000 and also in cases where members provide Form 15G/ Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of

dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate for financial year 2022-23 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member

In case of Foreign Institutional Investors/Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents can be downloaded from LinkIntime's website at <https://linkintime.co.in/client-downloads.html> on general tab and are required to be uploaded on the LinkIntime's portal at <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before 5 pm (IST), July 22, 2022, to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Incomplete and/or unsigned forms and declarations will not be considered by the Company. Any communication on the tax determination/ deduction received post 5:00 pm (IST) July 22, 2022 shall not be considered. All communications/queries in this respect should be addressed to our RTA, LinkIntime to its email address at delhi@linkintime.co.in. The Company will arrange to email a soft



copy of the TDS Certificate at the shareholders registered email ID post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

- Members holding shares in physical form are advised to furnish, on or before July 22, 2022, particulars of their bank account, if not done already or if it has changed, to the Company to incorporate the same in the dividend warrants/ payment instruments.
- Section 72 of the Act provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by LinkIntime on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government

The Company has been sending reminders to members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded on the website of the Company at www.pdsmultinational.com. Members who have not encashed Final Dividend 2021 declared by the Company, are advised to write to the Company immediately.

22. VOTING

In compliance with provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its Members the facility to cast their votes either for or against each resolutions set forth in the Notice of the 11th AGM using electronic voting system ('remote e-voting') and e-voting (during the 11th AGM), provided by LinkIntime and the business may be transacted through such voting.

Only those Members who will be present in the 11th AGM through VC/OAVM facility and 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 e-voting system during the 11th AGM.

The voting period begins Tuesday, July 26, 2022 (9.00 A.M. IST) and ends on Thursday, July 28, 2022 (5.00 P.M. IST). During this period, Members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Friday, July 22, 2022 may cast their votes electronically. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of 11th AGM and holds shares as of the cut-off date i.e. Friday, July 22, 2022, may obtain the login ID and password by sending a request at investors@pdsmultinational.com or delhi@linkintime.co.in (RTA email id). However, if a Member is already registered with LinkIntime for e-voting, then he/she can use existing user id and password/PIN for casting the vote.

A. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>.

- ▶ Select the "**Company**" and '**Event Date**' and register with your following details: -

A. **Demat Account No. or Folio No.:** Enter your 16 digit Demat Account No. or Folio No.

- Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. **Mobile No.:** Enter your mobile number

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

B. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

- a. Shareholders who would like to speak during the meeting must register their request 7(Seven) days in advance i.e. on or before Friday, July 22, 2022, with the company on the specific email id i.e. investors@pdsmultinational.com.
- b. Shareholders will get confirmation on first cum first basis.
- c. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
- d. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
- e. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

C. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMEET and click on 'Submit'.
- c. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

- e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently

Note:

- Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.
- Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on:- Tel: 022-49186175

D. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post June 9, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.



LOGIN METHOD – FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE/PHYSICAL MODE IS GIVEN BELOW:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> 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. 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 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.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/members holding shares in physical form shall provide Event No. + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour/Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour/Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

FOR INSTITUTIONAL SHAREHOLDERS:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE & EVOTING SERVICE PROVIDER IS LINKINTIME, HAVE FORGOTTEN THE PASSWORD:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/members is having valid email address, Password will be sent to his/her registered e-mail address.
- Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH NSDL/ CDSL HAVE FORGOTTEN THE PASSWORD:

- Shareholders/members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE:

In case shareholders/members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 22-23058542-43.

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE/ INSTITUTIONAL SHAREHOLDERS & EVOTING SERVICE PROVIDER IS LINKINTIME:

In case shareholders/members holding securities in physical mode/Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on:- Tel: 022-4918 6000.

23. Mr. Mohit Maheshwari, Partner (C.P. No. 19946) or failing him Mr. Ankush Agarwal, Partner (C.P. No. 14486) of MAKS & Co., Practicing Company Secretaries (FRN: P2018UP067700) have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the remote e-voting process at the 11th AGM in a fair and transparent manner.
24. The Scrutinizer shall, immediately after the conclusion of voting at the 11th AGM, first count the votes cast during the 11th AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the 11th AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company (www.pdsmultinational.com) and on the website of LinkIntime (<https://instavote.linkintime.co.in>) immediately. The result will also be displayed on the Notice Board of the Company at its Registered Office. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the 11th AGM i.e. July 29, 2022.
25. Section 72 of the Act provides for Nomination by the Members of the Company in the prescribed Form No. SH-13 for shares held in physical form. Blank forms will be supplied by LinkIntime on request. Members holding shares in dematerialized form may contact their respective Depository Participants for recording of nomination.

By Order of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Abhishekh Kanoi

Place: Mumbai, India
Date: June 1, 2022

Head of Legal & Company Secretary
ICSI Membership No.: F-9530

Regd. Office:
No. 758 & 759, 2nd Floor, 19th Main,
Sector-2, HSR Layout Bengaluru – 560102.
E-mail: investors@pdsmultinational.com
Website: www.pdsmultinational.com



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 & 5:

SUB-DIVISION OF EQUITY SHARES HAVING FACE VALUE OF ₹10/- PER SHARE TO ₹2/- PER SHARE AND CORRESPONDING AMENDMENTS IN MEMORANDUM OF ASSOCIATION OF THE COMPANY

The Equity Shares of your Company are listed and are being actively traded on the Bombay Stock Exchange (“BSE Limited”) and National Stock Exchange of India Limited (“NSE”). The Company’s strong performance and faith of investors since its listing has led the significant rise in the market price of the equity shares of the Company enhancing the shareholders wealth. With a view to enhance the liquidity in the capital market and encourage the participation of small investors by making equity shares of the Company more affordable, the Board of Directors (“Board”) at its Meeting held on June 1, 2022 considered and approved the sub-division of 1 (One) Equity Share of the Company having face value of ₹10/- (Rupees Ten only) each fully paid-up into 5 (Five) Equity Shares having face value of ₹2/- (Rupees Two only) each fully paid-up subject to the approval of the Members of the Company.

Details of Sub-division are as follows:

Share Capital	PRE-SPLIT		POST -SPLIT	
	No. of Shares	Amount (in ₹)	No. of Shares	Amount (in ₹)
Authorized Share Capital	2,80,00,000 (Two Crore Eighty Lakhs) Equity Shares of ₹10/- (Rupees Ten) each	₹28,00,00,000 (Rupees Twenty-Eight Crores Only)	14,00,00,000 (Fourteen Crores) Equity Shares of ₹2/- (Rupees Two) each	₹28,00,00,000 (Rupees Twenty-Eight Crores Only)
Issued, Paid-Up & Subscribed Share Capital	2,60,96,724 (Two Crore Sixty Lakhs Ninety-Six Thousand Seven Hundred and Twenty-Four Only) Equity Shares of ₹10/- (Rupees Ten) each	₹26,09,67,240 (Rupees Twenty-Six Crore Nine Lakhs Sixty-Seven Thousand Two Hundred and Forty Only)	13,04,83,620 (Thirteen Crore Four Lakh Eighty-Three Thousand Six Hundred and Twenty Only) Equity Shares of ₹2/- (Rupees Two) each	₹26,09,67,240 (Rupees Twenty-Six Crore Nine Lakhs Sixty-Seven Thousand Two Hundred and Forty Only)

The sub-division of Equity Shares of face value of ₹10/- each as aforesaid would require consequential amendments to the existing Clause V of the Memorandum of Association (**MOA**) of the Company. A copy of the MOA and AOA of the Company along with the proposed amendments shall be open for public inspection at the registered office of the Company and on the Company’s website for electronic inspection up to the date of AGM.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested (financial & otherwise), in the resolution set out in Item No. 4 & 5 of the AGM Notice.

The Board recommends passing of the resolution set out at Item No. 4 & 5 for the approval of the members of the Company by way of Ordinary Resolution.

Annexure-I

(for Item No. 3)

DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT FURNISHED PURSUANT TO REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF THE SECRETARIAL STANDARD-2

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting

Name of Director	Mr. Pallak Seth
DIN	00003040
Date of Birth	August 13, 1977
Nationality	Indian
Age	44 years
Qualification(s)	Bachelor of Arts Degree in Economics and International Business with Magna Cum Laude distinction from Northwestern University, USA.
Experience (including expertise in specific functional area) / Brief Profile	Mr. Pallak Seth is a serial entrepreneur. At the age of 21, he started his entrepreneurial journey by setting up an apparel sourcing business in Hong Kong. In 1999, he established Norwest Industries, which has today diversified as PDS Limited. He supports ambitious founders to solve market frictions, leveraging technology as an angel investor alongside trusted partner. He had co-invested alongside many investors such as Sequoia Capital, Social Capital, Sherpa Ventures, Storm Ventures, Sierra Ventures and helped entrepreneurs through customers, co-investors, and partner introductions.
Date of first Appointment on the Board	April 6, 2011
Details of Shareholding the Company as on March 31, 2022	2,78,838 Equity shares
Directorship held in other Companies as on March 31, 2022	Directorships in Venugram Fit Agro Private Limited
Relationship with Directors and Key Managerial Personnel	Son of Mr. Deepak Seth and Mrs. Payel Seth, Non-Executive and Non-Independent Director
No. of Board Meetings attended in FY 2021-22	6
Terms and conditions of re-appointment	No special perquisites or benefits as a Director. All terms and conditions of appointment as per applicable policies of the Company. As a Director he is liable to retire by rotation
Details of last drawn remuneration and proposed remuneration	Not Applicable
Memberships/Chairmanships of Committees of other companies	NIL
Number of Stock Options	Not Applicable

By Order of the Board of Directors
for **PDS Limited**
(Formerly PDS Multinational Fashions Limited)

Abhishekh Kanoi

Head of Legal & Company Secretary
ICSI Membership No.: F-9530

Place: Mumbai, India
Date: June 1, 2022

Regd. Office:
No. 758 & 759, 2nd Floor, 19th Main,
Sector-2, HSR Layout Bengaluru – 560102.
E-mail: investors@pdsmultinational.com
Website: www.pdsmultinational.com

Corporate Information

Board of Directors

Mr. Deepak Seth (Chairman)
Non-Executive Non-Independent Director

Mr. Pallak Seth (Vice-Chairman)
Non-Executive Non-Independent Director

Mrs. Payel Seth
Non-Executive Non-Independent Director

Mr. Parth Gandhi
(appointed w.e.f. May 27, 2021)
Non-Executive Non-Independent Director

Mr. Mungo Park
(appointed w.e.f. November 9, 2021)
Independent Director

Mr. Robert Sinclair
(appointed w.e.f. November 9, 2021)
Independent Director

Ms. Yael Gairola
(appointed w.e.f. December 8, 2021)
Independent Director

Mr. Nishant Parikh
(appointed w.e.f. December 8, 2021)
Independent Director

Mr. Ashok Kumar Chhabra
(resigned at the close of business hours on November 9, 2021)
Independent Director

Mr. Ashok Kumar Sanghi
(resigned at the close of business hours on November 9, 2021)
Independent Director

Dr. Ashutosh Bhupatkar
(resigned at the close of business hours on December 8, 2021)
Independent Director

Ms. Saraswathy Venkateswaran
(resigned at the close of business hours on March 14, 2022)
Independent Director

Key Managerial Personnels

Mr. Sanjay Jain
Chief Executive Officer

Mr. Ashish Gupta
(appointed w.e.f. May 28, 2021)
Chief Financial Officer

Mr. Ajai Singh
(resigned at the close of business hours on May 27, 2021)
Chief Financial Officer

Mr. Abhishekh Kanoi
Head of Legal & Company Secretary

Corporate Identity Number (CIN)

L18101KA2011PLC094125

Registered Office

No. 758 & 759, 2nd Floor,
19th Main, Sector-2
HSR Layout, Bengaluru – 560102
Karnataka, India

Corporate Office

Unit No.971,
Solitaire Corporate Park,
Andheri – Ghatkopar Link Road
Andheri (East), Mumbai – 400093
Maharashtra, India

Registrar & Share Transfer Agent

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2
C-1 Block LSC, Near Savitri Market
Janakpuri, New Delhi – 110058
Tel.: (011) 41410592, 93, 94
Fax: (011) 41410591
E-mail: delhi@linkintime.co.in

Statutory Auditors

Walker Chandio & Co LLP
(Firm Registration No.:
001076N/N500013)

Secretarial Auditors

MAKS & Co., Practicing Company
Secretaries
(Firm Registration No.:
P2018UP067700)

Bankers

The Hongkong and Shanghai
Banking Corporation Limited,
India

Axis Bank Limited

Audit Committee

(re-constituted w.e.f. December 8, 2021)

Ms. Yael Gairola
Chairperson

Mr. Deepak Seth
Member

Mr. Nishant Parikh
Member

Mr. Mungo Park
Member

Nomination & Remuneration Committee

(re-constituted w.e.f. December 8, 2021)

Mr. Robert Sinclair
Chairman

Ms. Yael Gairola
Member

Mr. Parth Gandhi
Member

Stakeholders' Relationship Committee

(re-constituted w.e.f. December 8, 2021)

Mr. Parth Gandhi
Chairman

Mr. Deepak Seth
Member

Mr. Robert Sinclair
Member

Corporate Social Responsibility Committee

(re-constituted w.e.f. December 8, 2021)

Mr. Mungo Park
Chairman

Mr. Parth Gandhi
Member

Mr. Pallak Seth
Member

Risk Management Committee

(re-constituted w.e.f. December 8, 2021)

Mr. Nishant Parikh
Chairman

Mr. Parth Gandhi
Member

Mr. Deepak Seth
Member

Mr. Pallak Seth
Member

Mr. Sanjay Jain
Member

Mr. Ashish Gupta
Member

Mr. Suresh Punjabi
Member



Global | Collaborative | Digital | Ethical

CORPORATE OFFICE

Unit No. 971, Solitaire
Corporate Park,
Andheri – Ghatkopar Link Road
Andheri (East), Mumbai – 400093
Maharashtra, India
www.pdsmultinational.com